



2012-13 BUDGET

BUDGET STATEMENTS

Budget Paper No. 2

Volume 2

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 17 MAY 2012**

2012-13 Budget Statements
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CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

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Further information pertaining to the 2012-13 Budget Statements can be found in the associated Reader's Guide to the Budget Statements which can be accessed at the Western Australian State Budget website: <http://ourstatebudget.wa.gov.au>.

Part 8

Minister for Finance; Commerce; Small Business

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
439	Finance			
	- Delivery of Services.....	236,772	299,083	308,631
	- Administered Grants, Subsidies and Other Transfer Payments.....	264,004	238,861	263,738
	- Capital Appropriation.....	144,068	93,906	40,352
	Total	644,844	631,850	612,721
459	Commerce			
	- Delivery of Services.....	139,978	148,116	112,163
	- Capital Appropriation.....	1,888	1,888	1,000
	Total	141,866	150,004	113,163
471	Small Business Development Corporation			
	- Delivery of Services.....	12,277	12,751	11,994
	- Capital Appropriation.....	84	-	60
	Total	12,361	12,751	12,054
479	Registrar, Western Australian Industrial Relations Commission			
	- Delivery of Services.....	11,234	11,885	11,567
	Total	11,234	11,885	11,567
GRAND TOTAL				
	- Delivery of Services.....	400,261	471,835	444,355
	- Administered Grants, Subsidies and Other Transfer Payments.....	264,004	238,861	263,738
	- Capital Appropriation.....	146,040	95,794	41,412
	Total.....	810,305	806,490	749,505

FINANCE

PART 8 - MINISTER FOR FINANCE; COMMERCE; SMALL BUSINESS

DIVISION 39

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual ^(a) \$'000	2011-12 Budget ^(a) \$'000	2011-12 Estimated Actual ^(a) \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 62 Net amount appropriated to deliver services.....	234,428	235,785	298,027	307,317	268,919	158,514	168,514
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	953	987	1,056	1,314	1,350	1,384	1,400
Total appropriations provided to deliver services	235,381	236,772	299,083	308,631	270,269	159,898	169,914
ADMINISTERED TRANSACTIONS							
Item 63 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	221,198	137,644	135,172	152,320	294,444	183,585	197,878
Amount Authorised by Other Statutes							
- First Home Owner Grant Act 2000.....	101,970	126,360	103,689	111,418	115,218	118,793	121,795
CAPITAL							
Item 137 Capital Appropriation	52,533	144,068	93,906	40,352	11,417	15,000	60,402
TOTAL APPROPRIATIONS.....	611,082	644,844	631,850	612,721	691,348	477,276	549,989
EXPENSES							
Total Cost of Services.....	1,899,648	1,630,796	1,789,494	1,719,376	1,497,099	1,446,034	1,408,877
Net Cost of Services ^(b)	227,137	277,817	341,403	337,421	295,195	238,605	193,312
CASH ASSETS ^(c)	126,342	54,593	59,601	55,679	55,282	52,081	51,858

- (a) The 2010-11 Actual, the 2011-12 Budget and the 2011-12 Estimated Actual have been restated for comparability to account for the transfer of the newly created Public Utilities Office from the Office of Energy, and the transfer of Corporate Services from the Department of Treasury 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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
\$300 Million Savings Measures.....	-	(763)	(800)	(840)	(835)
2011 Voluntary Separation Offers	1,521	(480)	(480)	(480)	(480)
Hardship Efficiency Program	-	(13,575)	(11,235)	(13,835)	(13,835)
Administration Fee to Offset Credit Card Merchant Fees	-	1,200	1,320	1,452	1,597
Building Act 2011 Obligations	450	1,800	1,800	1,800	1,800
Building Educational Revolution Program Carryover	23,255	-	-	-	-
Decommissioning of Office of Shared Services	699	-	-	-	-
Decommissioning of Office of Shared Services - Agencies Roll-Out Costs.....	-	27,355	21,830	16,194	17,154
Decommissioning of Office of Shared Services - Process and Write Off	66,918	69,867	44,914	(56,372)	(56,072)
District Allowance.....	197	204	211	218	226
Payroll Tax Grouping Exclusion	443	1,361	1,333	1,276	1,314
Payroll Tax Relief System Charges	-	1,418	296	-	-
State Taxation Administration	-	1,767	2,480	2,548	2,613
Works Program Turnover	70,796	192,280	-	-	-
Efficiency Dividend.....	-	(4,578)	(5,713)	(6,444)	(7,867)

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 they contribute 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
	Decommissioning of Shared Services.	6. Project Management, decommissioning of the Whole-of-Government Shared Corporate Services Reform 7. Provision of Financial and Payroll Services
	Provision of corporate services.	8. Services to Government
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.	9. Leads the Planning and Delivery of New Government Buildings 10. Leads the Planning and Delivery of Government Building Maintenance 11. Leads the Planning and Delivery of Government Office Accommodation
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 affordable energy sector.	12. Development and Implementation of Energy Policy and Programs

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. State Fleet Service	82,944	93,164	86,760	86,572	84,367	84,703	84,969
2. Revenue Assessment and Collection.....	37,841	40,461	39,355	44,751	45,015	47,701	48,652
3. Grants and Subsidies Administration	3,606	3,923	4,348	4,045	4,230	4,483	4,572
4. Facilitate the Development and Management of Agency Specific Contracts.....	27,557	32,506	30,338	31,562	32,488	35,838	37,418
5. Development and Management of Whole-of-Government Common Use Contract Arrangements	9,232	10,987	14,446	14,138	14,435	15,606	16,205
6. Project Management, decommissioning of the Whole-of-Government Shared Corporate Services Reform.....	10,584	6,825	22,451	51,614	52,344	16,191	17,154
7. Provision of Financial and Payroll Services	83,163	88,825	136,462	142,424	115,436	34,743	35,043
8. Services to Government.....	8,228	9,925	9,009	7,918	8,174	10,870	11,150
9. Leads the Planning and Delivery of New Government Buildings	1,136,111	787,362	887,698	772,427	615,662	670,134	618,832
10. Leads the Planning and Delivery of Government Building Maintenance.....	221,810	203,446	222,498	229,703	210,483	214,813	221,445
11. Leads the Planning and Delivery of Government Office Accommodation.....	234,898	299,858	282,322	306,094	295,688	296,736	297,002
12. Development and Implementation of Energy Policy and Programs.....	43,674	53,514	53,807	32,706	24,490	20,660	24,302
13. Contribution to Responsible Financial Management.....	-	-	-	(4,578)	(5,713)	(6,444)	(7,867)
Total Cost of Services	1,899,648	1,630,796	1,789,494	1,719,376	1,497,099	1,446,034	1,408,877

Significant Issues Impacting the Agency

Building Management and Works

- Reducing the cost of government office accommodation is a priority for Building Management and Works (BMW). The new master planning approach to office accommodation will help manage and control growth in expenditure through the avoidance of significant accommodation costs. This is expected to come from the consolidation of accommodation into fewer buildings, reduction in the size of the average work point from 19 to 15 square metres and decentralisation from the central business district.
- BMW has achieved a marked improvement in projects being completed on time and on budget, despite a challenging building environment. It will be particularly challenging to attract and retain appropriately skilled people to manage these projects, particularly in the north of Western Australia where there is a high demand for project managers due to mining activity.

Office of Shared Services

- In December 2011, government took the decision to decommission the Office of Shared Services and to return responsibility for the provision of corporate services to agencies. It is planned that agencies will progressively transition from the current Shared Services Centre operating environment to new arrangements with the last agency transition due to occur in December 2013.
- The Shared Service Centre will operate until the last agency has transitioned in December 2013. This will require balancing the need to maintain services with the need to support staff in moving to new positions in other agencies.

State Revenue

- Efforts continue to improve customer service and simplify procedures, while maintaining the integrity of the State's revenue systems. The recent Customer Perception Survey showed an 84.0% customer satisfaction rating for the second consecutive year. A number of initiatives are planned in 2012-13 to further improve services, including the provision of a broader range of payment options and improved e-mail communication. A review of the State Revenue Customer Service Charter is also expected to be completed during the year.

Public Utilities Office

- In April 2012, the Public Utilities Office was established to provide the State Government with advice on energy policy. An important focus will be on the development of appropriate policy capability to provide high quality, objective advice on the provision of essential services.

Government Procurement

- Government Procurement has established the Funding and Contracting Services Unit to facilitate the implementation of the Delivering Community Services in Partnership Policy and associated procurement reforms. As part of the sustainable funding and contracting with the not-for-profit sector initiative, education and support is being provided to government agencies and the not-for-profit sector.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Sustainable and transparent public sector finances:					
Profitability of the State's light vehicle fleet (\$'000)	\$23,466	\$13,581	\$22,095	\$12,383	1
Outcome: Due and payable revenue is collected and eligible grants, subsidies and rebates paid:					
Extent to which due revenue is collected	90%	87%	88%	88%	2
Overdue debt as a percentage of revenue raised	1.18%	1.80%	1.21%	1.30%	3
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	85%	85%	90%	85%	4
Extent to which client agencies agree that their contract arrangements achieved value for money	90%	85%	90%	85%	5
Outcome: Decommissioning of Shared Services:					
Progress with the Decommissioning reform of the Western Australian public sector for shared services by achievement of the following milestones:					
- number of agencies rolling out by year; and	n/a	n/a	n/a	36	6
- change in Shared Services FTEs as a result of decommissioning	n/a	n/a	50	100	7
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:					
- 10% of approved budget	n/a	100%	96%	100%	8
- three months of approved timeframe	n/a	100%	74%	100%	
Planned maintenance as a percentage of the total maintenance program	n/a	45%	45%	45%	
Average office accommodation floor space per work point	n/a	18.0m ²	17.0m ²	16.0m ²	

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: A sustainable, efficient, secure and affordable energy sector:					
The extent to which policy and program development objectives for the year are achieved	81%	100%	77%	100%	9
Kilowatt hours displaced	21,807,941	16,937,368	11,400,173	16,250,000	10
Kilowatt hours avoided.....	45,688	n/a	n/a	n/a	11
Percentage of Perth metropolitan homes serviced with underground power.....	52.2%	53.5%	53.5%	54.5%	

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

Explanation of Significant Movements

(Notes)

1. The 2011-12 Estimated Actual is greater than the 2011-12 Budget reflecting the profitability of the State's light vehicle fleet through higher than anticipated revenue from lease overruns and second hand vehicle sales due to world-wide supply chain disruptions.
2. It was expected at the time of the 2011-12 Budget that collection of revenue when due would fall to 87% due to tight economic conditions and resourcing priorities preventing the timely follow up of outstanding debt.
3. The variation between the 2011-12 Estimated Actual and the 2011-12 Budget is as a result of temporary additional resources deployed in the recovery and operations area.
4. The 2011-12 Estimated Actual is higher than the 2011-12 Budget of 85% due to new and re-developed Common Use Arrangements, which have achieved better buying and cost efficiencies and a more competitive market place.
5. The 2011-12 Estimated Actual is higher than the 2011-12 Budget of 85% due to increased support provided to agencies through the initiation and implementation of several educational programs assisting agency staff with the development and management of agency specific contracts.
6. The decommissioning program commenced on 1 January 2012 with the first agency scheduled to transition out in July 2012. The indicator for 2012-13 represents the number of agencies that are planned to roll-out during 2012-13.
7. The 2011-12 Estimated Actual Full Time Equivalent (FTE) numbers relate to the transfer of staff to agencies as they resume responsibility for various Human Resource activities. The 2012-13 Budget Target is an estimate of staff that will transfer to agencies as they recommission their own corporate service functions.
8. This is the first year that results have been published for this Key Performance Indicator (KPI). The 2011-12 Estimated Actual was affected by scope movements, environmental issues, inclement weather and site conditions.
9. Departure from the target reflects the rescheduling of some projects to better align their delivery timelines with external regulatory processes and changes in government priorities.
10. Delays in bringing the Denmark Community Wind Farm into operation have resulted in the total kilowatt hours displaced being 6,000,000 KWh below target. The wind farm is expected to be operational in 2012-13.
11. The Regional Energy Efficiency Program, which was the only program contributing to this indicator, closed in 2010-11.

Services and Key Efficiency Indicators

1: State Fleet Service

The financing and leasing of some 11,000 passenger and light commercial vehicles to State Government agencies and the management of government vehicle fleet policy.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	82,944	93,164	86,760	86,572	
Less Income	105,694	107,340	108,502	98,633	
Net Cost of Service.....	(22,750)	(14,176)	(21,742)	(12,061)	
Employees (Full Time Equivalents).....	8	13	11	11	
Efficiency Indicators					
Average Cost per Vehicle of Financing and Managing the State Fleet Service	\$84	\$131	\$115	\$132	1

Explanation of Significant Movements

(Notes)

1. The average cost per vehicle in the 2012-13 Budget Target is greater than the 2011-12 Estimated Actual and reflects an anticipated reduction in fleet size.

2: Revenue Assessment and Collection

The assessment and collection of a range of statutory-based revenue, including duties, land tax and payroll tax, and those that are collected on behalf of other agencies (e.g. Perth Parking Licence fees on behalf of Department of Transport) or other jurisdictions (e.g. collection of a range of taxes for the Commonwealth in the Indian Ocean Territories).

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	37,841	40,461	39,355	44,751	
Less Income	3,065	3,400	2,900	4,485	
Net Cost of Service.....	34,776	37,061	36,455	40,266	
Employees (Full Time Equivalents).....	221	248	240	268	
Efficiency Indicators					
Average Cost per Land Tax Item Assessed	\$10.14	\$11.07	\$10.79	\$11.63	
Average Cost per Insurance Duty Client	\$629.51	\$808.66	\$731.29	\$956.33	1
Average Cost per Payroll Tax Client	\$508.65	\$543.33	\$482.98	\$674.89	2
Average Cost per Duties Instrument Assessed Manually.....	\$89.39	\$129.23	\$156.94	\$179.97	3
Average Cost per Duties Instrument Assessed Electronically.....	\$34.26	\$16.61	\$33.70	\$24.53	3

Explanation of Significant Movements

(Notes)

1. The relatively small number of clients and increase in total budget allocation has resulted in a higher estimated cost per client in 2012-13.
2. The increased cost in 2012-13 is due to an increased budget allocation to implement and administer changes to government policy settings.
3. The total number of duties instruments estimated to be lodged manually and electronically in 2011-12 was lower than estimated at budget time due to subdued property market activity. The average number of documents being assessed is expected to increase marginally in 2012-13 as property market activity recovers. With clients shifting from manual lodgement to electronic lodgement of instruments there will be a decrease in manual instruments.

3: Grants and Subsidies Administration

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 3,606	\$'000 3,923	\$'000 4,348	\$'000 4,045	1
Less Income	292	274	242	247	
Net Cost of Service	3,314	3,649	4,106	3,798	
Employees (Full Time Equivalents).....	32	32	35	35	
Efficiency Indicators					
Average Cost per Application/Claim Processed	\$8.76	\$8.82	\$10.21	\$9.28	2

Explanation of Significant Movements

(Notes)

1. The variance between the 2011-12 Budget and 2011-12 Estimated Actual is due to additional grant officers and compliance resources.
2. The increase in average cost per claim processed between the 2011-12 Estimated Actual, relative to the 2011-12 Budget was mainly driven by higher than expected costs and moderately lower than expected pensioner concession numbers. The forecast drop in estimated average cost per claim for 2012-13 compared with the 2011-12 Estimated Actual, reflects a marginal increase in expected concessions numbers.

4: Facilitate the Development and Management of Agency Specific Contracts

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 27,557	\$'000 32,506	\$'000 30,338	\$'000 31,562	
Less Income	812	531	533	935	
Net Cost of Service.....	26,745	31,975	29,805	30,627	
Employees (Full Time Equivalents).....	222	269	256	260	
Efficiency Indicators					
Cost of Facilitating the Development and Management of Agency Specific Contracts as a Percentage of the Contract Award Value	1.9%	1.4%	1.8%	2.0%	1

Explanation of Significant Movements

(Notes)

1. The variance between the 2011-12 Budget and 2011-12 Estimated Actual is due to a number of large value contracts being awarded at a lower value than originally estimated. The 2012-13 Budget Target has increased due to an expected further reduction in large value contracts and the resulting reduction in the total contract award value.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 9,232	\$'000 10,987	\$'000 14,446	\$'000 14,138	1
Less Income	247	380	3,580	3,405	
Net Cost of Service.....	8,985	10,607	10,866	10,733	
Employees (Full Time Equivalents).....	63	82	86	83	
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	1.1%	1.2%	1.7%	1.5%	1

Explanation of Significant Movements

(Notes)

1. The variance between the 2011-12 Budget and 2011-12 Estimated Actual is due to the increased costs resulting from an internal transfer of Online Technologies to Government Procurement from the Office of Shared Services.

6: Project Management, Decommissioning of the Whole-of-Government Shared Corporate Services Reform

Following the Government's decision to decommission the Office of Shared Services, a Decommissioning Office has been established to undertake the Program and to assist client government agencies to roll-out from the Shared Services environment. It is planned all agencies will have exited Shared Services by December 2013.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 10,584	\$'000 6,825	\$'000 22,451	\$'000 51,614	1
Less Income	2,425	1,930	-	-	2
Net Cost of Service.....	8,159	4,895	22,451	51,614	
Employees (Full Time Equivalents).....	144	130	110	121	
Efficiency Indicators					
Delivery of the Decommissioning Program Within Agreed Schedule and Budget	n/a	n/a	n/a	36	3

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service for 2010-11 related to the budgeted costs of rolling-in agencies to the Shared Services program. The 2011-12 Estimated Actual and 2012-13 Budget Target amounts are for the costs of rolling-out agencies from the Shared Services program.
2. Budgeted Revenue shown in the 2011-12 Budget Papers is now included under Service 7 due to the decommissioning of Office of Shared Services.
3. The decommissioning program commenced on 1 January 2012 with the first agency scheduled to transition out in July 2012. The indicator for 2012-13 represents the number of agencies that are planned to roll-out during 2012-13.

7: Provision of Financial and Payroll Services

The Shared Services Centre is currently responsible for providing financial and payroll services to agencies that are currently rolled into Shared Services. Responsibility will continue until the last agency exits Shared Services in December 2013.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 83,163	\$'000 88,825	\$'000 136,462	\$'000 142,424	1
Less Income	19,051	22,665	21,355	32,674	
Net Cost of Service.....	64,112	66,160	115,107	109,750	
Employees (Full Time Equivalents).....	332	395	371	355	2

Explanation of Significant Movements

(Notes)

1. The significant increase in Total Cost of Service from 2011-12 Budget relates primarily to the accelerated depreciation of the Oracle system.
2. The decrease in FTE numbers from the 2011-12 Budget to 2011-12 Estimated Actual mainly reflects the internal transfer of Online Technologies to Government Procurement.

The decrease in FTE numbers from the 2011-12 Estimated Actual to 2012-13 Budget Target is due to the internal transfer to the Decommissioning Office (Service 6) and the transfer of staff to agencies as they resume responsibility for various Human Resource activities.

The FTE number for 2012-13 will reduce significantly as agencies roll-out. This decrease will be matched by a corresponding increase in the agencies' FTE numbers.

8: Services to Government

Corporate services directly provided by the Department to support the outcomes and activities of the Department of Treasury.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 8,228	\$'000 9,925	\$'000 9,009	\$'000 7,918	1
Less Income	-	22	17	17	
Net Cost of Service	8,228	9,903	8,992	7,901	
Employees (Full Time Equivalents)	34	33	28	28	

Explanation of Significant Movements

(Notes)

1. The variance between the 2011-12 Estimated Actual and 2012-13 Budget Target is due to a change in corporate cost allocation methodology and transfer of direct corporate costs to the Department of Treasury.

9: Leads the Planning and Delivery of New Government Buildings

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 1,136,111	\$'000 787,362	\$'000 887,698	\$'000 772,427	1
Less Income	1,132,732	780,220	868,874	762,122	1
Net Cost of Service	3,379	7,142	18,824	10,305	
Employees (Full Time Equivalents)	143	150	160	158	
Efficiency Indicators					
Cost as a Percentage of the Total Annual Value of the Planning and Delivery of Capital Works Projects	3.9%	4.5%	4.5%	5.1%	1

Explanation of Significant Movements

(Notes)

1. The variance between the 2010-11 Actual, 2011-12 Budget, 2011-12 Estimated Actual, 2012-13 Budget Target and efficiency indicators across the reporting period is the result of movements in the value of the Capital Works/New Buildings program delivered to government agencies. This includes the impact of the \$1.2 billion BER program which commenced in 2009-10 and is expected to be completed in 2011-12.

10: Leads the Planning and Delivery of Government Building Maintenance

Provides strategic leadership and facilitation in the planning, project management and procurement of maintenance for non-residential buildings.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	221,810	203,446	222,498	229,703	
Less Income	196,050	173,172	198,038	205,387	
Net Cost of Service.....	25,760	30,274	24,460	24,316	
Employees (Full Time Equivalents).....	185	195	220	218	
Efficiency Indicators					
Cost as a Percentage of the Annual Value of Maintenance Services					
Delivered	11.1%	10.4%	9.9%	9.3%	

11: Leads the Planning and Delivery of Government Office Accommodation

Provides strategic leadership and facilitation in the planning, project management and procurement of government office accommodation.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	234,898	299,858	282,322	306,094	1
Less Income	199,105	262,700	243,705	273,705	
Net Cost of Service.....	35,793	37,158	38,617	32,389	
Employees (Full Time Equivalents).....	47	49	53	53	
Efficiency Indicators					
Cost as a Percentage of the Value of Gross Rentals of Buildings and Office					
Accommodation Managed	11.1%	11.6%	13.6%	10.9%	2

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Services from 2010-11 arises from a combination of additional leased space, an increase in rental rates, levies and utility rates and depreciation.
2. The 2011-12 Estimated Actual is higher reflecting the one-off cost for the implementation of the Government Office Accommodation Master Plan Program.

12: Development and Implementation of Energy Policy and Programs

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 43,674	\$'000 53,514	\$'000 53,807	\$'000 32,706	1
Less Income	13,038	345	345	345	
Net Cost of Service.....	30,636	53,169	53,462	32,361	
Employees (Full Time Equivalents).....	86	91	90	88	
Efficiency Indicators					
Average Cost of Routine Policy and Program Tasks	\$3,830	\$4,400	\$4,518	\$4,500	
Average Cost of Policy Projects and Programs.....	\$69,809	\$90,000	\$65,048	\$71,300	2
Average Cost of Processing Sustainable Energy Incentive Applications	\$237	\$210	\$261	\$280	3

Explanation of Significant Movements

(Notes)

1. The reduction in the 2012-13 Budget Target compared to the 2011-12 Estimated Actual is mainly due to the closure of the Hardship Efficiency Program, and the associated funding being put towards the new Cost of Living Assistance payment.
2. During the 2011-12 financial year, the former Office of Energy has increased its total number of policy projects and programs. Simultaneously, a number of the more complex and resource intensive projects have been deferred, resulting in a reduction in the total and the average cost of policy projects and programs.
3. The variation between the 2011-12 Budget and the 2011-12 Estimated Actual relates to the average cost of processing incentives due to less schools registering for rebates and a lower number of rebate programs.

ASSET INVESTMENT PROGRAM

The Department's planned asset investment program for 2012-13 is \$212.1 million, comprising \$54.7 million for works in progress and \$157.4 million for new works. Major items under development include:

- Master Plan for Government Office Accommodation - \$31.3 million;
- Decommissioning of Office of Shared Services – Agencies Roll-Out Cost - \$11.7 million (with a total project cost of \$36.5 million);
- Revenue Collection Information Systems Replacement - \$6.2 million; and
- Cabinet Offices – \$4.5 million in 2012-13 (with a total project cost of \$25.5 million).

Asset investment on vehicle acquisitions (\$154.0 million) by State Fleet makes up most of the new expenditure scheduled in 2012-13.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Accommodation Fit-Out Projects							
Cabinet Offices	25,500	21,000	20,944	4,500	-	-	-
Master Planning Strategy - Government Office Accommodation	225,845	142,226	101,000	31,317	11,900	15,000	20,402
Computing and Office Equipment Replacement							
2004-05 to 2014-15 Online Technologies	3,644	2,904	962	264	200	276	-
Shared Services Roll-Out ^(a)	36,472	1,100	1,100	11,724	9,356	6,940	7,352
Software Development							
Revenue Collection Information System Replacement	20,677	14,469	5,860	6,208	-	-	-
Works Centre of Expertise	4,000	3,304	1,700	696	-	-	-
COMPLETED WORKS							
Computing and Office Equipment Replacement							
2011-12 Program	438	438	438	-	-	-	-
Removal of BMW Information Communications Technology (ICT) from DHW	3,200	3,200	3,200	-	-	-	-
Shared Services Establishment	212,548	212,548	5,100	-	-	-	-
ICT Replacement - 2011-12 Program	2,451	2,451	2,451	-	-	-	-
Procurement Systems Replacement							
2010-11 Program	450	450	136	-	-	-	-
2011-12 Program	450	450	450	-	-	-	-
Vehicle Acquisitions - 2011-12 Program	154,000	154,000	154,000	-	-	-	-
NEW WORKS							
Accommodation Fit-Out Projects							
St Georges Cathedral Heritage Precinct - Office Fit-Out	46,700	-	-	-	-	-	40,000
Computing and Office Equipment Replacement							
2012-13 Program	512	-	-	512	-	-	-
2013-14 Program	512	-	-	-	512	-	-
2014-15 Program	672	-	-	-	-	672	-
2015-16 Program	692	-	-	-	-	-	692
ICT Replacement							
2012-13 Program	2,388	-	-	2,388	-	-	-
2013-14 Program	240	-	-	-	240	-	-
2014-15 Program	290	-	-	-	-	290	-
2015-16 Program	250	-	-	-	-	-	250
Procurement Systems Replacement							
2012-13 Program	450	-	-	450	-	-	-
2013-14 Program	450	-	-	-	450	-	-
2014-15 Program	450	-	-	-	-	450	-
2015-16 Program	450	-	-	-	-	-	450
Server - Standard Business Reporting	72	-	-	72	-	-	-
Vehicle Acquisitions							
2012-13 Program	154,000	-	-	154,000	-	-	-
2013-14 Program	159,005	-	-	-	159,005	-	-
2014-15 Program	164,173	-	-	-	-	164,173	-
2015-16 Program	169,508	-	-	-	-	-	169,508
Total Cost of Asset Investment Program	1,390,489	558,540	297,341	212,131	181,663	187,801	238,654
Loan and Other Repayments			44,932	9,734	9,734	1,606	1,590
Total	1,390,489	558,540	342,273	221,865	191,397	189,407	240,244
FUNDED BY							
Capital Appropriation			93,026	40,352	11,417	15,000	60,402
Asset Sales			78,422	79,237	82,976	87,155	87,650
Commonwealth Grants			-	72	-	-	-
Drawdowns from the Holding Account			5,548	1,466	1,402	1,688	1,392
Internal Funds and Balances			164,177	89,014	86,246	78,624	83,448
Other			1,100	11,724	9,356	6,940	7,352
Total Funding			342,273	221,865	191,397	189,407	240,244

(a) Includes a global allocation of \$36.5 million for agencies' asset investment relating to the roll-out from Office of Shared Services.

FINANCIAL STATEMENTS

The 2010-11 Actual and 2011-12 Budget figures in the financial statements do not reflect the transfer of the newly created Public Utilities Office (PUO) from the Office of Energy and the transfer of Corporate Services from the Department of Treasury. The 2011-12 Estimated Actual figures have been adjusted to reflect PUO data from 1 April 2012.

Comparable costs for Total Cost of Services and Service Appropriations are included in the table 'Reconciliation Relating to Major Functional Transfers and Accounting Policy Changes' after the financial statements.

Income Statement

Expenses

Taking into consideration the comparable costs for the PUO, the Total Cost of Services for 2012-13 is expected to decrease by \$70.1 million (4.0%), when compared to the 2011-12 Estimated Actual. This reduction is predominately attributable to a decrease in supplies and services, and reflects reduced building activity mainly associated with expenditure on the BER program, which is anticipated to be completed in this financial year.

Income

Total Income is estimated at \$1.4 billion for 2012-13, a reduction of \$65.9 million (5.0%) compared to the 2011-12 Estimated Actual and mainly reflects the cessation of Commonwealth funding for the BER program.

Statement of Financial Position

The increase in cash assets between the 2011-12 Budget and 2011-12 Estimated Actual mainly reflects the transfer of moneys from Office of Energy for the Public Utilities Office (\$10.4 million).

The Department's Total Equity is expected to increase by \$63.9 million. This mainly reflects Non-Current Asset increases primarily associated with the Government Office Accommodation Master Planning Strategy (\$31.3 million) and the Decommissioning of Office of Shared Services – Agencies Roll-Out Cost (\$11.7 million).

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	131,489	125,472	147,026	185,319	182,423	180,322	184,753
Grants and subsidies ^(c)	-	-	17,766	12,315	5,055	52,235	235
Supplies and services	1,378,224	1,289,209	1,172,299	1,087,191	866,134	805,016	795,894
Accommodation ^(d)	208,122	7,934	231,509	243,084	255,239	268,001	281,401
Depreciation and amortisation	103,684	117,984	164,065	169,457	168,022	121,277	121,523
Efficiency dividend	-	-	-	(4,578)	(5,713)	(6,444)	(7,867)
Other expenses	26,227	26,758	23,361	26,588	25,940	25,627	32,938
TOTAL COST OF SERVICES	1,847,746	1,567,357	1,756,026	1,719,376	1,497,099	1,446,034	1,408,877
Income							
Sale of goods and services	1,357,535	1,013,292	1,110,272	1,022,340	872,612	881,497	881,508
Grants and subsidies	2,552	164	268	355	293	-	-
Other revenue	299,386	339,156	337,340	359,260	328,999	325,932	334,057
Total Income	1,659,473	1,352,612	1,447,880	1,381,955	1,201,904	1,207,429	1,215,565
NET COST OF SERVICES	188,273	214,745	308,146	337,421	295,195	238,605	193,312
INCOME FROM STATE GOVERNMENT							
Service appropriations	202,641	184,068	266,999	308,631	270,269	159,898	169,914
Resources received free of charge	12,354	44,616	13,899	13,997	14,025	14,060	14,060
Royalties for Regions Fund ^(e)	-	-	160	291	172	178	184
Other appropriations	-	-	-	26,214	20,724	16,194	17,154
TOTAL INCOME FROM STATE GOVERNMENT	214,995	228,684	281,058	349,133	305,190	190,330	201,312
SURPLUS/(DEFICIENCY) FOR THE PERIOD	26,722	13,939	(27,088)	11,712	9,995	(48,275)	8,000

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

(b) The Full Time Equivalents for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Budget Estimate are 1,517, 1,660 and 1,678 respectively. In some cases the figures for 2010-11 and 2011-12 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. The 2010-11 Actual and 2011-12 Budget have not been adjusted to reflect the transfer of functions relating to the Public Utilities Office.

(d) Office lease rentals have been reclassified from supplies and services to accommodation for 2011-12 Estimated Actual, 2012-13 Budget and forward estimates.

(e) Regional Infrastructure and Headworks Fund - \$0.1 million (2011-12), Regional Community Services Fund, \$0.2 million (2011-12 Estimated Out Turn), \$0.2 million (2012-13), \$0.2 million (2013-14), \$0.2 million (2014-15) and \$0.2 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual ^(a) \$'000	2011-12 Budget ^(a) \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Commonwealth Specific Purpose Renewable Energy Funds - Renewable Remote Power Generation Program and Photovoltaic Rebate Program.....	-	-	1,620	-	-	-	-
Contribution to Australian Energy Market Commission	-	-	-	85	85	85	85
Contribution to Ministerial Council on Energy...	-	-	-	150	150	150	150
Hardship Efficiency Package.....	-	-	8,410	-	-	-	-
Old Treasury Building and St George's Cathedral Heritage Precinct Redevelopment ^(b) ..	-	-	-	-	-	52,000	-
Solar Hot Water Heater Incentive Scheme.....	-	-	1,376	2,000	-	-	-
Solar Schools Program	-	-	1,550	-	-	-	-
State's Contribution to the Underground Power Project	-	-	4,810	9,820	4,820	-	-
Western Australian Council of Social Services Consumer Essentials Project.....	-	-	-	260	-	-	-
TOTAL.....	-	-	17,766	12,315	5,055	52,235	235

(a) There are no comparable figures for 2010-11 Actual and 2011-12 Budget as the financial statements do not include the transfer of the newly created Public Utilities Office from the Office of Energy.

(b) Non-cash expenditure of \$52.0 million will be incurred in 2014-15 in relation to the heritage component of the Old Treasury Building development.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	115,101	39,939	45,409	39,374	38,923	35,663	35,555
Restricted cash.....	9,020	11,587	12,996	14,896	14,896	14,896	14,896
Holding account receivables	5,580	714	1,426	1,402	1,688	1,392	250
Receivables	135,939	705,797	706,195	705,475	706,954	707,082	703,350
Other.....	46,995	37,129	37,135	36,138	35,141	34,145	33,149
Total current assets	312,635	795,166	803,161	797,285	797,602	793,178	787,200
NON-CURRENT ASSETS							
Holding account receivables	108,678	139,139	140,289	233,256	325,253	370,551	416,987
Property, plant and equipment	668,995	878,911	860,236	883,651	873,283	861,066	894,182
Intangibles	166,147	133,226	113,315	58,767	4,220	2,110	2,110
Restricted cash.....	2,224	1,615	1,196	1,409	1,463	1,522	1,407
Other.....	71,761	47,225	30,107	29,708	17,839	9,872	7,934
Total non-current assets.....	1,017,805	1,200,116	1,145,143	1,206,791	1,222,058	1,245,121	1,322,620
TOTAL ASSETS	1,330,440	1,995,282	1,948,304	2,004,076	2,019,660	2,038,299	2,109,820
CURRENT LIABILITIES							
Employee provisions.....	31,927	21,835	21,890	23,181	23,075	22,969	22,881
Payables	110,343	695,903	679,723	684,222	684,306	684,393	680,337
Other.....	198,910	126,327	120,299	120,492	119,926	119,302	118,711
Total current liabilities.....	341,180	844,065	821,912	827,895	827,307	826,664	821,929
NON-CURRENT LIABILITIES							
Employee provisions.....	7,501	10,313	10,347	10,876	10,876	10,876	10,911
Borrowings	105,262	134,867	96,266	87,270	78,274	77,491	76,716
Other.....	34,677	19,309	19,309	13,713	8,113	54,513	55,755
Total non-current liabilities	147,440	164,489	125,922	111,859	97,263	142,880	143,382
TOTAL LIABILITIES.....	488,620	1,008,554	947,834	939,754	924,570	969,544	965,311
EQUITY							
Contributed equity	906,232	972,789	1,092,850	1,146,686	1,167,459	1,189,399	1,257,153
Accumulated surplus/(deficit).....	(64,412)	13,939	(92,380)	(80,668)	(70,673)	(118,948)	(110,948)
Other.....	-	-	-	(1,696)	(1,696)	(1,696)	(1,696)
Total equity	841,820	986,728	1,000,470	1,064,322	1,095,090	1,068,755	1,144,509
TOTAL LIABILITIES AND EQUITY.....	1,330,440	1,995,282	1,948,304	2,004,076	2,019,660	2,038,299	2,109,820

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	171,269	144,190	225,771	215,253	176,576	113,208	123,228
Capital appropriation ^(b)	52,533	144,068	93,906	40,352	11,417	15,000	60,402
Holding account drawdowns	7,383	5,060	5,548	1,466	1,402	1,688	1,392
Royalties for Regions Fund ^(c)	-	-	160	291	172	178	184
Administered appropriations (recurrent)	-	-	-	26,214	20,724	16,194	17,154
Administered appropriations (capital)	54,681	-	1,100	11,724	9,356	6,940	7,352
Net cash provided by State Government	285,866	293,318	326,485	295,300	219,647	153,208	209,712
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(123,827)	(117,596)	(143,377)	(181,683)	(178,753)	(176,486)	(180,682)
Grants and subsidies	-	-	(14,019)	(12,315)	(5,055)	(52,235)	(235)
Supplies and services	(1,353,259)	(1,250,171)	(1,157,611)	(1,089,228)	(867,150)	(804,411)	(795,273)
Accommodation	(14,913)	(20,428)	(231,772)	(243,491)	(255,529)	(268,305)	(281,720)
Efficiency dividend	-	-	-	4,578	5,713	6,444	7,867
Other payments	(384,937)	(165,299)	(159,958)	(162,979)	(162,873)	(165,417)	(172,346)
Receipts							
Grants and subsidies	2,552	164	268	355	293	-	-
Sale of goods and services	1,157,272	1,243,892	1,094,925	1,024,705	873,512	882,397	882,408
GST receipts	165,358	138,007	137,394	139,296	139,893	140,511	141,147
Other receipts	302,321	110,639	331,242	359,538	329,300	326,228	334,347
Net cash from operating activities	(249,433)	(60,792)	(142,908)	(161,224)	(120,649)	(111,274)	(64,487)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(226,424)	(309,272)	(297,341)	(212,131)	(181,663)	(187,801)	(238,654)
Other payments	(2,803)	(1,575)	(1,575)	-	-	-	-
Proceeds from sale of non-current assets	77,252	85,455	78,422	79,237	82,976	87,155	87,650
Net cash from investing activities	(151,975)	(225,392)	(220,494)	(132,894)	(98,687)	(100,646)	(151,004)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(63,928)	-	(106,119)	(79,771)	(89,474)	(91,022)	(92,596)
Proceeds from borrowings	39,544	-	60,198	69,932	79,666	89,400	91,006
Other proceeds	1,607	4,396	5,552	4,735	9,100	57,133	7,146
Net cash from financing activities	(22,777)	4,396	(40,369)	(5,104)	(708)	55,511	5,556
NET INCREASE/(DECREASE) IN CASH HELD	(138,319)	11,530	(77,286)	(3,922)	(397)	(3,201)	(223)
Cash assets at the beginning of the reporting period	265,791	-	126,342	59,601	55,679	55,282	52,081
Net cash transferred to/from other agencies	(1,130)	43,063	10,545	-	-	-	-
Cash assets at the end of the reporting period	126,342	54,593	59,601	55,679	55,282	52,081	51,858

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

(b) Includes the repayment of the Treasurer's Advance for \$880,000 on behalf of the Public Utilities office.

(c) Regional Infrastructure and Headworks Fund - \$0.1 million (2012-13), Regional Community Services Fund - \$0.2 million (2011-12 Estimated Out Turn), \$0.2 million (2012-13), \$0.2 million (2013-14), \$0.2 million (2014-15) and \$0.2 million (2015-16).

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Taxation							
Insurance Duty	441,980	466,900	472,400	511,600	550,800	593,200	640,300
Land Tax	520,237	547,000	540,300	539,300	593,100	653,300	718,400
Metropolitan Region Improvement Tax.....	77,839	83,600	83,700	83,300	91,700	100,800	110,800
Payroll Tax	2,624,830	2,920,100	3,028,100	3,360,650	3,727,750	4,149,850	4,589,450
Racing and Wagering Western Australia Tax.....	33,622	34,406	35,981	36,962	38,315	40,108	41,701
Transfer Duty	1,226,668	1,344,600	1,232,200	1,449,300	1,540,400	1,730,200	1,909,800
Landholder Duty.....	47,336	48,800	44,700	52,500	55,800	62,800	69,300
<i>Total Duty on Transfers</i>	<i>1,274,004</i>	<i>1,393,400</i>	<i>1,276,900</i>	<i>1,501,800</i>	<i>1,596,200</i>	<i>1,793,000</i>	<i>1,979,100</i>
Vehicle Licence Duty	337,791	364,900	356,600	388,100	417,400	448,900	482,600
Other Duties	53	10	10	7	5	5	1
Commonwealth Mirror Taxes.....	32,047	33,910	33,910	37,310	41,910	45,210	51,410
Other Revenue							
Office Lease Rental Revenue	47,076	31,000	31,000	35,000	39,000	39,000	39,000
Other Income	37,292	35,561	35,000	35,650	36,300	36,950	37,600
Appropriations							
First Home Owner Grant Act 2000.....	101,970	126,360	103,689	111,418	115,218	118,793	121,795
Admin Grants and Transfer Payments	221,198	137,644	135,172	152,320	294,444	183,585	197,878
TOTAL ADMINISTERED INCOME	5,749,939	6,174,791	6,132,762	6,793,417	7,542,142	8,202,701	9,010,035
EXPENSES							
Grants and Subsidies							
First Home Owners' Scheme	101,970	126,360	103,689	111,418	115,218	118,793	121,795
Life Support Equipment Subsidy Scheme	835	947	1,100	1,259	1,350	1,544	1,765
Payroll Tax Rebate Schemes	100,421	1,000	1,000	1,000	128,600	1,200	300
Pensioner Concessions – Emergency Services Levy.....	10,606	13,500	13,500	14,694	15,978	17,373	18,891
Pensioner Concessions – Local Government and Water Rates.....	64,937	74,552	75,552	82,233	89,417	97,229	105,724
Public Swimming Pools – Operating Cost Subsidy	303	300	360	330	330	330	330
Thermoregulatory Dysfunction Energy Subsidy	623	845	790	904	969	1,109	1,268
Other Expenses							
Refund of Past Years' Revenue	43,473	46,500	42,870	51,900	57,800	64,800	69,600
Other Expenses.....	37,292	35,561	35,000	35,650	36,300	36,950	37,600
Payments to Consolidated Account	5,389,479	5,875,226	5,858,901	6,494,029	7,096,180	7,863,373	8,652,762
TOTAL ADMINISTERED EXPENSES.....	5,749,939	6,174,791	6,132,762	6,793,417	7,542,142	8,202,701	9,010,035

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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	1,847,746	1,567,357	1,756,026	1,719,376	1,497,099	1,446,034	1,408,877
<i>Transfer of Corporate Services from Department of Treasury.....</i>	8,228	9,925	-	-	-	-	-
<i>Transfer Newly Created Public Utilities Office from the Office of Energy</i>	43,674	53,514	33,468	-	-	-	-
Adjusted Total Cost of Services	1,899,648	1,630,796	1,789,494	1,719,376	1,497,099	1,446,034	1,408,877
APPROPRIATIONS							
Net Amount Appropriated to Deliver Services ...	202,641	184,068	266,999	308,631	270,269	159,898	169,914
<i>Transfer Newly Created Public Utilities Office from the Office of Energy</i>	32,740	52,704	32,084	-	-	-	-
Adjusted Net Amount Appropriated to Deliver Services	235,381	236,772	299,083	308,631	270,269	159,898	169,914

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Commonwealth Grants	564	164	268	355	293	-	-
Contract Services – BMW	1,341,527	1,218,470	1,298,037	1,245,981	1,062,307	1,067,578	1,072,825
GST Input Credits.....	7,346	5,076	5,191	5,467	5,470	5,474	5,477
GST Receipts on Sales	158,012	132,931	132,203	133,829	134,423	135,037	135,670
Land Tax Liability Enquiry Fee.....	1,996	2,800	2,200	2,800	2,800	2,800	2,800
Other Receipts	5,299	9,756	9,023	10,881	11,224	11,350	11,495
Procurement Services	918	888	893	921	949	977	977
Revenue from Executive Vehicle Scheme	300	300	300	300	300	300	300
Shared Services Rendered	21,186	23,557	21,356	32,648	38,185	41,834	41,834
State Fleet Revenue	90,355	98,760	94,358	90,712	87,047	83,786	86,524
TOTAL.....	1,627,503	1,492,702	1,563,829	1,523,894	1,342,998	1,349,136	1,357,902

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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 64 Net amount appropriated to deliver services.....	112,272	139,232	147,370	111,395	107,235	102,557	99,456
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	724	746	746	768	791	808	828
Total appropriations provided to deliver services	112,996	139,978	148,116	112,163	108,026	103,365	100,284
CAPITAL							
Item 138 Capital Appropriation	425	1,888	1,888	1,000	-	-	-
TOTAL APPROPRIATIONS.....	113,421	141,866	150,004	113,163	108,026	103,365	100,284
EXPENSES							
Total Cost of Services.....	175,905	233,077	233,703	216,354	194,261	172,706	165,672
Net Cost of Services ^(a)	124,298	156,769	10,960	135,067	118,118	99,144	91,327
CASH ASSETS ^(b)	25,273	14,923	169,623	177,382	182,398	189,033	200,591

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
\$300 Million Savings Initiative	-	(1,700)	(1,823)	(1,878)	(1,934)
Accommodation - Increased Costs	-	1,096	-	-	-
Additional Scitech funding	-	-	8,300	8,300	8,300
Building Commission	6,300	-	-	-	-
Decommissioning of Office of Shared Services	356	-	-	-	-
Research and Innovation Grants - WA Research and Fellowships Program and Nobel Laureates WA Ambassador Program.....	-	1,300	1,300	1,300	1,300
Efficiency Dividend.....	-	(2,351)	(3,473)	(4,490)	(5,511)

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 they contribute 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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Consumer Protection	48,032	50,790	63,149	59,951	60,348	61,111	60,874
2. Safety and Employment Protection and Construction Standards	67,470	97,547	92,317	87,376	80,420	81,112	79,815
3. Industry, Science and Innovation.....	60,403	84,740	78,237	71,378	56,966	34,973	30,494
4. Contribution to Responsible Financial Management.....	-	-	-	(2,351)	(3,473)	(4,490)	(5,511)
Total Cost of Services	175,905	233,077	233,703	216,354	194,261	172,706	165,672

Significant Issues Impacting the Agency

Local Content

- Increased resources have been provided to the Industry, Science and Innovation Division to implement the 10 point Local Content Framework, which works to create a fair and even playing field for local contract bidders and increase local capacity to compete. More than \$16.5 billion of resource contracts have been won by local firms since July 2011. This has been achieved in the context of a number of factors working against local manufacturers including the high Australian Dollar, the modularisation of resource infrastructure, and competition from a growing Asian manufacturing industry with the advantages of economies of scale and lower wage structures.

Seniors Housing

- Seniors housing remains a priority for the Consumer Protection Division. The Western Australian population is growing older rapidly and this has been one of the important drivers for amendments to the *Retirement Villages Act 1999*. These amendments, combined with progressing a new code of conduct for retirement villages, will reform the Retirement Village industry. Information about these changes and the wide range of housing options for our seniors will become available from the Seniors' Housing Centre. This practical initiative will make a considerable difference to the lives of a number of our seniors faced with the challenges of navigating the many housing options available.

Building Regulations

- Until recently Western Australian Building regulations dated back to the 1960s. The Building Commission has completed a makeover of these old regulations and will be implementing the new provisions of the *Building Act 2011* to streamline the building approval process; 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 interest of community safety and health. The new regulations make it quicker, cheaper and easier to build, and will promote innovation in design.

Enterprise Bargaining Agreements

- While Western Australia has the lowest unemployment rate in Australia, there is increasing competition for skilled workers, and the public service is not immune to these pressures. In this environment the Labour Relations Division will continue to ensure public sector enterprise bargaining agreements that are due to be negotiated this year will be finalised consistent with the parameters of the Government's Public Sector Wages Policy.

Residential Tenancies

- The Consumer Protection Division will implement significant amendments to the *Residential Tenancies Act 1987* that will affect over 195,000 tenancy contracts and require a comprehensive education campaign. Key reforms include mandating the use of property condition reports and prescribed tenancy agreements, compulsory depositing of tenant bonds with the Bond Administrator, nationally consistent regulation of residential tenancy databases and improved powers for the Department of Housing to respond to serious and ongoing disruptive behaviour by social housing tenants.

Boarder and Lodger Tenancies

- Boarder and lodger tenancy are not covered by the *Residential Tenancies Act 1987*. This area of tenancy has experienced growth linked to international students, the rise of the fly-in/fly-out worker and rising house rental charges. The Consumer Protection Division will aim to improve clarity about rights and obligations for both boarders and lodgers with those offering rooms for rent to be consulted.

Park Homes

- The Consumer Protection Division will undertake a statutory review of park homes regulations. It is expected that policy recommendations will be developed and improved laws will result.

Electricity Safety Awareness Campaign

- Following a successful television, radio, newspaper and online media campaign to encourage home-owners to voluntarily install residual current devices, EnergySafety Division will run a new safety campaign to lift homeowners' awareness of the dangers of doing their own electrical work. It will also promote the importance of using a licensed electrical contractor and requesting an Electrical Safety Certificate. The whole campaign is expected to cost around \$330,000.

Occupational Safety and Health

- A draft Work Health and Safety (WHS) Bill has been prepared and is expected to be introduced into Parliament this year. A local assessment is being conducted by the WorkSafe Division to analyse the possible impact of the model WHS regulations and first stage codes of practice on Western Australian workers, businesses, government and the economy if they were implemented.

Science and Research

- While the State Government invests considerable funds in science and research, there is an ongoing need to maintain a whole-of-government position on science, and to assist with coordination and review of research funding requests. The Industry, Science and Innovation Division will improve the management and delivery of government research investments, which will result in greater focus on high-priority State outcomes and maximise the benefits to all Western Australians.

Scientific Engagement

- The Industry, Science and Innovation Division will continue to support activities that promote scientific engagement and awareness within Western Australia, ensuring the State attracts innovative thinkers and encourage science participation within the community. This includes supporting activities that promote Western Australia's world class research and innovation capabilities, ensuring the State continues to build capacity into the future. The \$5.0 million remaining from the 2011-12 Research and Innovation fund will be used to provide ongoing support to industry development and scientific research.

The Square Kilometre Array

- The final decision of the international research consortium on the location of the Square Kilometre Array (SKA) will determine the final scale of the radio astronomy sector in Western Australia. The Murchison Radio Astronomy Observatory will continue to host the development of the Australian Square Kilometre Array Pathfinder (ASKAP) as a demonstrator for the SKA. The Industry, Science and Innovation Division will focus on leveraging increased involvement from local industry in both the SKA and ASKAP during the next 12 months.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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	95%	93%	93%	93%	
The extent of consumer confidence in Western Australia's trading environment	73%	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)	93%	95%	94%	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)	10.4:1	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 2010-11 Actual results have been recast 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 increases the volume of research outcomes which 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.

	2010-11 Actual ^(a)	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 48,032	\$'000 50,790	\$'000 63,149	\$'000 59,951	
Less Income	19,135	20,872	173,948	34,208	
Net Cost of Service	28,897	29,918	(110,799)	25,743	
Employees (Full Time Equivalents).....	398	399	377	394	
Efficiency Indicators ^(b)					
Average Cost per Client Contact to provide Information and Advice.....	\$2.59	\$2.88	\$2.34	\$2.36	
Average Cost per Policy Project	\$161,693	\$329,314	\$237,509	\$179,884	1
Average Cost per Inspection or Investigation	\$396.19	\$468.52	\$424.85	\$419.98	
Average Cost per Registration or Licence	\$12.38	\$14.08	\$17.81	\$21.15	2

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

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

Explanation of Significant Movements

(Notes)

1. Average Cost per Policy Project has decreased by \$57,625 (24.3%) from the 2011-12 Estimated Actual due to an increase in number of policy projects of 29.2% and a 2.2% decrease in expenditure. The expected increase in policy units is due to the commencement of new projects and the planned repeal of legislation impacted by reforms.
2. Average Cost per Registration and Licence has increased by \$3.34 (18.7%) from the 2011-12 Estimated Actual primarily as a result of the implementation of COAG initiatives during 2011-12. This has resulted in a 25.7% reduction in the number of low cost business names and encumbered vehicles registrations, accompanied by a 13.4% reduction in associated funding, leading to an increase in the average cost.

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.

	2010-11 Actual ^(a)	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 67,470	\$'000 97,547	\$'000 92,317	\$'000 87,376	
Less Income	29,266	54,363	46,131	44,515	
Net Cost of Service.....	38,204	43,184	46,186	42,861	
Employees (Full Time Equivalents).....	397	543	461	538	
Efficiency Indicators ^(b)					
Average Cost per Client Contact to provide Information and Advice.....	\$7.71	\$8.27	\$7.08	\$7.88	1
Average Cost per Hour of Policy Advice ^(c)	\$183.68	\$800.50	\$179.33	\$167.17	
Average Cost per Inspection or Investigation	\$967.99	\$1,341.63	\$1,260.63	\$1,296.29	
Average Cost per Registration or Licence	\$120.44	\$119.58	\$105.00	\$114.94	

- (a) With the implementation of a revised Outcome-Based Management framework, the 2010-11 Actual 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. Cost per Client Contact to provide Information and Advice has increased by \$0.80 (11.3%) from the 2011-12 Estimated Actual due to a decrease in the number of client contacts of 2.6% and 7.7% increase in expenditure. The increase in expenditure is due to the full year impact of the amalgamation of the Painters' Registration Board and the Builders' Registration Board into the Building Commission as compared to part year in 2011-12.

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 with policy development advice;
- supporting industry development through innovation and commercialisation; and
- managing industry, science and innovation programs and projects.

	2010-11 Actual ^(a)	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 60,403	\$'000 84,740	\$'000 78,237	\$'000 71,378	
Less Income	3,206	1,073	2,664	2,564	
Net Cost of Service	57,197	83,667	75,573	68,814	
Employees (Full Time Equivalents).....	87	88	90	83	
Efficiency Indicators ^(b)					
Average Cost per Industry, Science and Innovation Project Managed.....	\$219,119	\$169,303	\$219,590	\$213,675	

(a) With the implementation of a revised Outcome-Based Management framework, the 2010-11 Actual result has been recast for comparative purposes.

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

ASSET INVESTMENT PROGRAM

The asset investment program for 2012-13 is estimated at \$4.9 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 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Accommodation Infrastructure - Departmental							
Accommodation Facilities	2,187	2,033	-	154	-	-	-
Bentley Technology Park - Stage 1 Implementation.....	9,619	6,435	-	-	1,548	1,636	-
Business Systems Development and Enhancement -							
WorkSafe Information System Environment	2,884	2,232	-	473	-	-	179
Information Technology Infrastructure							
Asset Replacement.....	10,667	437	236	2,852	1,778	2,800	2,800
Customer Focused Service Delivery	2,987	1,788	1,788	1,014	185	-	-
Service Improvement.....	911	536	323	138	237	-	-
System Stabilisation.....	8,543	6,990	4,193	230	-	-	1,323
Marine Industry Technology Park	559	16	-	-	543	-	-
Other Works - Southern Precinct.....	1,865	442	100	-	1,423	-	-
COMPLETED WORKS							
Information Technology Infrastructure - Energy Safety							
Compliance System	1,676	1,676	1,676	-	-	-	-
Other Works - Shared Services Rollback Project.....	-	1,000	1,000	-	-	-	-
Total Cost of Asset Investment Program	41,898	23,585	9,316	4,861	5,714	4,436	4,302
FUNDED BY							
Capital Appropriation.....			1,888	1,000	-	-	-
Drawdowns from the Holding Account			3,254	3,234	2,200	2,800	2,800
Internal Funds and Balances			2,294	627	3,514	1,636	1,502
Other.....			1,880	-	-	-	-
Total Funding			9,316	4,861	5,714	4,436	4,302

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement reflects an estimated decrease in the 2012-13 Budget Estimate for the Total Cost of Services of \$17.3 million (7.4%) when compared to the 2011-12 Estimated Actual. This is mainly due to a decrease in the industry, science and innovation grants program, transfer of the Register of Encumberanced Vehicles Scheme and Business Names functions to the Commonwealth, and the funding reductions in contribution to the Government's \$300 million savings proposals.

Income

Income is estimated to be \$81.3 million in the 2012-13 Budget Estimate. This represents a decrease of \$141.5 million (63.5%) from the 2011-12 Estimated Actual. The main reason for this is the one-off amount of income (\$138.6 million) from the transfer of the assets of the former Real Estate and Settlement Agents Boards into the Department of Commerce in 2011-12.

The decrease in Income from State Government in the 2012-13 Budget Estimate of \$22.6 million (14.4%) compared to the 2011-12 Estimated Actual is due to the funding for a number of the grants programs finishing in 2011-12 and the funding reductions in contribution to the Government's \$300 million savings proposals.

Statement of Financial Position*Current Assets*

The increase in 2011-12 Estimated Actual for Restricted Cash is from the transfer of the assets of the former Real Estate and Settlement Agents Boards into the Department of Commerce.

Statement of Cashflows

The decreases in cashflows from State Government and Net Cash outgoings from operating activities of \$23.5 million (14.7%) and \$16.3 million (11.7%) respectively from 2011-12 Estimated Actual to the 2012-13 Budget Estimate are primarily due to the reasons detailed in the explanation for variations in the Income Statement above.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	82,004	89,199	91,880	88,875	95,557	99,273	100,735
Grants and subsidies ^(c)	41,702	70,565	71,045	65,134	51,022	29,205	23,908
Supplies and services	28,474	54,279	49,813	45,616	31,875	29,323	27,090
Accommodation	13,109	10,215	11,325	10,206	10,207	10,207	10,207
Depreciation and amortisation	1,480	1,243	2,028	2,078	2,128	2,178	2,228
Efficiency dividend	-	-	-	(2,351)	(3,473)	(4,490)	(5,511)
Other expenses	9,136	7,576	7,612	6,796	6,945	7,010	7,015
TOTAL COST OF SERVICES	175,905	233,077	233,703	216,354	194,261	172,706	165,672
Income							
Sale of goods and services	12,536	11,141	3,589	2,860	2,860	2,847	2,847
Regulatory fees and fines	23,278	39,898	55,456	61,273	64,714	62,643	63,426
Grants and subsidies	6,431	4,149	4,149	2,519	713	-	-
Other revenue	9,362	21,120	159,549	14,635	7,856	8,072	8,072
Total Income	51,607	76,308	222,743	81,287	76,143	73,562	74,345
NET COST OF SERVICES	124,298	156,769	10,960	135,067	118,118	99,144	91,327
INCOME FROM STATE GOVERNMENT							
Service appropriations	112,996	139,978	148,116	112,163	108,026	103,365	100,284
Resources received free of charge	1,089	752	752	752	752	752	752
Royalties for Regions Fund ^(d)	916	13,098	7,924	21,266	15,968	76	79
TOTAL INCOME FROM STATE GOVERNMENT	115,001	153,828	156,792	134,181	124,746	104,193	101,115
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(9,297)	(2,941)	145,832	(886)	6,628	5,049	9,788

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 882, 928 and 1,015 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$0.2 million (2010-11), \$13.0 million (2011-12), \$7.8 million (2011-12 Estimated Out Turn), \$21.1 million (2012-13), \$15.9 million (2013-14), Regional Community Services Fund - \$0.7 million (2010-11), \$0.1 million (2011-12), \$0.1 million (2011-12 Estimated Out Turn), \$0.2 million (2012-13), \$0.1 million (2013-14), \$0.1 million (2014-15) and \$0.1 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Asbestos Disease Society	100	100	100	100	100	100	-
Australian Building Codes Board	265	333	333	316	316	299	-
Employment Law Centre Western Australia	196	207	207	356	424	440	-
Farmsafe Western Australia Alliance	70	70	70	70	70	70	-
Other Miscellaneous	4	14	14	15	17	-	-
Real Estate and Business Agents / Settlement Agents Supervisory Board Property Industry Grants	-	-	11,264	11,602	11,950	12,308	12,308
Royalties for Regions - various projects	-	13,000	8,630	21,096	15,894	-	-
Science and Innovation	41,067	56,841	50,427	31,579	22,251	15,988	11,600
TOTAL	41,702	70,565	71,045	65,134	51,022	29,205	23,908

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	4,838	7,901	8,010	11,373	11,805	11,755	15,646
Restricted cash.....	18,686	5,573	159,864	164,260	168,844	175,529	183,196
Holding account receivables	3,349	2,396	3,234	2,200	-	-	-
Receivables	16,274	13,659	13,337	10,100	8,857	8,857	8,857
Other.....	384	2,003	839	1,294	1,751	1,751	1,751
Total current assets	43,531	31,532	185,284	189,227	191,257	197,892	209,450
NON-CURRENT ASSETS							
Holding account receivables	8,642	7,746	6,746	5,789	7,032	5,475	3,918
Property, plant and equipment	43,832	50,008	43,955	43,942	45,414	47,207	47,364
Intangibles	7,194	13,454	14,583	17,385	17,951	18,416	20,333
Restricted cash.....	1,749	1,449	1,749	1,749	1,749	1,749	1,749
Other.....	12,525	8,889	20,646	21,549	23,097	23,097	23,097
Total non-current assets.....	73,942	81,546	87,679	90,414	95,243	95,944	96,461
TOTAL ASSETS	117,473	113,078	272,963	279,641	286,500	293,836	305,911
CURRENT LIABILITIES							
Employee provisions.....	17,927	17,842	19,725	21,260	22,792	24,324	25,856
Payables	10,650	4,134	11,356	11,356	11,356	11,356	11,356
Other.....	11,824	4,984	12,856	12,856	12,856	12,856	12,856
Total current liabilities.....	40,401	26,960	43,937	45,472	47,004	48,536	50,068
NON-CURRENT LIABILITIES							
Employee provisions.....	4,640	7,363	5,437	6,189	6,944	7,699	8,454
Other.....	3,538	3,983	3,805	8,082	6,026	6,026	6,026
Total non-current liabilities	8,178	11,346	9,242	14,271	12,970	13,725	14,480
TOTAL LIABILITIES.....	48,579	38,306	53,179	59,743	59,974	62,261	64,548
EQUITY							
Contributed equity	75,022	81,623	80,180	81,180	81,180	81,180	81,180
Accumulated surplus/(deficit).....	(9,935)	(9,274)	135,897	135,011	141,639	146,688	156,476
Reserves.....	3,807	2,423	3,707	3,707	3,707	3,707	3,707
Total equity	68,894	74,772	219,784	219,898	226,526	231,575	241,363
TOTAL LIABILITIES AND EQUITY.....	117,473	113,078	272,963	279,641	286,500	293,836	305,911

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	111,754	138,735	146,873	110,920	106,783	102,122	99,041
Capital appropriation	425	1,888	1,888	1,000	-	-	-
Holding account drawdowns	3,349	3,092	3,254	3,234	2,200	2,800	2,800
Royalties for Regions Fund ^(b)	916	13,098	7,924	21,266	15,968	76	79
Net cash provided by State Government.....	116,444	156,813	159,939	136,420	124,951	104,998	101,920
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(80,483)	(87,141)	(90,117)	(87,112)	(93,794)	(97,510)	(98,448)
Grants and subsidies	(41,702)	(70,565)	(71,045)	(65,134)	(51,022)	(29,205)	(23,908)
Supplies and services	(15,083)	(53,989)	(49,205)	(40,154)	(30,808)	(26,986)	(26,819)
Accommodation	(13,109)	(9,734)	(10,844)	(9,725)	(9,726)	(9,726)	(9,726)
Efficiency dividend	-	-	-	2,351	3,473	4,490	5,511
Other payments	(15,409)	(12,685)	(12,744)	(11,904)	(11,540)	(11,605)	(9,585)
Receipts							
Regulatory fees and fines	27,336	39,072	54,630	60,447	63,888	61,817	63,426
Grants and subsidies	6,431	4,149	4,149	2,519	713	-	-
Sale of goods and services	10,646	12,333	11,428	7,577	4,052	4,039	2,847
GST receipts	3,970	2,570	2,570	2,570	2,570	2,570	2,570
Other receipts	9,362	21,250	21,061	14,765	7,973	8,189	8,072
Net cash from operating activities	(108,041)	(154,740)	(140,117)	(123,800)	(114,221)	(93,927)	(86,060)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(3,463)	(6,656)	(9,316)	(4,861)	(5,714)	(4,436)	(4,302)
Net cash from investing activities	(3,463)	(6,656)	(9,316)	(4,861)	(5,714)	(4,436)	(4,302)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments	-	-	(7,385)	-	-	-	-
Net cash from financing activities	-	-	(7,385)	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	4,940	(4,583)	3,121	7,759	5,016	6,635	11,558
Cash assets at the beginning of the reporting period	20,333	19,506	25,273	169,623	177,382	182,398	189,033
Net cash transferred to/from other agencies	-	-	141,229	-	-	-	-
Cash assets at the end of the reporting period	25,273	14,923	169,623	177,382	182,398	189,033	200,591

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

(b) Regional Infrastructure and Headworks Fund - \$0.2 million (2010-11), \$13.0 million (2011-12), \$7.8 million (2011-12 Estimated Out Turn), \$21.1 million (2012-13), \$15.9 million (2013-14), Regional Community Services Fund - \$0.7 million (2010-11), \$0.1 million (2011-12), \$0.1 million (2011-12 Estimated Out Turn), \$0.2 million (2012-13), \$0.1 million (2013-14), \$0.1 million (2014-15) and \$0.1 million (2015-16).

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Taxation							
Business Names Registrations	4,295	2,592	4,773	-	-	-	-
Credit Providers	36	-	-	-	-	-	-
Employment Agents	236	354	354	209	216	222	229
Finance Brokers	1	-	-	-	-	-	-
Land Valuers	312	83	83	104	107	111	114
Motor Vehicle Dealers	845	704	704	930	958	987	1,017
Other Registration Fees	143	115	115	131	134	139	143
Other Regulatory Fees	298	54	54	52	54	55	56
Travel Agents	187	308	308	250	257	265	273
Commonwealth Grants							
Commonwealth Grant Revenue - Recurrent	-	300	300	300	300	300	-
Fines							
Regulatory Fines	143	250	250	250	250	250	250
Other							
Other Miscellaneous	483	888	888	888	888	888	888
Rental Accommodation Account - Interest	11,992	6,365	6,365	6,615	6,615	6,615	6,615
TOTAL INCOME	18,971	12,013	14,194	9,729	9,779	9,832	9,585
EXPENSES							
Grants To Charitable And Other Public Bodies							
Rental Accommodation Account - Grants	2,684	1,615	2,613	2,724	2,840	2,960	3,035
Other							
Interest Expense	23	104	104	106	106	106	106
Payments to Consolidated Account	6,492	4,460	6,641	1,926	1,976	2,029	2,082
Employee Benefits	21	132	132	137	137	137	137
Services and Contracts Expense	10,796	3,110	3,110	3,110	3,110	3,110	3,110
TOTAL EXPENSES	20,016	9,421	12,600	8,003	8,169	8,342	8,470

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
GST Receipts on Sales	3,970	2,570	2,570	2,570	2,570	2,570	2,570
Grants - Commonwealth	6,431	4,149	4,234	2,519	713	-	-
Interest	-	-	5,119	6,968	7,177	7,392	7,392
Proceeds from Departmental Miscellaneous	11,015	21,250	13,281	7,750	747	747	747
Proceeds from Fees and Charges - Licenses	23,283	37,607	38,029	40,626	44,292	42,199	42,519
Proceeds from Fees and Charges - Other	4,362	1,465	30,210	27,045	23,287	23,287	23,287
Sale of Goods and Services	40	2,733	395	400	410	420	400
Services Provided - Real Estate Business Agents and Settlement Agents Supervisory Boards	8,644	9,600	-	-	-	-	-
TOTAL	57,745	79,374	93,838	87,878	79,196	76,615	76,915

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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 65 Net amount appropriated to deliver services.....	11,897	12,055	12,529	11,766	11,693	11,923	12,105
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	218	222	222	228	235	242	281
Total appropriations provided to deliver services	12,115	12,277	12,751	11,994	11,928	12,165	12,386
CAPITAL							
Item 139 Capital Appropriation	78	84	-	60	60	60	60
TOTAL APPROPRIATIONS.....	12,193	12,361	12,751	12,054	11,988	12,225	12,446
EXPENSES							
Total Cost of Services.....	13,075	12,837	14,183	12,634	12,286	12,652	12,745
Net Cost of Services ^(a)	11,987	12,010	13,091	12,083	12,011	12,364	12,445
CASH ASSETS ^(b)	2,996	1,170	1,456	1,364	1,216	1,028	915

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Alternative Dispute Resolution Service	-	925	1,189	1,255	1,322
Decommissioning of Office of Shared Services	61	-	-	-	-
Efficiency Dividend.....	-	-	(322)	(441)	(564)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Information, Guidance, Referral and Business Development Services.....	13,075	12,837	14,183	12,634	12,608	13,093	13,309
2. Contribution to Responsible Financial Management.....	-	-	-	-	(322)	(441)	(564)
Total Cost of Services.....	13,075	12,837	14,183	12,634	12,286	12,652	12,745

Significant Issues Impacting the Agency

- The *Small Business and Retail Shop Legislation Amendment Act 2011*, which became operational in March 2012, established Western Australia's inaugural Small Business Commissioner whose role includes enhancing a competitive and fair operating environment for small businesses and providing Alternative Dispute Resolution (ADR) services for small business disputes. The Commissioner will assist small business operators to resolve complaints and disputes related to retail tenancies, the unfair market practices of other businesses and the commercial activities of government bodies.
- The new ADR service was launched in March 2012 to provide hands on, timely assistance and advice to small businesses in dispute. The service provides information and guidance to assist parties to resolve disputes quickly and easily. If an agreement cannot be reached through the free guided resolution process, a government subsidised mediation service is available. A particular focus of the ADR service is on supporting small businesses during the transition to a more deregulated retail trading environment and resolving disputes between landlords and retail tenants.

- Western Australia's small business sector comprises more than 200,000 businesses State-wide. To address the service delivery challenge of the State's size, the Small Business Centre (SBC) Program comprises 25 Centres servicing metropolitan, major regional and remote areas. Under the SBC Program, funding is provided to not-for-profit, community-owned organisations to deliver tailored small business services. In 2012-13, the SBC network will focus on enhancing the delivery of small business training initiatives and supporting key State Government priorities, including Pilbara Cities and Regional Centres Development Plan (SuperTowns).
- During 2011-12 the rapid response service provided prompt assistance to regional small businesses affected by major changes to the natural or economic environment. The service supported small businesses affected by the November 2011 Margaret River fires through the provision of funding to assist with business continuity.
- In conjunction with the Department of Agriculture and Food, the Corporation administered the 2011 Small Business Grant Scheme to help non-farm regional small businesses increase their resilience to the impact of dry seasons. The \$350,000 scheme is part of the 'Stronger Rural Communities' component of the Pilot of Drought Reform Measures that was trialled in parts of Western Australia in response to a national review of drought policy. Under the initiative, eligible non-farm small businesses in rural communities were able to access grants of up to \$1,500 to help cover the cost of a professional service provider to develop strategies to increase the resilience of the business and their capacity to withstand the impact of future dry seasons.
- In collaboration with Tourism Western Australia, a program was designed and delivered to assist small business tourism operators to build resilience in their businesses. Launched in August 2011, the Tourism BOOST Program targeted prospective, new and existing tourism operators seeking to improve their understanding of the tourism industry and increase their marketing reach through a range of workshops and online tools.
- Progress on the Business Online Services (BOS) project continued in 2011-12. The BOS provides a national business licence and information service that allows prospective and existing business operators to access relevant licence and regulatory information and transact with all levels of government through a single national client account. As part of this work, a number of Western Australian 'SmartForms' were developed enabling applications to be completed interactively and processed online.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Development of new and existing Small Business in Western Australia:					
A random sample of clients was asked to rate the usefulness of the information/guidance provided to them by the Small Business Development Corporation:					
- Very or somewhat useful	88%	90%	90%	90%	
- Not very or not at all useful	6%	0%	5%	0%	
- Neutral	6%	10%	5%	10%	

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

Services and Key Efficiency Indicators

1: Information, Guidance, Referral and Business Development Services

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 13,075	\$'000 12,837	\$'000 14,183	\$'000 12,634	1
Less Income	1,088	827	1,092	551	
Net Cost of Service.....	11,987	12,010	13,091	12,083	
Employees (Full Time Equivalents).....	50	57	51	58	
Efficiency Indicators ^(a)					
Average Cost per Direct Client Contact/Equivalent ^(b)	\$34.20	\$20.26	\$32.86	\$28.10	1
Average Cost per Indirect Client Contact ^(c)	\$3.22	\$2.25	\$3.69	\$3.40	1
Average Cost per Small Business Centre Client Contact ^(d)	\$92.00	\$85.92	\$96.62	\$95.09	1
Cost per Unit of Policy Advice ^(e)	\$1,292,736	\$1,416,071	\$1,429,241	\$1,305,217	1

(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 four minutes or more, or the Business License Information Service website for two minutes or more. Equivalent client contacts are serviced through provision of grant money.

(c) Indirect client contacts are exposed to a range of advisory, information, referral and business services that would impact on their growth and business development. These include attendees at Award Functions, Expos or other Forums which the agency has organised, has been the major sponsor 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 between the 2011-12 Estimated Actual and the 2012-13 Budget Target of \$1.5 million generally relates to once off funding for the Drought Relief Program plus the finalisation of the Business Migration Program and the Indigenous Capacity Building Program in 2011-12.

ASSET INVESTMENT PROGRAM

The asset investment program of the Corporation relates to routine office equipment replacement. The cost of the asset investment program is funded by capital appropriations and drawdowns from the Corporation's holding account.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Furniture and Office Equipment Replacement 2011-12 Program	218	218	218	-	-	-	-
NEW WORKS							
Furniture and Office Equipment Replacement 2012-13 Program	120	-	-	120	-	-	-
2013-14 Program	120	-	-	-	120	-	-
2014-15 Program	126	-	-	-	-	126	-
2015-16 Program	120	-	-	-	-	-	120
Total Cost of Asset Investment Program	704	218	218	120	120	126	120
FUNDED BY							
Capital Appropriation			-	60	60	60	60
Drawdowns from the Holding Account			-	60	60	60	60
Internal Funds and Balances			218	-	-	6	-
Total Funding			218	120	120	126	120

FINANCIAL STATEMENTS**Income Statement***Expenses*

Grants and subsidies expenditure is estimated to be \$3.7 million in the 2012-13 Budget Estimate, representing a reduction of \$0.4 million from the 2011-12 Estimated Actual. The reduction is due to once off funding for the Drought Relief Program in 2011-12.

Supplies and services expenditure is estimated to be \$1.2 million in the 2012-13 Budget Estimate, representing a reduction of \$0.9 million from the 2011-12 Estimated Actual. The reduction is due mainly to the finalisation of the Business Migration Program and the Indigenous Capacity Building Program in 2011-12.

Income

A reduction of \$0.5 million of other revenue between the 2011-12 Estimated Actual and the 2012-13 Budget Estimate relates to funding in 2011-12 from the Department of Agriculture and Food of \$350,000 for the Corporation to administer the 2011 Small Business Grant Scheme to help non-farm regional small businesses increase their resilience to the impact of dry seasons and \$150,000 from Tourism Western Australia for the Indigenous Capacity Building Program for Indigenous tourism operators.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	4,902	5,917	6,166	5,994	6,221	6,471	6,669
Grants and subsidies ^(c)	3,830	3,627	4,101	3,680	3,420	3,477	3,535
Supplies and services	2,329	1,627	2,048	1,187	1,267	1,411	1,361
Accommodation.....	1,115	814	992	1,026	1,062	1,098	1,135
Depreciation and amortisation	315	116	80	80	80	80	80
Efficiency dividend.....	-	-	-	-	(322)	(441)	(564)
Other expenses.....	584	736	796	667	558	556	529
TOTAL COST OF SERVICES	13,075	12,837	14,183	12,634	12,286	12,652	12,745
Income							
Sale of goods and services	351	368	283	233	245	258	270
Grants and subsidies	255	279	279	288	-	-	-
Other revenue	482	180	530	30	30	30	30
Total Income	1,088	827	1,092	551	275	288	300
NET COST OF SERVICES.....	11,987	12,010	13,091	12,083	12,011	12,364	12,445
INCOME FROM STATE GOVERNMENT							
Service appropriations	12,115	12,277	12,751	11,994	11,928	12,165	12,386
Resources received free of charge.....	9	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT.....	12,124	12,277	12,751	11,994	11,928	12,165	12,386
SURPLUS/(DEFICIENCY) FOR THE PERIOD	137	267	(340)	(89)	(83)	(199)	(59)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 50, 51 and 58 respectively. In some cases the figures for 2010-11 and 2011-12 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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Capacity Building Program	46	-	60	-	-	-	-
Drought Relief Program	-	-	350	-	-	-	-
Dry Seasons Assistance Program.....	436	-	64	-	-	-	-
Small Business Centres - Capital Grants	173	-	-	-	-	-	-
Small Business Centres - Operational Grants	3,175	3,627	3,627	3,680	3,420	3,477	3,535
TOTAL.....	3,830	3,627	4,101	3,680	3,420	3,477	3,535

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	2,996	1,170	1,456	1,364	1,216	1,028	915
Holding account receivables	-	116	60	60	60	60	60
Receivables.....	176	243	176	176	176	176	176
Other.....	165	125	207	247	239	222	222
Total current assets	3,337	1,654	1,899	1,847	1,691	1,486	1,373
NON-CURRENT ASSETS							
Holding account receivables	255	154	290	319	354	389	424
Property, plant and equipment	38	444	215	251	281	317	347
Intangibles	48	106	9	19	29	39	49
Total non-current assets.....	341	704	514	589	664	745	820
TOTAL ASSETS	3,678	2,358	2,413	2,436	2,355	2,231	2,193
CURRENT LIABILITIES							
Employee provisions.....	791	715	631	639	649	659	669
Payables.....	250	27	50	50	50	50	48
Other.....	832	338	302	343	270	270	218
Total current liabilities.....	1,873	1,080	983	1,032	969	979	935
NON-CURRENT LIABILITIES							
Employee provisions.....	396	365	361	364	369	374	379
Other.....	19	17	19	19	19	19	19
Total non-current liabilities	415	382	380	383	388	393	398
TOTAL LIABILITIES.....	2,288	1,462	1,363	1,415	1,357	1,372	1,333
EQUITY							
Contributed equity	941	1,025	941	1,001	1,061	1,121	1,181
Accumulated surplus/(deficit).....	449	(129)	109	20	(63)	(262)	(321)
Total equity	1,390	896	1,050	1,021	998	859	860
TOTAL LIABILITIES AND EQUITY.....	3,678	2,358	2,413	2,436	2,355	2,231	2,193

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	11,984	12,146	12,656	11,905	11,833	12,070	12,291
Capital appropriation	78	84	-	60	60	60	60
Holding account drawdowns	122	116	-	60	60	60	60
Net cash provided by State Government.....	12,184	12,346	12,656	12,025	11,953	12,190	12,411
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(4,758)	(5,832)	(6,331)	(5,931)	(6,158)	(6,408)	(6,606)
Grants and subsidies	(3,729)	(3,627)	(4,101)	(3,680)	(3,420)	(3,477)	(3,535)
Supplies and services	(1,990)	(1,557)	(2,285)	(1,243)	(1,379)	(1,461)	(1,461)
Accommodation	(864)	(814)	(1,183)	(1,026)	(1,062)	(1,098)	(1,135)
Efficiency dividend	-	-	-	-	322	441	564
Other payments	(1,296)	(1,417)	(1,850)	(1,348)	(1,239)	(1,217)	(1,211)
Receipts							
Grants and subsidies	255	279	279	288	-	-	-
Sale of goods and services	351	368	283	233	245	258	270
GST receipts.....	759	680	680	680	680	680	680
Other receipts	553	180	530	30	30	30	30
Net cash from operating activities.....	(10,719)	(11,740)	(13,978)	(11,997)	(11,981)	(12,252)	(12,404)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(23)	(200)	(218)	(120)	(120)	(126)	(120)
Proceeds from sale of non-current assets	1	-	-	-	-	-	-
Net cash from investing activities.....	(22)	(200)	(218)	(120)	(120)	(126)	(120)
NET INCREASE/(DECREASE) IN CASH HELD	1,443	406	(1,540)	(92)	(148)	(188)	(113)
Cash assets at the beginning of the reporting period	1,553	764	2,996	1,456	1,364	1,216	1,028
Cash assets at the end of the reporting period.....	2,996	1,170	1,456	1,364	1,216	1,028	915

(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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 66 Net amount appropriated to deliver services.....	8,634	8,964	9,375	9,248	9,387	9,751	10,247
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	2,091	2,270	2,510	2,319	2,367	2,414	2,475
Total appropriations provided to deliver services	10,725	11,234	11,885	11,567	11,754	12,165	12,722
TOTAL APPROPRIATIONS.....	10,725	11,234	11,885	11,567	11,754	12,165	12,722
EXPENSES							
Total Cost of Services.....	9,891	11,348	11,999	12,038	12,457	12,762	13,089
Net Cost of Services ^(a)	9,836	11,268	11,919	11,958	12,377	12,682	13,009
CASH ASSETS ^(b)	3,875	2,990	3,840	3,309	2,574	1,977	1,860

(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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court.....	4,701	5,610	5,817	5,888	6,091	6,235	6,365
2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission	5,190	5,738	6,182	6,150	6,366	6,527	6,724
Total Cost of Services	9,891	11,348	11,999	12,038	12,457	12,762	13,089

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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.....	87%	90%	86%	90%	
Accuracy and relevance of information	84%	90%	84%	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.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Target \$'000	Note
Total Cost of Service	4,701	5,610	5,817	5,888	
Less Income	55	80	80	80	
Net Cost of Service.....	4,646	5,530	5,737	5,808	
Employees (Full Time Equivalents).....	30	37	34	34	
Efficiency Indicators					
Average Cost per Application Registered and Recorded	\$6,153	\$6,426	\$7,969	\$7,957	1

Explanation of Significant Movements

(Notes)

1. The Average Cost per Application Registered and Recorded for the 2011-12 Estimated Actual is greater than the 2011-12 Budget due to two severed FTE positions and a lower than estimated number of applications in 2011-12.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 5,190	\$'000 5,738	\$'000 6,182	\$'000 6,150	
Less Income	-	-	-	-	
Net Cost of Service	5,190	5,738	6,182	6,150	

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Information Technology - 2011-12 Program	160	160	160	-	-	-	-
NEW WORKS							
Asset Replacement - Information Technology							
2012-13 Program	180	-	-	180	-	-	-
2013-14 Program	160	-	-	-	160	-	-
2014-15 Program	160	-	-	-	-	160	-
2015-16 Program	160	-	-	-	-	-	160
Total Cost of Asset Investment Program	820	160	160	180	160	160	160
FUNDED BY							
Drawdowns from the Holding Account			160	180	160	160	160
Total Funding			160	180	160	160	160

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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	5,577	6,624	7,190	6,903	7,140	7,292	7,217
Supplies and services	1,041	1,169	1,169	1,217	1,282	1,316	1,415
Accommodation.....	2,607	2,861	2,941	3,227	3,346	3,476	3,749
Depreciation and amortisation	214	234	234	202	198	219	219
Other expenses.....	452	460	465	489	491	459	489
TOTAL COST OF SERVICES.....	9,891	11,348	11,999	12,038	12,457	12,762	13,089
Income							
Sale of goods and services	54	80	80	80	80	80	80
Other revenue	1	-	-	-	-	-	-
Total Income	55	80	80	80	80	80	80
NET COST OF SERVICES.....	9,836	11,268	11,919	11,958	12,377	12,682	13,009
INCOME FROM STATE GOVERNMENT							
Service appropriations	10,725	11,234	11,885	11,567	11,754	12,165	12,722
Resources received free of charge.....	24	50	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT.....	10,749	11,284	11,935	11,617	11,804	12,215	12,772
SURPLUS/(DEFICIENCY) FOR THE PERIOD	913	16	16	(341)	(573)	(467)	(237)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Budget Estimate are 47, 52 and 53 respectively. In some cases the figures for 2010-11 and 2011-12 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	3,710	2,795	3,645	3,084	2,319	1,722	1,860
Holding account receivables	160	180	180	160	160	160	160
Receivables.....	60	213	90	163	226	314	263
Other.....	104	190	124	172	276	342	342
Total current assets	4,034	3,378	4,039	3,579	2,981	2,538	2,625
NON-CURRENT ASSETS							
Holding account receivables	1,052	1,106	1,106	1,148	1,186	1,245	1,304
Property, plant and equipment	427	343	326	327	275	211	147
Intangibles	87	44	125	114	135	140	145
Restricted cash.....	165	195	195	225	255	255	-
Other.....	36	36	25	13	6	6	6
Total non-current assets.....	1,767	1,724	1,777	1,827	1,857	1,857	1,602
TOTAL ASSETS	5,801	5,102	5,816	5,406	4,838	4,395	4,227
CURRENT LIABILITIES							
Employee provisions.....	1,832	1,590	1,854	1,834	1,861	1,908	1,905
Payables.....	180	86	116	126	102	64	64
Other.....	154	212	186	127	120	150	150
Total current liabilities.....	2,166	1,888	2,156	2,087	2,083	2,122	2,119
NON-CURRENT LIABILITIES							
Employee provisions.....	162	498	171	171	180	165	237
Other.....	1	1	1	1	1	1	1
Total non-current liabilities	163	499	172	172	181	166	238
TOTAL LIABILITIES.....	2,329	2,387	2,328	2,259	2,264	2,288	2,357
EQUITY							
Contributed equity	495	495	495	495	495	495	495
Accumulated surplus/(deficit).....	2,958	2,199	2,974	2,633	2,060	1,593	1,356
Reserves.....	19	21	19	19	19	19	19
Total equity	3,472	2,715	3,488	3,147	2,574	2,107	1,870
TOTAL LIABILITIES AND EQUITY.....	5,801	5,102	5,816	5,406	4,838	4,395	4,227

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	10,444	11,000	11,651	11,365	11,556	11,946	12,503
Holding account drawdowns.....	370	160	160	180	160	160	160
Net cash provided by State Government.....	10,814	11,160	11,811	11,545	11,716	12,106	12,663
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(5,496)	(6,491)	(7,112)	(6,924)	(7,143)	(7,262)	(7,085)
Supplies and services	(945)	(1,284)	(1,229)	(1,318)	(1,287)	(1,299)	(1,289)
Accommodation.....	(2,599)	(2,862)	(2,942)	(3,205)	(3,423)	(3,554)	(3,826)
Other payments.....	(925)	(951)	(956)	(1,012)	(1,011)	(1,011)	(1,003)
Receipts							
Sale of goods and services	82	80	80	80	80	80	80
GST receipts	468	473	473	483	493	503	503
Other receipts.....	1	-	-	-	-	-	-
Net cash from operating activities	(9,414)	(11,035)	(11,686)	(11,896)	(12,291)	(12,543)	(12,620)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(389)	(160)	(160)	(180)	(160)	(160)	(160)
Net cash from investing activities	(389)	(160)	(160)	(180)	(160)	(160)	(160)
NET INCREASE/(DECREASE) IN CASH HELD	1,011	(35)	(35)	(531)	(735)	(597)	(117)
Cash assets at the beginning of the reporting period.....	2,864	3,025	3,875	3,840	3,309	2,574	1,977
Cash assets at the end of the reporting period.....	3,875	2,990	3,840	3,309	2,574	1,977	1,860

(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 Commission:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
GST Input Credits.....	463	470	470	480	490	500	500
GST Receipts on Sales	5	3	3	3	3	3	3
Service Charges, Transcript and Award Sales and Other Revenue	83	80	80	80	80	80	80
TOTAL.....	551	553	553	563	573	583	583

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

WORKCOVER WA AUTHORITY

ASSET INVESTMENT PROGRAM

WorkCover WA's total approved asset investment program for 2012-13 is \$1.5 million. The approved projects that are planned or underway include:

- Computer Hardware and Software - replacement and upgrade of Core Business Systems, including the Regulatory Services Case Management System due for completion in 2012-13;
- Office and Other Equipment - ongoing works to facilitate upgrades and replacement of fleet and other office equipment; and
- Air Conditioner Replacement - replacement of the second air conditioning unit at the Authority's premises.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Building Refurbishment Upgrades Office Accommodation ...	974	974	940	-	-	-	-
Computer Hardware and Software.....	2,436	2,436	1,106	-	-	-	-
Other Equipment	252	252	66	-	-	-	-
NEW WORKS							
Air Conditioning Replacement Program.....	350	-	-	350	-	-	-
Computer Hardware and Software - 2012-13 Program.....	1,033	-	-	1,033	-	-	-
Office Equipment Replacement Program							
2012-13 Program	20	-	-	20	-	-	-
2013-14 Program	20	-	-	-	20	-	-
2014-15 Program	20	-	-	-	-	20	-
2015-16 Program	20	-	-	-	-	-	20
Other Equipment							
2012-13 Program	75	-	-	75	-	-	-
2013-14 Program	75	-	-	-	75	-	-
2014-15 Program	75	-	-	-	-	75	-
2015-16 Program	75	-	-	-	-	-	75
Total Cost of Asset Investment Program	5,425	3,662	2,112	1,478	95	95	95
FUNDED BY							
Internal Funds and Balances			2,112	1,478	95	95	95
Total Funding			2,112	1,478	95	95	95

Part 9

Minister for Police; Road Safety

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
489	Western Australia Police			
	- Delivery of Services.....	1,114,932	1,120,854	1,114,818
	- Capital Appropriation.....	65,593	2,976	87,659
	Total	1,180,525	1,123,830	1,202,477
GRAND TOTAL				
	- Delivery of Services.....	1,114,932	1,120,854	1,114,818
	- Capital Appropriation.....	65,593	2,976	87,659
	Total.....	1,180,525	1,123,830	1,202,477

WESTERN AUSTRALIA POLICE

PART 9 - MINISTER FOR POLICE; ROAD SAFETY

DIVISION 43

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 67 Net amount appropriated to deliver services.....	1,004,250	1,111,455	1,117,377	1,111,215	1,141,249	1,178,095	1,195,828
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	3,325	3,477	3,477	3,603	3,730	3,849	3,968
Total appropriations provided to deliver services.....	1,007,575	1,114,932	1,120,854	1,114,818	1,144,979	1,181,944	1,199,796
CAPITAL							
Item 140 Capital Appropriation	70,737	65,593	2,976	87,659	49,194	42,777	14,600
TOTAL APPROPRIATIONS.....	1,078,312	1,180,525	1,123,830	1,202,477	1,194,173	1,224,721	1,214,396
EXPENSES							
Total Cost of Services.....	1,079,151	1,130,905	1,169,564	1,177,218	1,219,880	1,258,071	1,274,106
Net Cost of Services ^(a)	1,033,225	1,083,872	1,110,642	1,109,842	1,156,846	1,195,500	1,211,171
CASH ASSETS ^(b)	148,078	68,513	88,915	94,679	98,882	103,085	73,883

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
2011 Police Enterprise Bargaining Agreement.....	3,222	7,653	12,673	13,195	13,753
District Allowance.....	5,822	6,037	6,277	6,481	6,692
Forensic Services.....	-	7,050	7,279	7,516	7,760
Hoon and No Motor Driver's License Suspension	6,560	5,560	3,560	3,560	3,560
Long Service Leave Actuarial Assessment.....	6,500	-	-	-	-
Road Trauma Trust Account.....	-	5,214	5,500	5,838	6,182
Summer Crime Reduction Strategy	3,000	-	-	-	-
Efficiency Dividend.....	-	(21,184)	(33,458)	(46,380)	(59,564)

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 ^(a)

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

(a) The Western Australia Police is currently reviewing its Outcome Based Management (OBM) Structure and Key Performance Indicators. Amendments to the OBM structure will be reflected in the 2013-14 Budget Statements.

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Intelligence and Protective Services	120,312	151,103	174,159	133,710	140,235	145,957	149,211
2. Crime Prevention and Public Order	72,613	71,122	83,704	88,520	92,840	96,628	98,783
3. Community Support (Non-offence Incidents)	88,111	90,554	91,385	96,643	101,359	105,495	107,847
4. Emergency Management and Coordination	27,756	28,187	25,306	26,762	28,068	29,213	29,865
5. Response to and Investigation of Offences	451,152	463,981	458,353	484,725	508,377	529,123	540,920
6. Services to the Judicial Process	104,046	106,470	117,052	123,787	129,827	135,126	138,138
7. Traffic Law Enforcement and Management ...	215,161	219,488	219,605	244,255	252,632	262,909	268,906
8. Contribution to Responsible Financial Management	-	-	-	(21,184)	(33,458)	(46,380)	(59,564)
Total Cost of Services	1,079,151	1,130,905	1,169,564	1,177,218	1,219,880	1,258,071	1,274,106

Significant Issues Impacting the Agency

- The nature of policing is changing and partnerships are being developed on national and international levels to address criminal activity. A key challenge is legislative reform, noting the time and resources required to establish and implement legislative change is significant.

Increases in Demand for Services

- Current crime rates are relatively steady, however the demand for policing services has been increasing significantly which presents a challenge due to competing priorities. Mining industry developments, protest activity from Issue Motivated Groups, a new regional prison and detention centre require increased policing effort.

Workforce challenges

- Keeping pace with the increasing cost of policing is a challenge. Western Australia Police continues to develop initiatives to maximise productivity in both metropolitan and regional locations. There are a number of issues impacting on the workforce including:
 - attracting officers and the cost of housing, training, and relieving in Regional Western Australia; and
 - optimising workforce availability and utilisation through the effective deployment of different types of police employees.

Advances in technology

- Rapid expansion and advances in technology provides both a challenge and an opportunity for policing. While legislation changes and addressing the use of technology for criminal purposes bring significant cost pressures, Western Australia Police is using scientific and technology advances to enhance capabilities through:
 - enhanced DNA profiling;
 - blood testing;
 - drug analysis; and
 - development of vehicles with significantly enhanced technology.

In this regard, a further \$29.6 million has been provided over the period 2012-13 to 2015-16 to enable the Western Australia Police to maintain its forensic capacity, and to assist particularly in the detection of clandestine drug labs.

Interagency collaboration

- Interagency and cross jurisdictional collaboration is key to the delivery of desired government outcomes and is required to address crime and its many underlying causes. Building on the success of the Commonwealth Heads of Government Meeting (CHOGM), Western Australia Police continues to work with multiple agencies and combine core business systems with a focus on:
 - emergency management;
 - intelligence sharing; and
 - cross justice sector information exchange.

Alcohol and Drugs

- The links between alcohol and drugs use and crime are well known. The underlying cause and effects are highly complex and will require initiatives to be implemented across multiple agencies. Western Australia Police will continue to address issues of:
 - alcohol-related crime and anti-social behaviour;
 - recidivist youth offending;
 - violent crime; and
 - illicit drug manufacture, distribution and use.

Traffic Management

- Western Australia Police is working closely with the Office of Road Safety to promote changes to driver behaviour and enforcement of traffic laws to address the following:
 - impaired driving from alcohol and other drugs;
 - excessive speed and anti-social driver behaviour;
 - non-use of restraints;
 - causes of driver distraction; and
 - issues relating to the heavy haulage industry.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Lawful behaviour and community safety:					
The percentage of the community who were 'satisfied' or 'very satisfied' with services provided by police.....	72.0%	=>67%	70.2%	=>67%	
The percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police	80.8%	=>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	39.3%	<=42%	40.0%	<=42%	
- housebreaking.....	59.1%	<=57%	57.0%	<=57%	
- motor vehicle theft.....	44.6%	<=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.....	48.4%	<=50%	47.5%	<=50%	
- louts or gangs	31.2%	<=34%	30.8%	<=34%	
- drunken or disorderly behaviour.....	40.9%	<=45%	40.8%	<=45%	
- speeding cars, dangerous or noisy driving	75.4%	<=76%	75.2%	<=76%	
State emergency management plans in place and current, and resources committed, where the Police Service is the designated Hazard Management Agency, to prevent and minimise risk	7	7	7	7	
Outcome: Offenders apprehended and dealt with in accordance with the law:					
Sanction rate for offences against the person.....	59.5%	=>60%	55.4%	=>60%	1
Sanction rate for offences against property.....	16.7%	=>16%	16.5%	=>16%	
Sanction rate for drug trafficking offences	88.4%	=>89%	85.3%	=>89%	2
Percentage of guilty pleas before trial.....	92.6%	93%	94.0%	93%	
Percentage of convictions for matters listed for trial.....	62.2%	62%	64.5%	62%	
Number of deaths in custody for which the Police Service is culpable.....	nil	nil	nil	nil	
Number of escapes from police lockups	6	nil	7	nil	
Outcome: Lawful road-user behaviour:					
Percentage of drivers tested for drink-driving who are found to exceed the lawful alcohol limit.....	2.2%	=>2.5%	1.9%	=>1.6%	3
Percentage of vehicles monitored for speeding by speed cameras that are found to exceed the lawful speed limit.....	26.1%	=>15%	22.2%	=>15%	4

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

Explanation of Significant Movements

(Notes)

1. The movement of the 2011-12 Estimated Actual from the 2011-12 Budget Target reflects a lower sanction rate for offences against the person. This is attributed to changes to the *Evidence Act 1906*, *Criminal Investigation Act 2006* and other legislation enhancing transparency and accountability that increased the time required for police to complete investigations, resulting in a lower sanction rate.
2. The movement of the 2011-12 Estimated Actual from the 2011-12 Budget Target reflects a lower sanction rate for drug trafficking offences. This is attributed to changes to the *Evidence Act 1906*, *Criminal Investigation Act 2006*, and other legislation enhancing transparency and accountability that increased the time required for police to complete investigations ultimately resulting in a lower sanction rate.
3. The movement of the 2011-12 Estimated Actual from the 2011-12 Budget Target reflects a lower percentage of drivers tested for drink-driving who are found to exceed the lawful alcohol limit. This is attributed to a change in strategy that balances targeted enforcement with a greater focus on Random Breath Testing in order to raise the public perception of the chances of being stopped 'anywhere, anytime'. As a consequence, the target has been amended for 2012-13.
4. The movement of the 2011-12 Estimated Actual from the 2011-12 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 were rolled-out during 2010-11 as part of the second phase of the Enhanced Speed Enforcement program. It is anticipated that the improved effectiveness of the new speed cameras will reduce speeding behaviour. The percentage of vehicles that are found to exceed the lawful speed limit may therefore decrease in 2012-13 from the level estimated in 2011-12. As a consequence, the target for 2012-13 has not been revised.

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 hotspots 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 120,312	\$'000 151,103	\$'000 174,159	\$'000 133,710	1
Less Income	3,469	2,650	3,493	1,613	
Net Cost of Service.....	116,843	148,453	170,666	132,097	
Employees (Full Time Equivalents).....	776	962	1,016	794	
Efficiency Indicators					
Average Cost per Hour for Providing Intelligence and Protective Services ^(a) ...	\$122	\$117	\$129	\$128	2

(a) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. The movement in the total cost of service across the 2010-11 Actual to the 2012-13 Budget Target is attributable to the CHOGM event, where the majority of costs were incurred in 2011-12 resulting in fluctuations between years.
2. The increase in the average cost of service per hour between the 2011-12 Estimated Actual and 2011-12 Budget is due to increased effort related to CHOGM.

2: Crime Prevention and Public Order

Providing general support to the community including a visible police presence and crime prevention activities. Maintaining an adequate service and timely response to the needs of local communities at all times is a critical factor in achieving broader outcomes. The provision of this 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 72,613	\$'000 71,122	\$'000 83,704	\$'000 88,520	
Less Income	7,862	16,571	16,394	17,868	
Net Cost of Service.....	64,751	54,551	67,310	70,652	
Employees (Full Time Equivalents).....	466	452	520	555	
Efficiency Indicators					
Average Cost per Hour for Providing Crime Prevention and Public Order Services ^(a)	\$123	\$117	\$121	\$121	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 Activity Survey and the Full Time Equivalent 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	88,111	90,554	91,385	96,643	
Less Income	2,223	1,169	1,833	1,166	
Net Cost of Service	85,888	89,385	89,552	95,477	
Employees (Full Time Equivalents).....	644	634	613	646	
Efficiency Indicators					
Percentage of 131 444 Calls for Police Assistance or Attendance Answered within 20 Seconds ^{(a)(b)}	76.0%	85%	73.7%	85%	1
Percentage of 131 444 Calls Abandoned ^{(a)(c)}	7.4%	<5%	7.5%	<5%	1
Average Cost per Hour for Providing Community Support (Non-Offence Incidents) Services ^(d)	\$108	\$106	\$112	\$113	

(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 calls where the caller opts to abandon the call before operators can answer them as a percentage of the total number of 131 444 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. Variances between the 2011-12 Estimated Actual and 2012-13 Budget Target for percentage of 131 444 calls answered within 20 seconds and 131 444 calls abandoned is mainly due to increased call volumes and associated resourcing issues.

4: Emergency Management and Coordination

Responding in timely and effective manner to a range of emergencies and disasters to increase public feelings of safety and security. A key role of the agency is to plan, coordinate and provide support programs to ensure readiness for major emergencies and disasters including terrorist incidents, natural disasters, search and rescue. Activities associated include:

- training officers and volunteers in emergency management and conducting training exercises involving other authorities;
- coordinating and controlling searches; and
- coordinating all combat authorities during major civil and technological disasters.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	27,756	28,187	25,306	26,762	
Less Income	1,376	364	582	398	
Net Cost of Service.....	26,380	27,823	24,724	26,364	
Employees (Full Time Equivalents).....	187	180	160	162	
Efficiency Indicators					
Average Cost per Hour of Emergency Management and Coordination ^(a)	\$117	\$116	\$119	\$125 ^(b)	

(a) Calculated from internal police activity surveys.

(b) Generally the average hourly rate will increase in line with employee pay rates and other cost increases along with any changes in work practices due to the demand for policing services caused by the occurrence of emergency situations that may arise.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 451,152	\$'000 463,981	\$'000 458,353	\$'000 484,725	
Less Income	11,099	6,539	10,042	6,710	
Net Cost of Service.....	440,053	457,442	448,311	478,015	
Employees (Full Time Equivalents).....	3,281	3,209	3,142	3,308	
Efficiency Indicators					
Average Cost per Response/Investigation ^{(a)(b)}	\$2,197	\$2,579	\$2,335	\$2,469	
Percentage of Emergency '000' Calls for Urgent Police Assistance or Attendance Answered within 20 Seconds ^{(c)(d)}	92.0%	90%	91.5%	90%	
Percentage of '000' Emergency Calls Answered on First Presentation ^{(c)(e)}	96.0%	>90%	94.9%	>90%	
Average Time Taken to Respond to Urgent Calls for Police Assistance in the Metropolitan Area from Call Received (Entered) to Arrival at Scene ^{(f)(g)(h)(i)(j)(k)(l)}					
- Priority 1-2 Calls	8 mins	9 mins	9 mins	9 mins	
- Priority 3 Calls	21 mins	25 mins	21 mins	25 mins	

(a) Calculated from internal police activity surveys.

(b) The number of responses/investigations is based on the total number of verified offences against the person, property and drug offences.

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

(d) 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.

(e) 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.

(f) The Computer Aided Dispatch (CAD) system is used for creating and managing tasks for police attendance.

(g) 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.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 104,046	\$'000 106,470	\$'000 117,052	\$'000 123,787	
Less Income	2,664	2,028	3,001	2,148	
Net Cost of Service.....	101,382	104,442	114,051	121,639	
Employees (Full Time Equivalents).....	730	716	763	805	
Efficiency Indicators					
Average Cost per Hour of Services to the Judicial Process ^(a)	\$113	\$111	\$116	\$116	
Average Cost per Guilty Plea ^(b)	\$35	\$31	\$50	\$53	1
Average Cost per Non-Guilty Plea ^(b)	\$281	\$245	\$336	\$355	1

(a) Calculated from internal police activity surveys.

(b) Relates to matters (charges) that have been placed before the Magistrates Court and Children's Court throughout the State by the police (note that as from December 2006, the Director of Public Prosecutions became responsible for the prosecution of matters at the Perth Children's Court). The data may also include a small number of matters placed before the Keeling Islands (Christmas and Cocos Island) Court by the Australian Federal Police. Criminal matters placed before the District and Supreme Courts are not included.

Explanation of Significant Movements

(Notes)

1. The significant increase in average cost of guilty and non-guilty pleas is attributed to a decrease in the volume of matters placed before the Magistrates Court in 2011-12. An increase in the target for 2012-13 reflects an anticipated increase in the cost of prosecutions.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	215,161	219,488	219,605	244,255	1
Less Income	17,232	17,712	23,577	37,473	1
Net Cost of Service.....	197,929	201,776	196,028	206,782	
Employees (Full Time Equivalents).....	1,572	1,508	1,483	1,578	
Efficiency Indicators					
Average Cost per Hour of Traffic Law Enforcement and Management ^(a)	\$108	\$108	\$112	\$117	

(a) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. Significant increases in the 2012-13 Budget Target is attributable to Road Trauma Trust Account funding.

ASSET INVESTMENT PROGRAM

To support the delivery of the Western Australia Police services, the planned asset investment program for 2012-13 is \$149.1 million, comprising \$140.6 million for works in progress and \$8.5 million for new works.

Major projects include:

- Community Safety Network – Regional Radio Network Replacement Program
The 'Community Safety 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.

- Police Facilities:

- Cockburn Central Police Station (District Hub)

The establishment of a new Police Hub to replace the ageing and non-contemporary facility at Cockburn Central will introduce 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). This will result in more resources being available for patrolling and tasking to all surrounding neighbourhoods.

- Central Facilities Relocation Strategy: Perth Police Complex

This program will co-locate 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 the art lock-up facility as well as an upgraded police station in Northbridge/Perth CBD and the District facility.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Fleet and Equipment Purchases - New and Replacement							
Speed and Red Light Camera Upgrades.....	15,195	11,322	3,714	3,873	-	-	-
Information Technology Infrastructure							
Community Safety Network: Regional Radio Network							
Replacement Program ^(a)	66,991	26,491	24,137	20,000	9,800	8,200	2,500
ICT							
Core Business Systems – Development 2010-13	6,012	1,912	1,500	4,100	-	-	-
Core Business Systems – Development 2011-15	40,500	2,300	2,300	22,800	12,600	2,800	-
Infrastructure Replacement and Continuity 2010-12	9,115	8,576	8,576	539	-	-	-
Infrastructure Replacement and Continuity 2011-15	24,912	4,962	221	13,950	-	6,000	-
Police Metropolitan Radio Network Expansion and							
Regional Radio Planning	25,824	24,424	1,752	1,400	-	-	-
Other Capital Works Proposals							
Public Sex Offender Register	2,900	510	510	2,390	-	-	-
Police Facilities							
Central Facilities Relocation Strategy							
Perth Police Complex.....	87,611	60,941	31,860	26,100	570	-	-
New and Replacement Police Facilities							
Cockburn Central Police Station (District Hub).....	18,847	293	293	2,400	9,454	6,700	-
Fitzroy Crossing Police Station	10,286	9,709	8,274	577	-	-	-
Mount Magnet Police Station	7,223	4,573	3,732	2,650	-	-	-
Mundijong Police Station	8,020	200	200	1,685	1,535	4,600	-
Police Facilities Major Refurbishment Program	13,500	3,000	3,000	8,100	1,500	900	-
West Metropolitan District Accommodation Upgrade.....	11,646	2,246	1,715	6,300	2,500	600	-
Western Suburbs Police Station (District Hub).....	25,619	358	358	-	-	5,400	8,900
Upgrades							
Custodial Facilities Upgrade Program 2010-11	4,742	3,842	2,456	900	-	-	-
COMPLETED WORKS							
Counter-Terrorism Initiatives							
CT: Multi-Agency Response - Capability/Capacity -							
NorWest Deployment - Bomb Squad - Safety/Security	14,633	14,633	89	-	-	-	-
Replacement Aircraft Equipment	1,650	1,650	1,650	-	-	-	-
Fleet - Equipment Purchases - New - Replacement							
Major Aircraft New and Replacement Program -							
Helicopter	21,420	21,420	9,387	-	-	-	-
Non-Leased – Non-Standard Motor Vehicle							
Replacement Program 2011-12.....	900	900	900	-	-	-	-
Scheduled Equipment Replacement Program 2010-11	9,254	9,254	6,782	-	-	-	-
Security Vehicles Conversion Program.....	1,956	1,956	880	-	-	-	-
Two Breath and Drug Buses.....	2,080	2,080	2,080	-	-	-	-
Other Capital Works Proposals							
Cannabis Law Reform	673	673	54	-	-	-	-
Forensic Service Upgrades	493	493	298	-	-	-	-
Police Facilities							
Additional 500/200 - Accommodation	5,444	5,444	229	-	-	-	-
Additions and Alterations to Existing Facilities							
CHOGM: Command Centre Facility.....	2,651	2,651	1,054	-	-	-	-
South Hedland Police Station	17,317	17,317	558	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
New and Replacement Police Facilities							
Burringurrah Remote Multi-Function Police Facility	7,094	7,094	1,536	-	-	-	-
Derby Police Station	4,952	4,952	474	-	-	-	-
Kimberley District Police Complex	12,046	12,046	246	-	-	-	-
Looma Remote Multi-Functional Policing Facility	5,962	5,962	979	-	-	-	-
Pilbara District Police Complex	16,921	16,921	376	-	-	-	-
Property Receival and Exhibit Storage Facility	2,386	2,386	471	-	-	-	-
Upgrades							
Police Station Upgrade Program 2010-11	7,478	7,478	4,238	-	-	-	-
NEW WORKS							
Fleet and Equipment Purchases - New and Replacement							
2012-2015 Program	17,160	-	-	5,700	5,600	5,860	-
2015-2018 Program	19,440	-	-	-	-	-	6,120
Information Technology Infrastructure							
ICT – Infrastructure Replacement and Continuity							
2013-2015	42,508	-	-	-	26,935	15,573	-
Police Facilities							
Planning and Feasibility Studies							
Capital Project Contingencies	804	-	-	-	-	804	-
Upgrades							
Custodial Facilities Upgrade Program 2012-15	6,120	-	-	1,920	2,040	2,160	-
Custodial Facilities Upgrade Program 2015-18	7,200	-	-	-	-	-	2,280
Police Station Upgrade Program 2012-15	9,180	-	-	2,880	3,060	3,240	-
Police Station Upgrade Program 2015-18	10,800	-	-	-	-	-	3,420
Road Trauma Trust Account (RTTA)							
RTTA 2012-13: Advanced Traffic Management							
Motorcycle Trial	80	-	-	80	-	-	-
RTTA 2012-13: Advanced Traffic Management Vehicle							
Project	3,293	-	-	3,293	-	-	-
Total Cost of Asset Investment Program	630,838	300,969	126,879	131,637	75,594	62,837	23,220
FUNDED BY							
Capital Appropriation			2,976	87,659	49,194	42,777	14,600
Commonwealth Grants			1,650	-	-	-	-
Drawdowns from the Holding Account			18,993	16,700	16,600	11,860	6,120
Resources received free of charge - Building Management							
and Works			594	127	-	-	-
Internal Funds and Balances			75,788	3,778	-	-	-
Other ^(b)			(6,222)	3,373	-	-	-
Drawdowns from Royalties for Regions Fund ^(c)			33,100	20,000	9,800	8,200	2,500
Total Funding			126,879	131,637	75,594	62,837	23,220

(a) Funded from the Royalties for Regions Fund.

(b) The 2011-12 Estimated Expenditure consists of the balance of Commonwealth Grant funding for the Federally Funded Multi-functional Policing Facilities at Burringurrah, Blackstone, Looma and Bidyadanga. The increase in 2012-13 is due to new Road Trauma Trust Account funding.

(c) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated increase in the Total Cost of Services of \$7.7 million (0.7%) for the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual.

This net increase is mainly attributable to:

- additional employee programs and provision for salary increases;
- RTTA funded programs; and
- reduction in costs from 2011-12 associated with the once-off CHOGM 2011.

Income

Total income is expected to increase by \$8.5 million (14.3%) in 2012-13 relative to the 2011-12 Estimated Actual. The increase is mainly attributable to the RTTA funding provided that will be applied to the traffic enforcement strategies in line with the Towards Zero 2008-20 road safety strategy.

Statement of Financial Position

Total Equity for 2012-13 shows an increase of \$120.7 million (12.1%) relative to 2011-12 Estimated Actual. This reflects an increase in total assets of \$128.6 million (10.3%) and an increase in total liabilities of \$7.9 million (3.2%) over the same period.

The expected increase in assets is attributable to:

- Property, Plant and Equipment relating to the asset investment programs including the ICT programs, Community Safety Network: Regional Radio Network Replacement Program, and new and replacement police facilities;
- Intangibles predominantly relating to the ICT Programs;
- Restricted Cash associated with the 27th Pay; and
- Holding Account Receivables representative of depreciation for increased asset value and leave expense net movement.

The increase in liabilities of \$7.9 million is mainly attributable to the estimated increase in Western Australia Police employees' leave provisions and accrued salaries, as a result of salary and wage increases.

Statement of Cashflows

The net decrease in cash held from the 2011-12 Budget to the 2011-12 Estimated Actual is representative of Western Australia Police moving capital works contribution into out years and drawing down on Cash at Bank funds.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	795,161	818,544	841,735	876,419	933,641	972,614	1,010,876
Grants and subsidies ^(c)	3,806	2,120	2,120	2,120	1,355	1,355	1,355
Supplies and services	132,323	133,812	144,053	144,624	144,092	150,122	142,280
Accommodation	37,361	47,430	47,690	49,699	52,992	54,197	55,453
Depreciation and amortisation	40,368	45,295	45,306	51,659	56,211	58,754	60,495
Efficiency dividend	-	-	-	(21,184)	(33,458)	(46,380)	(59,564)
Other expenses	70,132	83,704	88,660	73,881	65,047	67,409	63,211
TOTAL COST OF SERVICES	1,079,151	1,130,905	1,169,564	1,177,218	1,219,880	1,258,071	1,274,106
Income							
Sale of goods and services	6,351	4,472	6,715	6,562	6,748	6,767	6,787
Regulatory fees and fines	17,929	17,552	19,085	20,262	20,806	20,806	20,806
Grants and subsidies ^(d)	5,016	8,239	13,589	20,514	15,812	16,150	16,494
Other revenue	16,630	16,770	19,533	20,038	19,668	18,848	18,848
Total Income	45,926	47,033	58,922	67,376	63,034	62,571	62,935
NET COST OF SERVICES	1,033,225	1,083,872	1,110,642	1,109,842	1,156,846	1,195,500	1,211,171
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,007,575	1,114,932	1,120,854	1,114,818	1,144,979	1,181,944	1,199,796
Resources received free of charge	5,868	3,536	3,981	3,569	3,493	3,493	3,493
Royalties for Regions Fund ^(e)	1,999	2,123	6,265	8,066	8,977	10,666	5,660
TOTAL INCOME FROM STATE GOVERNMENT	1,015,442	1,120,591	1,131,100	1,126,453	1,157,449	1,196,103	1,208,949
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(17,783)	36,719	20,458	16,611	603	603	(2,222)
Extraordinary items	4,727	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(13,056)	36,719	20,458	16,611	603	603	(2,222)

- (a) Full audited financial statements are published in the agency's Annual Report.
- (b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 7,656, 7,697 and 7,848 respectively. In some cases the figures for 2010-11 and 2011-12 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 significant increase in grants and subsidies income in the 2011-12 Estimated Actual and forward estimates is attributed to new RTTA funding.
- (e) Regional Infrastructure and Headworks Fund - \$0 million (2010-11), \$2.1 million (2011-12), \$1.4 million (2011-12 Estimated Out Turn), \$3.0 million (2012-13), \$3.7 million (2013-14), \$5.2 million (2014-15), \$0 million (2015-16), Regional Community Services Fund - \$2.0 million (2010-11), \$0 million (2011-12), \$4.9 million (2011-12 Estimated Out Turn), \$5.1 million (2012-13), \$5.3 million (2013-14), \$5.5 million (2014-15) and \$5.7 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Community Safety and Crime Prevention Partnership Fund	2,781	2,015	2,015	2,015	1,250	1,250	1,250
Other	1,025	105	105	105	105	105	105
TOTAL	3,806	2,120	2,120	2,120	1,355	1,355	1,355

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	121,222	45,418	58,939	61,413	62,126	62,839	63,552
Restricted cash.....	10,331	4,005	10,331	10,331	10,331	40,246	10,331
Holding account receivables	18,993	16,700	16,700	16,600	11,860	6,120	6,480
Receivables.....	7,644	7,904	7,644	7,644	7,644	7,644	7,644
Other.....	8,806	7,125	8,806	8,806	8,806	8,806	8,806
Assets held for sale	18,012	-	3,556	1,300	800	-	-
Total current assets	185,008	81,152	105,976	106,094	101,567	125,655	96,813
NON-CURRENT ASSETS							
Holding account receivables	177,669	218,892	218,604	265,090	314,069	371,331	429,974
Property, plant and equipment	754,789	837,414	826,598	876,526	882,255	878,384	842,355
Intangibles	58,776	75,641	71,863	100,613	113,467	121,421	120,175
Restricted cash.....	16,525	19,090	19,645	22,935	26,425	-	-
Total non-current assets.....	1,007,759	1,151,037	1,136,710	1,265,164	1,336,216	1,371,136	1,392,504
TOTAL ASSETS.....	1,192,767	1,232,189	1,242,686	1,371,258	1,437,783	1,496,791	1,489,317
CURRENT LIABILITIES							
Employee provisions.....	130,578	132,178	136,972	136,972	136,972	136,972	136,972
Payables.....	30,573	20,276	30,573	30,573	30,573	30,573	30,573
Other.....	22,458	23,261	25,768	28,998	32,598	36,198	9,218
Total current liabilities.....	183,609	175,715	193,313	196,543	200,143	203,743	176,763
NON-CURRENT LIABILITIES							
Employee provisions.....	50,009	45,302	54,045	58,673	63,301	67,929	72,557
Total non-current liabilities	50,009	45,302	54,045	58,673	63,301	67,929	72,557
TOTAL LIABILITIES.....	233,618	221,017	247,358	255,216	263,444	271,672	249,320
EQUITY							
Contributed equity	469,709	550,610	485,430	589,533	647,227	697,404	714,504
Accumulated surplus/(deficit).....	126,506	144,513	146,964	163,575	164,178	164,781	162,559
Reserves.....	362,934	316,049	362,934	362,934	362,934	362,934	362,934
Total equity	959,149	1,011,172	995,328	1,116,042	1,174,339	1,225,119	1,239,997
TOTAL LIABILITIES AND EQUITY.....	1,192,767	1,232,189	1,242,686	1,371,258	1,437,783	1,496,791	1,489,317

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	959,710	1,057,009	1,063,219	1,051,732	1,084,140	1,118,562	1,134,673
Capital appropriation	70,737	65,593	2,976	87,659	49,194	42,777	14,600
Holding account drawdowns	14,216	18,993	18,993	16,700	16,600	11,860	6,120
Royalties for Regions Fund ^(b)	8,699	44,223	39,365	28,066	18,777	18,866	8,160
Net cash provided by State Government.....	1,053,362	1,185,818	1,124,553	1,184,157	1,168,711	1,192,065	1,163,553
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(777,081)	(810,424)	(827,995)	(868,561)	(925,413)	(964,386)	(1,033,228)
Grants and subsidies	(3,254)	(2,120)	(2,120)	(2,120)	(1,355)	(1,355)	(1,355)
Supplies and services	(132,432)	(128,198)	(140,687)	(141,185)	(140,584)	(146,564)	(138,664)
Accommodation.....	(37,075)	(30,691)	(45,711)	(47,665)	(50,907)	(52,075)	(53,331)
Efficiency dividend.....	-	-	-	21,184	33,458	46,380	59,564
Other payments.....	(86,576)	(121,681)	(116,447)	(102,741)	(95,976)	(98,425)	(94,285)
Receipts							
Regulatory fees and fines.....	17,891	17,631	19,085	20,262	20,806	20,806	20,806
Grants and subsidies ^(c)	5,065	8,239	13,589	20,514	15,812	16,150	16,494
Sale of goods and services	6,249	4,401	5,973	5,820	6,006	6,025	6,045
GST receipts	30,070	19,911	29,911	29,911	29,911	29,911	29,911
Other receipts.....	13,376	15,680	16,193	17,698	19,328	18,508	18,508
Net cash from operating activities.....	(963,767)	(1,027,252)	(1,048,209)	(1,046,883)	(1,088,914)	(1,125,025)	(1,169,535)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(67,175)	(137,302)	(126,285)	(131,510)	(75,594)	(62,837)	(23,220)
Proceeds from sale of non-current assets	88	-	-	-	-	-	-
Net cash from investing activities.....	(67,087)	(137,302)	(126,285)	(131,510)	(75,594)	(62,837)	(23,220)
NET INCREASE/(DECREASE) IN CASH HELD	22,508	21,264	(49,941)	5,764	4,203	4,203	(29,202)
Cash assets at the beginning of the reporting period.....	125,596	56,471	148,104	88,941	94,705	98,908	103,111
Net cash transferred to/from other agencies.....	-	(9,222)	(9,222)	-	-	-	-
Cash assets at the end of the reporting period.....	148,078	68,513	88,915	94,679	98,882	103,085	73,883

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

(b) Regional Infrastructure and Headworks Fund - \$6.7 million (2010-11), \$44.2 million (2011-12), \$34.5 million (2011-12 Estimated Out Turn), \$23.0 million (2012-13), \$13.5 million (2013-14), \$13.4 million (2014-15), \$2.5 million (2015-16), Regional Community Services Fund - \$2.0 million (2010-11), \$0 million (2011-12), \$4.9 million (2011-12 Estimated Out Turn), \$5.1 million (2012-13), \$5.3 million (2013-14), \$5.5 million (2014-15) and \$5.7 million (2015-16).

(c) The significant increase in grants and subsidies income in the 2011-12 Estimated Actual and forward estimates is attributed to new RTTA funding.

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Fines							
Firearms Licensing Infringements	24	200	200	200	200	200	200
Other							
Sale of lost, stolen and forfeited property	432	450	450	450	450	450	450
TOTAL INCOME	456	650	650	650	650	650	650
EXPENSES							
Other							
Receipts Paid into Consolidated Account	216	400	400	400	400	400	400
All Other Expenses	240	250	250	250	250	250	250
TOTAL EXPENSES.....	456	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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Commonwealth-National Campaign Against Drug Abuse	146	146	146	146	146	146	146
Commonwealth Contribution for Multi-Functional Police Facilities	-	3,000	3,000	-	-	-	-
Commonwealth - Other ^(a)	758	1,173	2,418	768	768	768	768
Departmental	32,927	32,577	39,731	37,047	37,787	36,991	37,011
GST Input Credits ^(b)	27,793	18,523	27,523	27,523	27,523	27,523	27,523
GST Receipts on Sales ^(b)	2,277	1,388	2,388	2,388	2,388	2,388	2,388
Licences	6,011	6,923	7,413	8,520	8,520	8,520	8,520
Road Trauma Trust Account ^(c)	2,739	2,132	2,132	17,813	14,731	15,064	15,408
TOTAL.....	72,651	65,862	84,751	94,205	91,863	91,400	91,764

- (a) The increase in the 2011-12 Estimated Actual represents the one-off capital grant funding for the Replacement Aircraft Equipment program in 2011-12.
- (b) The increase in GST figures (from the 2011-12 Budget to the 2011-12 Estimated Actual and forward estimates), relates to a cashflow budget alignment.
- (c) The increase from 2012-13 onwards is attributable to the RTTA funding provided that will be applied to the traffic enforcement strategies.

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

Part 10

Minister for Sport and Recreation; Racing and Gaming

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
509	Sport and Recreation			
	- Delivery of Services.....	84,339	72,594	70,574
	- Administered Grants, Subsidies and Other Transfer Payments.....	-	-	703
	- Capital Appropriation.....	27,700	19,540	113,960
	Total	112,039	92,134	185,237
521	Western Australian Sports Centre Trust			
	- Delivery of Services.....	18,263	22,742	33,530
	- Capital Appropriation.....	92,887	156,401	1,603
	Total	111,150	179,143	35,133
531	Racing, Gaming and Liquor			
	- Delivery of Services.....	4,358	4,358	4,456
	- Administered Grants, Subsidies and Other Transfer Payments.....	107,277	107,869	111,047
	- Capital Appropriation.....	-	-	2,540
	Total	111,635	112,227	118,043
	GRAND TOTAL			
	- Delivery of Services.....	106,960	99,694	108,560
	- Administered Grants, Subsidies and Other Transfer Payments.....	107,277	107,869	111,750
	- Capital Appropriation.....	120,587	175,941	118,103
	Total.....	334,824	383,504	338,413

SPORT AND RECREATION

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

DIVISION 44

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 68 Net amount appropriated to deliver services.....	29,226	42,250	41,005	35,522	29,926	31,278	28,609
Item 69 Contribution to Community Sporting and Recreation Facilities Fund.....	17,000	28,000	17,500	20,500	23,616	17,453	9,151
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990.....	13,382	13,818	13,818	14,274	14,783	14,783	14,783
- Salaries and Allowances Act 1975	226	271	271	278	285	285	285
Total appropriations provided to deliver services	59,834	84,339	72,594	70,574	68,610	63,799	52,828
ADMINISTERED TRANSACTIONS							
Item 70 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	-	-	-	703	-	-	-
CAPITAL							
Item 141 Capital Appropriation	4,300	27,700	19,540	113,960	19,844	12,826	-
TOTAL APPROPRIATIONS.....	64,134	112,039	92,134	185,237	88,454	76,625	52,828
EXPENSES							
Total Cost of Services.....	73,006	89,144	85,450	73,415	74,998	69,462	58,737
Net Cost of Services ^(a)	66,714	84,342	80,286	67,493	69,679	64,040	53,208
CASH ASSETS ^(b)	12,377	6,730	8,601	6,908	6,138	6,212	5,545

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Clifton Road Sports Complex Grant.....	-	500	500	-	-
Combat Sports Commission	-	703	-	-	-
Community Sporting and Recreation Facilities Fund	-	-	3,616	-	-
Mt Helena Oval Upgrade Grant.....	-	150	-	-	-
State Netball Centre.....	6,601	-	-	-	-
Western Australian Institute of Sport - High Performance Service Centre					
Operating Costs	-	-	-	1,297	2,595
Efficiency Dividend.....	-	(1,065)	(1,472)	(1,897)	(1,750)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Infrastructure and Organisational Development	57,187	72,560	65,466	54,122	56,153	50,525	43,161
2. People Development in Sport and Recreation	9,852	10,667	13,231	13,836	13,725	14,015	10,333
3. Recreation Camps Management	5,967	5,917	6,753	6,522	6,592	6,819	6,993
4. Contribution to Responsible Financial Management	-	-	-	(1,065)	(1,472)	(1,897)	(1,750)
Total Cost of Services	73,006	89,144	85,450	73,415	74,998	69,462	58,737

Significant Issues Impacting the Agency

- This generation of children spend 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. Investment by government into the sport and recreation system through the community-based club system will continue to provide opportunities for people, at all ages to become and remain physically active.
- Approximately 60.0% of community volunteers are in the sport and recreation sector. The volunteer and club structure that underpins the delivery of sport and recreation opportunities in our community requires significant ongoing training, support and development. Through the support for a range of capacity building programs such as 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.
- Socio-economic issues can provide significant barriers to participation in community 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. The Government will continue to support major community-based initiatives that see government partner the community and business sector to deliver opportunities and access to all.

- The Community Sporting and Recreation Facilities Fund (CSRFF) 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.
- Balancing competing priorities in water and energy management and planning for the provision of public open space continue to provide challenges in the sport and recreation portfolio. The Department has formed innovative partnerships with other government and corporate agencies to ensure sufficient consideration is given to the sport and recreational needs of the community.
- The sport and recreation setting provides a positive setting for government to implement policies and programs that benefit the whole community. This ranges from, Youth at Risk programs in the camps operations, to the continued expansion of the current Sport for All program.
- Finalising planning for Perth's Major Stadium and monitoring of ongoing significant government capital investment in state-level sporting infrastructure, including the State Netball Centre, Perth Rectangular Stadium, Barbagallo Raceway and the new Western Australia Institute of Sport (WAIS) High Performance Service Centre, is a key priority. The construction of the WAIS High Performance Service Centre will provide a modern high performance training facility to enhance Western Australia's representation on national teams.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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%	96%	98%	
Satisfaction rating of the agency's consultation advice to clients.....	90%	90%	90%	90%	
Satisfaction rating of camps management and service delivery	94%	87%	88%	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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 57,187	\$'000 72,560	\$'000 65,466	\$'000 54,122	1
Less Income	983	775	1,010	1,572	
Net Cost of Service	56,204	71,785	64,456	52,550	
Employees (Full Time Equivalents).....	90	92	92	95	2
Efficiency Indicators					
Average Cost to Manage Grants	2,119	2,602	2,149	2,669	
Average Cost of Grants Provided	55,515	68,290	76,233	61,855	
Average Cost of Providing Consultancy to Organisations	10,732	10,628	10,970	11,250	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has decreased for the 2011-12 Estimated Actual partly due to a reallocation of Sport for All funding to Service 2 and revised estimates for CSRFF expenditure. A further decrease in the 2012-13 Budget Target is due to the State Netball Centre and Perth Rectangular Stadium being expensed in 2011-12, but not 2012-13.
2. The employee numbers have increased due to the inclusion of the Combat Sports Commission's Full Time Equivalents that are now funded via an administered appropriation. The Department provides the administrative support to the Combat Sports Commission.

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).

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 9,852	\$'000 10,667	\$'000 13,231	\$'000 13,836	1
Less Income	1,699	885	904	1,002	
Net Cost of Service	8,153	9,782	12,327	12,834	
Employees (Full Time Equivalents).....	40	41	42	42	
Efficiency Indicators					
Average Cost of Providing the Contact Type Services	824	955	907	905	

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Estimated Actual and the 2012-13 Budget Target is due to Sport for All being reallocated from Service 1 to Service 2.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	5,967	5,917	6,753	6,522	1
Less Income	3,610	3,142	3,250	3,348	
Net Cost of Service.....	2,357	2,775	3,503	3,174	
Employees (Full Time Equivalents).....	54	47	51	47	2
Efficiency Indicators					
Average Cost per Bed Night	43	47	51	50	
Average Cost per Participation	18	20	24	22	

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Estimated Actual Total Cost of Services compared to the 2011-12 Budget is due to increased funding of recreational camps maintenance.
2. The employee numbers are greater in the 2011-12 Estimated Actual due to an increase in casual instructors resulting from increased service demand funded by own sourced revenue.

ASSET INVESTMENT PROGRAM

Planning for the Perth Major Stadium will continue with \$8.0 million allocated in 2012-13 to complete a Project Definition Plan and other preliminary planning.

An allocation of \$85.1 million in 2012-13 was made for the construction and design works associated with the Perth Rectangular Stadium.

Design of the State Netball Centre continues and construction is due to commence in 2012-13.

A new purpose built WAIS - High Performance Service Centre (\$31.7 million) will provide much needed facilities within walking distance of a number of State sporting facilities including Challenge Stadium, Western Australian Athletics Stadium, Western Australian Basketball Centre and Western Australian Rugby Centre.

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) will ensure equipment is replaced and kept in a safe manner.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Perth Major Stadium - Planning	13,000	5,000	5,000	8,000	-	-	-
Perth Rectangular Stadium - Redevelopment	95,140	7,340	7,340	85,060	2,740	-	-
State Netball Centre - Construction	24,372	1,772	1,459	22,000	600	-	-
WAIS - High Performance Service Centre - Planning	2,000	500	500	1,500	-	-	-
COMPLETED WORKS							
Camps Plant and Equipment Ongoing Replacement - 2011-12 Program	65	65	65	-	-	-	-
Computer Hardware and Software - 2011-12 Program	330	330	330	-	-	-	-
Office Equipment Replacement - 2011-12 Program	114	114	114	-	-	-	-
Perth Rectangular Stadium - Planning	1,499	1,499	1,499	-	-	-	-
Program Equipment - 2011-12 Program	95	95	95	-	-	-	-
NEW WORKS							
Camps Plant and Equipment Ongoing Replacement							
2012-13 Program	65	-	-	65	-	-	-
2013-14 Program	65	-	-	-	65	-	-
2014-15 Program	65	-	-	-	-	65	-
2015-16 Program	65	-	-	-	-	-	65
Computer Hardware and Software							
2012-13 Program	330	-	-	330	-	-	-
2013-14 Program	330	-	-	-	330	-	-
2014-15 Program	330	-	-	-	-	330	-
2015-16 Program	330	-	-	-	-	-	330
Office Equipment Replacement							
2012-13 Program	114	-	-	114	-	-	-
2013-14 Program	114	-	-	-	114	-	-
2014-15 Program	114	-	-	-	-	114	-
2015-16 Program	114	-	-	-	-	-	114
Program Equipment							
2012-13 Program	95	-	-	95	-	-	-
2013-14 Program	95	-	-	-	95	-	-
2014-15 Program	95	-	-	-	-	95	-
2015-16 Program	95	-	-	-	-	-	95
WAIS - High Performance Service Centre - Construction	31,730	-	-	2,400	16,504	12,826	-
Total Cost of Asset Investment Program	170,761	16,715	16,402	119,564	20,448	13,430	604
FUNDED BY							
Capital Appropriation			19,540	113,960	19,844	12,826	-
Drawdowns from the Holding Account			604	604	604	604	604
Internal Funds and Balances			(3,742)	5,000	-	-	-
Total Funding			16,402	119,564	20,448	13,430	604

FINANCIAL STATEMENTS**Income Statement***Expenses*

The deficit in the 2011-12 Estimated Actual and surplus for the 2012-13 Budget Estimate is the result of the funding source treatment of payments and management of cashflows for the State Netball Centre. An amount of \$6.6 million has been expensed for this project in 2011-12 funded through cash at bank. The majority of the associated revenue for this project through service appropriation is recognised in 2012-13.

The 2012-13 Budget Estimate of Total Cost of Services is forecast to decrease by approximately \$12.0 million. This is mainly attributable to one-off funding expensed items for the State Netball Centre (\$6.5 million) and a contingent one-off payment in relation to the redevelopment of the Perth Rectangular Stadium (\$5.0 million).

Income

The increase in income in the 2012-13 Budget Estimate is mainly attributable to funding received from the Combat Sports Commission for services provided in administering its operations.

Statement of Financial Position

The increase in non-current assets and contributed equity over the budget year and forward estimates reflects the approved funding for the State Netball Centre construction (\$24.4 million), Perth Major Stadium planning (\$13.0 million), Perth Rectangular Stadium planning and redevelopment (\$96.6 million) and WAIS High Performance Service Centre construction (\$31.7 million) and planning and review (\$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.

Statement of Cashflows

The capital appropriation and purchase of non-current assets will increase significantly in 2012-13 as the works for the Perth Rectangular Stadium and the State Netball Centre advance, and the construction of the WAIS High Performance Service Centre commences. In addition, planning on both the Perth Major Stadium and the WAIS High Performance Service Centre will continue. 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 cash assets in 2012-13 is mainly due to utilisation of funds held within the Sports Lotteries account for community programs.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	16,780	16,281	16,857	17,571	17,552	18,239	18,700
Grants and subsidies ^(c)	44,856	63,523	58,699	47,041	48,815	41,308	28,411
Supplies and services	7,873	4,923	5,490	4,927	5,219	6,764	8,244
Accommodation	1,438	2,147	2,105	2,620	2,692	2,756	2,815
Depreciation and amortisation	1,188	1,378	1,378	1,421	1,311	1,399	1,399
Efficiency dividend	-	-	-	(1,065)	(1,472)	(1,897)	(1,750)
Other expenses	871	892	921	900	881	893	918
TOTAL COST OF SERVICES	73,006	89,144	85,450	73,415	74,998	69,462	58,737
Income							
Sale of goods and services	3,572	3,142	3,288	3,386	3,486	3,589	3,696
Grants and subsidies	1,899	1,157	1,236	1,236	1,236	1,236	1,236
Other revenue	821	503	640	1,300	597	597	597
Total Income	6,292	4,802	5,164	5,922	5,319	5,422	5,529
NET COST OF SERVICES	66,714	84,342	80,286	67,493	69,679	64,040	53,208
INCOME FROM STATE GOVERNMENT							
Service appropriations	59,834	84,339	72,594	70,574	68,610	63,799	52,828
Resources received free of charge	546	-	-	-	-	-	-
Royalties for Regions Fund ^(d)	55	-	89	92	96	99	102
TOTAL INCOME FROM STATE GOVERNMENT	60,435	84,339	72,683	70,666	68,706	63,898	52,930
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(6,279)	(3)	(7,603)	3,173	(973)	(142)	(278)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 184, 185 and 184 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$0.1 million (2010-11), \$0 million (2011-12), \$0.1 million (2011-12 Estimated Out Turn), \$0.1 million (2012-13), \$0.1 million (2013-14), \$0.1 million (2014-15) and \$0.1 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Commonwealth Grants	301	428	428	428	428	428	428
Community Sporting and Recreation Facilities Fund	17,605	27,340	16,840	19,840	22,956	16,793	8,491
Sports Financial Grants	14,046	22,111	27,787	11,556	10,646	10,146	5,551
Sports Lotteries Account	12,904	13,644	13,644	15,217	14,785	13,941	13,941
TOTAL	44,856	63,523	58,699	47,041	48,815	41,308	28,411

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	6,110	1,183	2,808	2,808	2,808	2,808	2,808
Restricted cash.....	5,898	5,142	5,349	3,581	2,737	3,404	2,737
Holding account receivables	604	604	604	604	604	604	604
Receivables	2,158	1,257	2,158	2,158	2,158	2,158	2,158
Other.....	271	133	271	271	271	271	271
Total current assets	15,041	8,319	11,190	9,422	8,578	9,245	8,578
NON-CURRENT ASSETS							
Holding account receivables	6,077	6,851	6,851	7,668	8,375	9,170	9,965
Property, plant and equipment	17,621	48,651	32,845	151,113	170,248	182,279	181,485
Intangibles	324	-	126	-	-	-	-
Restricted cash.....	369	405	444	519	593	-	-
Total non-current assets.....	24,391	55,907	40,266	159,300	179,216	191,449	191,450
TOTAL ASSETS	39,432	64,226	51,456	168,722	187,794	200,694	200,028
CURRENT LIABILITIES							
Employee provisions.....	2,063	2,365	2,177	2,263	2,358	2,459	2,510
Payables.....	232	240	232	232	232	232	232
Other.....	851	785	789	799	867	943	462
Total current liabilities.....	3,146	3,390	3,198	3,294	3,457	3,634	3,204
NON-CURRENT LIABILITIES							
Employee provisions.....	880	688	915	952	990	1,029	1,071
Total non-current liabilities	880	688	915	952	990	1,029	1,071
TOTAL LIABILITIES.....	4,026	4,078	4,113	4,246	4,447	4,663	4,275
EQUITY							
Contributed equity	29,651	57,351	49,191	163,151	182,995	195,821	195,821
Accumulated surplus/(deficit).....	5,595	2,637	(2,008)	1,165	192	50	(228)
Reserves.....	160	160	160	160	160	160	160
Total equity	35,406	60,148	47,343	164,476	183,347	196,031	195,753
TOTAL LIABILITIES AND EQUITY.....	39,432	64,226	51,456	168,722	187,794	200,694	200,028

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	58,446	82,961	71,216	69,153	67,299	62,400	51,429
Capital appropriation	4,300	27,700	19,540	113,960	19,844	12,826	-
Holding account drawdowns	573	604	604	604	604	604	604
Royalties for Regions Fund ^(b)	55	-	89	92	96	99	102
Net cash provided by State Government.....	63,374	111,265	91,449	183,809	87,843	75,929	52,135
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(16,434)	(16,129)	(16,772)	(17,437)	(17,349)	(18,023)	(19,089)
Grants and subsidies	(44,856)	(63,523)	(58,699)	(47,041)	(48,815)	(41,308)	(28,411)
Supplies and services	(7,454)	(4,923)	(5,490)	(4,927)	(5,219)	(6,764)	(8,244)
Accommodation	(1,387)	(2,147)	(2,105)	(2,620)	(2,692)	(2,756)	(2,815)
Efficiency dividend	-	-	-	1,065	1,472	1,897	1,750
Other payments	(7,075)	(10,655)	(10,544)	(14,670)	(6,595)	(6,038)	(4,798)
Receipts							
Grants and subsidies	1,899	1,157	1,236	1,236	1,236	1,236	1,236
Sale of goods and services	3,596	3,142	3,250	3,348	3,448	3,551	3,658
GST receipts	5,100	9,763	9,623	13,770	5,714	5,145	3,880
Other receipts	844	503	678	1,338	635	635	635
Net cash from operating activities	(65,767)	(82,812)	(78,823)	(65,938)	(68,165)	(62,425)	(52,198)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(903)	(28,304)	(16,402)	(119,564)	(20,448)	(13,430)	(604)
Proceeds from sale of non-current assets	1	-	-	-	-	-	-
Net cash from investing activities	(902)	(28,304)	(16,402)	(119,564)	(20,448)	(13,430)	(604)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other proceeds	30	-	-	-	-	-	-
Net cash from financing activities	30	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(3,265)	149	(3,776)	(1,693)	(770)	74	(667)
Cash assets at the beginning of the reporting period	15,642	6,581	12,377	8,601	6,908	6,138	6,212
Cash assets at the end of the reporting period	12,377	6,730	8,601	6,908	6,138	6,212	5,545

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

(b) Regional Community Services Fund - \$0.1 million (2010-11), \$0 million (2011-12), \$0.1 million (2011-12 Estimated Out Turn), \$0.1 million (2012-13), \$0.1 million (2013-14), \$0.1 million (2014-15) and \$0.1 million (2015-16).

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Administered Appropriation	-	-	-	703	-	-	-
TOTAL INCOME	-	-	-	703	-	-	-
EXPENSES							
Combat Sports Commission Expenditure	-	-	-	703	-	-	-
TOTAL EXPENSES.....	-	-	-	703	-	-	-

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Community Sporting and Recreation Facilities Special Purpose Account**

The Fund holds moneys appropriated for the purpose of making grants for the development of public sporting and recreation facilities and for the management and administration of those grants.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	1,777	1,000	487	487
Receipts: Appropriations	17,001	28,000	17,500	20,500
	18,778	29,000	17,987	20,987
Payments	18,291	28,000	17,500	20,500
CLOSING BALANCE	487	1,000	487	487

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.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	5,375	3,970	4,976	4,427
Receipts:				
Appropriations.....	13,382	13,818	13,818	14,274
Other.....	28	-	-	-
	18,785	17,788	18,794	18,701
Payments	13,809	14,367	14,367	16,042
CLOSING BALANCE	4,976	3,421	4,427	2,659

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.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	278	-	203	153
Receipts: Other	15	-	-	-
	293	-	203	153
Payments	90	-	50	153
CLOSING BALANCE	203	-	153	-

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
GST Input Credits.....	4,404	9,449	9,298	13,435	5,369	4,790	3,514
GST Receipts on Sales	696	314	325	335	345	355	366
Other Receipts	844	503	678	1,338	635	635	635
Proceeds from the Provision of Sport Development Services to Industry Bodies.....	1,012	272	154	154	154	154	154
Proceeds from the Provision of Sport Participation Services to the Commonwealth.....	887	885	1,082	1,082	1,082	1,082	1,082
Proceeds from the Provision of Accommodation and Recreation Programs.....	3,596	3,142	3,250	3,348	3,448	3,551	3,658
TOTAL.....	11,439	14,565	14,787	19,692	11,033	10,567	9,409

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 45

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 71 Net amount appropriated to deliver services.....	15,577	18,263	22,742	33,530	33,192	35,773	38,667
Total appropriations provided to deliver services	15,577	18,263	22,742	33,530	33,192	35,773	38,667
CAPITAL							
Item 142 Capital Appropriation	67,012	92,887	156,401	1,603	1,356	1,328	1,124
TOTAL APPROPRIATIONS.....	82,589	111,150	179,143	35,133	34,548	37,101	39,791
EXPENSES							
Total Cost of Services.....	36,701	40,271	44,465	54,514	57,485	60,101	63,024
Net Cost of Services ^(a)	15,559	18,263	23,565	33,530	33,733	34,003	35,647
CASH ASSETS ^(b)	30,842	2,161	1,870	1,870	1,870	1,870	1,870

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Buildings - Depreciation.....	-	1,463	1,630	1,817	4,289
Champion Lakes Regatta Centre - Operating Costs.....	1,069	2,300	2,487	2,709	2,896
Information and Communication Technology (ICT) - Strategic Plan	-	315	330	345	365
Perth Arena - Fit-Out Depreciation.....	-	3,506	3,506	3,506	3,506
Perth Arena - Operational and Facilities Management Contract	-	1,206	905	925	946
Perth Arena - Revised Estimate	2,175	-	-	-	-

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Provision of Elite Sport Facilities and Support.....	17,859	19,937	21,787	22,225	23,548	24,703	26,142
2. Provision of Community Facilities and Services.....	9,196	9,942	11,114	17,381	18,476	19,314	20,419
3. Provision of Competitive and Cost Effective State Owned Assets	9,646	10,392	11,564	14,908	15,461	16,084	16,463
Total Cost of Services	36,701	40,271	44,465	54,514	57,485	60,101	63,024

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 remains a focus for the Trust (VenuesWest). New venue integration and stakeholder management will continue in 2012-13 with the recently acquired Champion Lakes Regatta Centre, commissioning and opening of the new Perth Arena in late 2012, preliminary development works starting for a new State Netball Centre and the redeveloped Perth Rectangular Stadium.
- It is an ongoing challenge to ensure that State-owned sporting, recreation and entertainment venues are utilised to the best of their capacity while also ensuring a balance across the mix of high performance sport, community activity and commercial clients. The original design of venues and the need to generate revenue to keep net costs down has the potential for increased conflicts for limited availability.
- The rapidly growing number and complexity of venues managed and/or governed by VenuesWest, and the increased demand for access to the facilities has placed increasing pressure on traditional information, communication and business systems to deliver efficient and reliable services to customers and meet business needs. VenuesWest continues to develop strategies to meet these technology challenges.
- The State has made considerable investment in sports facilities in recent years; however a large component of the State's infrastructure is ageing, resulting in an increasing need for refurbishment or replacement. VenuesWest's asset investment program will target maintenance and enhancement to the older venues to maintain them at a fit-for-purpose level. While 'down-time' of facilities may be necessary to undertake remedial works, it will be scheduled so that there is minimal disruption.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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	78%	81%	1
Elite user satisfaction.....	88%	88%	85%	85%	
Percentage of visitors whose expectations were met or exceeded by VenuesWest services	85%	85%	80%	82%	
Commercial user satisfaction.....	80%	80%	78%	80%	

(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 number of targeted sports will increase from nine in 2011-12 to 16 in 2012-13 with the addition of new venues including the Champion Lakes Regatta Centre, Perth Rectangular Stadium and Perth Arena.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 17,859	\$'000 19,937	\$'000 21,787	\$'000 22,225	
Less Income	4,806	5,073	4,979	4,990	
Net Cost of Service.....	13,053	14,864	16,808	17,235	
Employees (Full Time Equivalents).....	77	73	74	75	
Efficiency Indicators					
Direct Government Funding Compared to Provision of Elite Sports Facilities (\$ per Hour)	\$261	\$300	\$336	\$345	1

Explanation of Significant Movements

(Notes)

1. The level of direct government funding attributed to elite sports facilities (represented as dollars per hour) will increase to take account of additional costs of managing new venues such as Champion Lakes Regatta Centre, Perth Rectangular Stadium and Perth Arena (including depreciation costs of these facilities), along with modest increases to the number of hours available to elite sports in these venues.

2: Provision of Community Facilities and Services

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 9,196	\$'000 9,942	\$'000 11,114	\$'000 17,381	1
Less Income	3,594	3,726	3,503	3,519	
Net Cost of Service.....	5,602	6,216	7,611	13,862	
Employees (Full Time Equivalents).....	89	87	87	87	
Efficiency Indicators					
Average Cost per Visit of Providing Community Facilities and Services.....	\$7.54	\$7.90	\$9.07	\$11.13	2

Explanation of Significant Movements

(Notes)

1. Additional costs in the 2011-12 Estimated Actual and the 2012-13 Budget associated with Perth Arena completion and contract management, as well as the recurrent costs related to the Champion Lakes Regatta Centre have impacted the total and net cost of services for this Service.
2. The increase in the total cost of service has flowed through to impact the efficiency indicator.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 9,646	\$'000 10,392	\$'000 11,564	\$'000 14,908	1
Less Income	12,742	13,209	12,418	12,475	
Net Cost of Service.....	(3,096)	(2,817)	(854)	2,433	
Employees (Full Time Equivalents).....	93	90	90	91	
Efficiency Indicators					
Ratio of Commercial Revenue Compared to Total Operating Expenses.....	71%	68%	58%	69%	2

Explanation of Significant Movements

(Notes)

1. Additional costs in the 2011-12 Estimated Actual and the 2012-13 Budget associated with Perth Arena completion and contract management, as well as the recurrent costs related to the Champion Lakes Regatta Centre have impacted the total and net cost of services for this Service.
2. The increase in the total cost of service has flowed through to impact the efficiency indicator.

ASSET INVESTMENT PROGRAM

An increase of \$1.3 million per annum has been provided from 2012-13 for VenuesWest to enhance its capacity to provide maintenance and upgrade works associated with all of its portfolio of assets, which includes Arena Joondalup, Challenge Stadium, Midvale SpeedDome, Perth Motorplex, Western Australian Athletics Stadium, Western Australian Basketball Centre, the State Rugby Centre facility and the Champion Lakes Regatta Centre. From 2012-13 it will also include a redeveloped Perth Rectangular Stadium and the new Perth Arena.

In addition, funding has been provided for VenuesWest to invest in upgrading and making improvements to its business systems and information technology environment.

Overall, there is a significant reduction in the asset investment program from 2012-13 as a result of the Perth Arena construction coming to a conclusion. This complex will be completed in the second quarter of 2012-13 and will host a variety of entertainment events such as international performing artists, family shows, tennis, basketball, netball and production spectaculars.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Capital Upgrades and Maintenance							
2010-11 Program	3,708	3,708	1,687	-	-	-	-
2011-12 Program	3,545	3,545	3,545	-	-	-	-
Perth Arena.....	528,585	528,585	182,433	-	-	-	-
NEW WORKS							
Capital Upgrades and Maintenance							
2012-13 Program	5,718	-	-	5,718	-	-	-
2013-14 Program	7,480	-	-	-	7,480	-	-
2014-15 Program	10,088	-	-	-	-	10,088	-
2015-16 Program	11,234	-	-	-	-	-	11,234
ICT Plan	1,110	-	-	585	425	100	-
Total Cost of Asset Investment Program	571,468	535,838	187,665	6,303	7,905	10,188	11,234
FUNDED BY							
Capital Appropriation			156,401	1,603	1,356	1,328	1,124
Drawdowns from the Holding Account			3,145	4,700	4,700	4,700	4,700
Internal Funds and Balances			28,119	-	1,849	4,160	5,410
Total Funding			187,665	6,303	7,905	10,188	11,234

FINANCIAL STATEMENTS

Income Statement

Expenses

The increase in supplies and services, depreciation and other general expenses for 2011-12 against the original budget is primarily due to the costs associated with the transfer of the Champion Lakes Regatta Centre and the pre-opening costs for the Perth Arena. The appropriation to cover the expenses related to the pre-opening of Perth Arena has been provided to VenuesWest.

Significant increases to depreciation expense across the forward estimates mainly relates to Perth Arena.

Income

Revenues for 2011-12 are down against forecasts due to lower than expected discretionary spending across all venues and activities.

The forecast increase in revenues across the forward estimates relate to projections of income from the operations of the Perth Arena. Much of this additional revenue will be reinvested in VenuesWest venues through the asset investment program. It is shown as surplus in the Income Statement, but will be expended as detailed in the asset investment program on upgrades and maintenance as required.

Statement of Financial Position

The significant increase in the value of Property, Plant and Equipment in 2011-12 compared to budget reflects that VenuesWest assumed control of the Champion Lakes Regatta Centre in January 2012. In addition, the value of Property, Plant and Equipment continues to increase as the Perth Arena construction comes to a conclusion towards the end of 2012.

Statement of Cashflows

The service appropriation decreases after 2011-12, primarily reflecting the costs associated with Perth Arena pre-opening, with expenses now finalised. This reduction in appropriation is commensurate with reduced expenditures under Supplies and Services from 2011-12.

Capital appropriations significantly reduce after 2011-12 due to the finalisation of the construction of the Perth Arena. This reduction is also reflected in Purchase of Non-Current Assets, which reduces in the forward estimates to only include VenuesWest's capital upgrade and maintenance program and the delivery of initiatives identified under VenuesWest's ICT Strategic Plan.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	16,166	16,177	16,194	17,058	17,266	17,381	17,551
Supplies and services	7,502	11,128	14,035	7,084	7,245	7,300	7,345
Accommodation.....	1,868	2,299	2,439	2,472	2,475	2,478	2,481
Depreciation and amortisation	6,930	8,034	8,321	23,935	26,018	28,365	30,968
Other expenses.....	4,235	2,633	3,476	3,965	4,481	4,577	4,679
TOTAL COST OF SERVICES	36,701	40,271	44,465	54,514	57,485	60,101	63,024
Income							
Sale of goods and services	17,512	18,046	17,601	17,680	20,444	22,784	24,063
Other revenue	3,630	3,962	3,299	3,304	3,308	3,314	3,314
Total Income	21,142	22,008	20,900	20,984	23,752	26,098	27,377
NET COST OF SERVICES.....	15,559	18,263	23,565	33,530	33,733	34,003	35,647
INCOME FROM STATE GOVERNMENT							
Service appropriations	15,577	18,263	22,742	33,530	33,192	35,773	38,667
Other appropriations	-	-	-	-	2,390	2,390	2,390
TOTAL INCOME FROM STATE GOVERNMENT.....	15,577	18,263	22,742	33,530	35,582	38,163	41,057
SURPLUS/(DEFICIENCY) FOR THE PERIOD	18	-	(823)	-	1,849	4,160	5,410

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 259, 251 and 253 respectively. In some cases the figures for 2010-11 and 2011-12 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	30,842	2,161	1,870	1,870	1,870	1,870	1,870
Holding account receivables	3,445	3,705	4,700	4,700	4,700	4,700	4,700
Receivables.....	3,373	4,624	3,373	3,373	3,373	3,373	3,373
Other.....	610	766	610	610	610	610	610
Total current assets	38,270	11,256	10,553	10,553	10,553	10,553	10,553
NON-CURRENT ASSETS							
Holding account receivables	17,360	21,689	21,281	40,516	61,834	85,499	111,767
Property, plant and equipment	582,729	750,443	820,111	856,358	896,107	940,069	986,329
Total non-current assets.....	600,089	772,132	841,392	896,874	957,941	1,025,568	1,098,096
TOTAL ASSETS.....	638,359	783,388	851,945	907,427	968,494	1,036,121	1,108,649
CURRENT LIABILITIES							
Employee provisions.....	1,761	1,612	1,761	1,761	1,761	1,761	1,761
Payables.....	2,225	1,449	2,225	2,225	2,225	2,225	2,225
Other.....	1,447	2,636	1,417	1,417	1,417	1,417	1,417
Total current liabilities.....	5,433	5,697	5,403	5,403	5,403	5,403	5,403
NON-CURRENT LIABILITIES							
Employee provisions.....	699	501	699	699	699	699	699
Total non-current liabilities	699	501	699	699	699	699	699
TOTAL LIABILITIES.....	6,132	6,198	6,102	6,102	6,102	6,102	6,102
EQUITY							
Contributed equity	507,471	610,358	708,463	710,066	711,422	712,750	713,874
Accumulated surplus/(deficit).....	44,009	44,926	43,186	43,186	45,035	49,195	54,605
Reserves.....	80,747	121,906	94,194	148,073	205,935	268,074	334,068
Total equity	632,227	777,190	845,843	901,325	962,392	1,030,019	1,102,547
TOTAL LIABILITIES AND EQUITY.....	638,359	783,388	851,945	907,427	968,494	1,036,121	1,108,649

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	8,479	10,229	14,421	9,595	8,588	8,822	9,113
Capital appropriation	67,012	92,887	156,401	1,603	1,356	1,328	1,124
Holding account drawdowns.....	3,354	3,445	3,145	4,700	4,700	4,700	4,700
Other appropriations	-	-	-	-	976	976	976
Net cash provided by State Government.....	78,845	106,561	173,967	15,898	15,620	15,826	15,913
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(16,166)	(16,177)	(16,194)	(17,058)	(17,266)	(17,381)	(17,551)
Supplies and services	(6,589)	(10,579)	(13,517)	(6,566)	(6,727)	(6,782)	(6,827)
Accommodation.....	(1,868)	(2,299)	(2,439)	(2,472)	(2,475)	(2,478)	(2,481)
Other payments.....	(16,228)	(4,642)	(5,454)	(5,943)	(6,459)	(6,555)	(6,657)
Receipts							
Grants and subsidies	168	-	-	-	-	-	-
Sale of goods and services	18,495	18,046	17,601	17,680	20,444	22,784	24,063
GST receipts	11,840	1,460	1,460	1,460	1,460	1,460	1,460
Other receipts.....	2,999	3,962	3,299	3,304	3,308	3,314	3,314
Net cash from operating activities	(7,349)	(10,229)	(15,244)	(9,595)	(7,715)	(5,638)	(4,679)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(76,716)	(96,332)	(187,665)	(6,303)	(7,905)	(10,188)	(11,234)
Net cash from investing activities	(76,716)	(96,332)	(187,665)	(6,303)	(7,905)	(10,188)	(11,234)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(93)	(13)	(30)	-	-	-	-
Net cash from financing activities.....	(93)	(13)	(30)	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(5,313)	(13)	(28,972)	-	-	-	-
Cash assets at the beginning of the reporting period.....	36,155	2,174	30,842	1,870	1,870	1,870	1,870
Cash assets at the end of the reporting period.....	30,842	2,161	1,870	1,870	1,870	1,870	1,870

(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 equipment.

The construction of a new High Performance Service Centre was approved as part of the 2012-13 Budget Process. For further information refer to the Department of Sport and Recreation statement within the 2012-13 Budget Papers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2011-12 Program.....	277	277	277	-	-	-	-
NEW WORKS							
Asset Replacement							
2012-13 Program	350	-	-	350	-	-	-
2013-14 Program	305	-	-	-	305	-	-
2014-15 Program	283	-	-	-	-	283	-
2015-16 Program	237	-	-	-	-	-	237
Total Cost of Asset Investment Program	1,452	277	277	350	305	283	237
FUNDED BY							
Internal Funds and Balances			277	350	305	283	237
Total Funding			277	350	305	283	237

RACING, GAMING AND LIQUOR

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

DIVISION 46

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 72 Net amount appropriated to deliver services.....	3,350	4,081	4,081	4,171	4,189	4,244	4,333
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	265	277	277	285	292	298	306
Total appropriations provided to deliver services	3,615	4,358	4,358	4,456	4,481	4,542	4,639
ADMINISTERED TRANSACTIONS							
Item 73 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	88,241	102,277	102,869	106,047	109,356	111,607	111,780
Amount Authorised by Other Statutes							
- Liquor Control Act 1988.....	1,855	5,000	5,000	5,000	5,000	5,000	5,000
CAPITAL							
Item 143 Capital Appropriation	-	-	-	2,540	1,820	-	-
TOTAL APPROPRIATIONS.....	93,711	111,635	112,227	118,043	120,657	121,149	121,419
EXPENSES							
Total Cost of Services.....	13,182	12,994	13,167	13,449	13,802	13,863	13,960
Net Cost of Services ^(a)	4,148	4,272	4,445	4,447	4,645	4,706	4,803
CASH ASSETS ^(b)	616	949	644	843	869	901	933

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Decommissioning of Office of Shared Services	173	-	-	-	-
Unified Regulatory System.....	-	300	330	293	284

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Licensing - Evaluation and Determination of Applications.....	6,766	6,549	6,636	6,792	6,956	6,987	7,036
2. Compliance Audits and Inspections.....	6,416	6,445	6,531	6,657	6,846	6,876	6,924
Total Cost of Services	13,182	12,994	13,167	13,449	13,802	13,863	13,960

Significant Issues Impacting the Agency

- The Commonwealth Government's National Gambling Reform Bill 2012 seeks to minimise the harm caused by problem gambling by:
 - establishing a national player pre-commitment scheme for gaming on electronic gaming machines; and
 - implementing a \$250 per card per day withdrawal limit on ATM machines in gaming premises, except in casinos and in communities where this may cause unreasonable inconvenience.
- The Commonwealth Government's intention is to have greater control of online gambling and sports betting by:
 - banning the promotion of live odds during sports coverage;
 - extending pre-commitment to online betting services; and
 - restricting online sports betting companies offering credit and introducing stricter limits on betting inducements.
- The need for the licensing authority to weigh and balance the evidence submitted by applicants, interveners and objectors in determining applications continues to be a challenge for the licensing authority.
- There is continued interest by regional communities in reducing the level of alcohol related harm through the assistance of the Director of Liquor Licensing.
- Since the introduction of Part 5B of the *Liquor Control Act 1988*, there has been an increasing interest in declaring private premises as Liquor Restricted Premises.
- To enhance service delivery to stakeholders, the Department will implement a new organisational structure and implement a new information technology system.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation:					
Licensees/service providers that comply with audit requirements and statutory criteria.....	96%	95%	97%	97%	

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

Services and Key Efficiency Indicators

1: Licensing - Evaluation and Determination of Applications

Receive, process and determine applications in accordance with the legislation.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000	\$'000	\$'000	\$'000	
Less Income	6,766	6,549	6,636	6,792	
	4,517	4,361	4,361	4,501	
Net Cost of Service.....	2,249	2,188	2,275	2,291	
Employees (Full Time Equivalents).....	57	57	57	57	
Efficiency Indicators					
Average Cost of Determining Applications	\$469	\$468	\$415	\$425	1

Explanation of Significant Movements

(Notes)

1. The reduction in the average cost of determining applications in 2011-12 Estimated Actual compared to the 2011-12 Budget is largely due to an increase of 2,000 in the number of licenses processed.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000	\$'000	\$'000	\$'000	
Less Income	6,416	6,445	6,531	6,657	
	4,517	4,361	4,361	4,501	
Net Cost of Service.....	1,899	2,084	2,170	2,156	
Employees (Full Time Equivalents).....	50	50	50	50	
Efficiency Indicators					
Average Cost of Conducting Inspections.....	\$629	\$645	\$726	\$740	1

Explanation of Significant Movements

(Notes)

1. The increase in the average cost of conducting inspections in 2011-12 Estimated Actual compared to the 2011-12 Budget is largely due to a decrease of 1,000 in the number of audits and inspections carried out.

ASSET INVESTMENT PROGRAM

To support the delivery of the Department's services, the planned asset investment program for 2012-13 is \$2.7 million, comprising of new works in relation to the Unified Regulatory System and ongoing computer software and hardware replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software - 2011-12 Program.....	50	50	50	-	-	-	-
Acquisitions Related to the Liquor Control Amendment Bill.....	615	615	65	-	-	-	-
NEW WORKS							
Computer Hardware and Software							
2012-13 Program	150	-	-	150	-	-	-
2013-14 Program	100	-	-	-	100	-	-
2014-15 Program	250	-	-	-	-	250	-
2015-16 Program	150	-	-	-	-	-	150
Unified Regulatory System.....	4,360	-	-	2,540	1,820	-	-
Total Cost of Asset Investment Program	5,675	665	115	2,690	1,920	250	150
FUNDED BY							
Capital Appropriation.....			-	2,540	1,820	-	-
Drawdowns from the Holding Account			50	150	100	250	150
Internal Funds and Balances			65	-	-	-	-
Total Funding			115	2,690	1,920	250	150

FINANCIAL STATEMENTS

Income Statement

Expenses

There is a small increase in the 2012-13 Total Cost of Services of \$13.4 million (2.1%), when compared to the 2011-12 Estimated Actual. The increase in the expenses is mainly due to the accommodation and Unified Regulatory System associated expenses.

Income

Service appropriations for the 2012-13 Budget Estimates have increased by \$98,000 (2.3%) compared to the 2011-12 Estimated Actual. The increase in the appropriation is mainly due to Human Resource functions being taken up by the Department.

Statement of Financial Position

The Department's contributed equity for 2012-13 is expected to be \$2.5 million higher than the 2011-12 Estimated Actual, due to approved funding for the Unified Regulatory System.

Statement of Cashflows

The 2012-13 closing cash assets balance of \$843,000 represents an increase of \$199,000 (30.9%) in comparison to the 2011-12 Estimated Actual. The increase in the cash assets balance is mainly due to the funding for the Unified Regulatory System for 2012-13 and the expense that was incurred for the take up of the Human Resource functions for 2011-12.

INCOME STATEMENT ^(a) (Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	9,508	9,706	9,706	10,047	10,335	10,416	10,506
Supplies and services	1,904	1,290	1,463	1,600	1,693	1,655	1,646
Accommodation.....	1,008	1,174	1,174	1,174	1,174	1,174	1,174
Depreciation and amortisation	278	238	238	238	238	238	238
Other expenses.....	484	586	586	390	362	380	396
TOTAL COST OF SERVICES.....	13,182	12,994	13,167	13,449	13,802	13,863	13,960
Income							
Sale of goods and services	4,451	4,515	4,515	4,695	4,850	4,850	4,850
Regulatory fees and fines.....	4,583	4,200	4,200	4,300	4,300	4,300	4,300
Other revenue	-	7	7	7	7	7	7
Total Income	9,034	8,722	8,722	9,002	9,157	9,157	9,157
NET COST OF SERVICES.....	4,148	4,272	4,445	4,447	4,645	4,706	4,803
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,615	4,358	4,358	4,456	4,481	4,542	4,639
Resources received free of charge.....	181	164	164	164	164	164	164
TOTAL INCOME FROM STATE GOVERNMENT.....	3,796	4,522	4,522	4,620	4,645	4,706	4,803
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(352)	250	77	173	-	-	-

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

(b) The Full Time Equivalents for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Budget Estimate are 107, 107 and 107 respectively. In some cases the figures for 2010-11 and 2011-12 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	505	825	517	690	690	690	690
Restricted cash.....	15	12	15	15	15	15	15
Holding account receivables	50	150	150	100	250	150	100
Receivables.....	579	151	579	579	579	579	579
Total current assets	1,149	1,138	1,261	1,384	1,534	1,434	1,384
NON-CURRENT ASSETS							
Holding account receivables	1,696	1,784	1,784	1,922	1,910	1,998	2,136
Property, plant and equipment	365	174	370	360	350	425	445
Intangibles	2,048	2,181	1,920	4,382	6,074	6,011	5,903
Restricted cash.....	96	112	112	138	164	196	228
Total non-current assets.....	4,205	4,251	4,186	6,802	8,498	8,630	8,712
TOTAL ASSETS.....	5,354	5,389	5,447	8,186	10,032	10,064	10,096
CURRENT LIABILITIES							
Employee provisions.....	971	784	971	971	971	983	995
Payables.....	233	415	233	243	253	253	253
Other.....	453	175	453	453	453	453	453
Total current liabilities.....	1,657	1,374	1,657	1,667	1,677	1,689	1,701
NON-CURRENT LIABILITIES							
Employee provisions.....	853	847	869	885	901	921	941
Other.....	181	174	181	181	181	181	181
Total non-current liabilities	1,034	1,021	1,050	1,066	1,082	1,102	1,122
TOTAL LIABILITIES.....	2,691	2,395	2,707	2,733	2,759	2,791	2,823
EQUITY							
Contributed equity	454	454	454	2,994	4,814	4,814	4,814
Accumulated surplus/(deficit).....	2,209	2,540	2,286	2,459	2,459	2,459	2,459
Total equity	2,663	2,994	2,740	5,453	7,273	7,273	7,273
TOTAL LIABILITIES AND EQUITY.....	5,354	5,389	5,447	8,186	10,032	10,064	10,096

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	3,377	4,120	4,120	4,218	4,243	4,304	4,401
Capital appropriation	-	-	-	2,540	1,820	-	-
Holding account drawdowns.....	645	50	50	150	100	250	150
Net cash provided by State Government.....	4,022	4,170	4,170	6,908	6,163	4,554	4,551
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(9,066)	(9,585)	(9,585)	(9,910)	(10,198)	(10,273)	(10,363)
Supplies and services	(1,550)	(1,261)	(1,434)	(1,584)	(1,637)	(1,599)	(1,590)
Accommodation.....	(1,000)	(1,164)	(1,164)	(1,164)	(1,164)	(1,164)	(1,164)
Other payments.....	(944)	(746)	(746)	(543)	(555)	(573)	(589)
Receipts							
Regulatory fees and fines.....	4,626	4,200	4,200	4,300	4,300	4,300	4,300
Sale of goods and services	3,875	4,515	4,515	4,695	4,850	4,850	4,850
GST receipts	318	180	180	180	180	180	180
Other receipts.....	-	7	7	7	7	7	7
Net cash from operating activities	(3,741)	(3,854)	(4,027)	(4,019)	(4,217)	(4,272)	(4,369)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(580)	(50)	(115)	(2,690)	(1,920)	(250)	(150)
Other payments.....	(945)	-	-	-	-	-	-
Other receipts.....	922	-	-	-	-	-	-
Net cash from investing activities	(603)	(50)	(115)	(2,690)	(1,920)	(250)	(150)
NET INCREASE/(DECREASE) IN CASH HELD	(322)	266	28	199	26	32	32
Cash assets at the beginning of the reporting period.....	938	683	616	644	843	869	901
Cash assets at the end of the reporting period.....	616	949	644	843	869	901	933

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Taxation							
Casino Tax.....	109,627	115,000	115,000	117,000	120,000	122,000	123,000
Other							
Appropriation	90,096	107,277	107,869	111,047	114,356	116,607	116,780
Burswood Casino.....	-	-	1,000	9,000	-	-	-
TOTAL INCOME	199,723	222,277	223,869	237,047	234,356	238,607	239,780
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants Paid out of Problem Gambling Fund.....	-	500	500	500	500	500	500
Statutory Authorities							
Grants to Racing and Wagering Western Australia	4,224	3,647	4,239	4,307	4,376	4,447	4,520
Subsidies and Concessions							
Subsidies to Liquor Merchants and Producers....	1,855	5,000	5,000	5,000	5,000	5,000	5,000
Subsidies to Gambling and Betting Agencies and Bookmakers	78,990	98,130	98,130	101,240	104,480	106,660	106,760
Other							
Receipts paid into Consolidated Fund	113,554	115,000	116,000	126,000	120,000	122,000	123,000
TOTAL EXPENSES.....	198,623	222,277	223,869	237,047	234,356	238,607	239,780

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
GST Input Credits.....	317	155	155	155	155	155	155
GST Receipts on Sales	1	25	25	25	25	25	25
Liquor Fees Receipts	4,626	4,200	4,200	4,300	4,300	4,300	4,300
Other Receipts	-	7	7	7	7	7	7
Provision of Services to the Commonwealth in Respect of Indian Ocean Territories.....	87	81	81	81	81	81	81
Provision of Services to the Racing and Gaming Industries.....	3,788	4,434	4,434	4,614	4,769	4,769	4,769
TOTAL.....	8,819	8,902	8,902	9,182	9,337	9,337	9,337

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 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Backup Recovery Environment.....	379	77	77	302	-	-	-
Business Systems - Information Technology (IT).....	9,650	7,083	1,000	757	650	565	595
Data Warehouse Review.....	750	375	375	375	-	-	-
Head Office and Retail Outlet Building Improvements	3,832	1,150	600	627	655	685	715
Mobile Phone Betting Application Refresh	1,235	95	95	285	285	285	285
Provision for Electronic Form	1,313	225	225	375	713	-	-
Retail Customer Cards and Loyalty Capability.....	750	375	375	375	-	-	-
Retail Outlet Upgrades	35,450	12,079	7,273	8,815	7,758	3,858	2,940
Server Replacement Program	822	220	220	165	140	146	151
Upgrade Security Appliances	464	160	160	-	-	160	144
COMPLETED WORKS							
Agent Portal.....	38	38	38	-	-	-	-
Content Management System	195	195	195	-	-	-	-
Enhanced Fixed Odds Betting for Racing.....	375	375	375	-	-	-	-
Extend V Product to Other Channels	532	532	532	-	-	-	-
Fixed Odds Betting Mobile Wagering	100	100	100	-	-	-	-
Fixed Odds Betting Pooling Integration Project	750	750	750	-	-	-	-
Fixed Odds Betting Wagering Issues.....	265	265	265	-	-	-	-
Greyhound Racing System Joint Venture Development	390	390	390	-	-	-	-
IT Service Desk Replacement.....	75	75	75	-	-	-	-
Interactive Television	58	58	16	-	-	-	-
New Era Bet Engine	31,008	31,008	100	-	-	-	-
Options for Flexi Betting.....	188	188	188	-	-	-	-
Pre-Commitment Options for Wagering Accounts	140	140	140	-	-	-	-
Security Checking Software for Application Development ...	124	124	49	-	-	-	-
TabOzbet Strategic Review	1,431	1,431	1,431	-	-	-	-
Terminal Replacement Program	13,105	13,105	97	-	-	-	-
Visual Basic Rewrites.....	353	353	353	-	-	-	-
NEW WORKS							
Bet Engine - Hardware and Software Refresh	2,475	-	-	1,725	-	-	750
CA Suite Refresh	375	-	-	-	-	375	-
COGNOS Suite Upgrade.....	263	-	-	263	-	-	-
Computer IT Refresh	3,517	-	-	-	-	1,644	1,873
Disaster Recovery - IT Phase 2.....	665	-	-	-	665	-	-
Enhance Storage Area Network Infrastructure	847	-	-	847	-	-	-
Fixed Odds Betting - Interactive Television	150	-	-	150	-	-	-
Fixed Odds Betting Infrastructure	675	-	-	-	-	-	675
Goldmine Refresh.....	450	-	-	-	-	450	-
Intranet Portal	563	-	-	563	-	-	-
Printer Replacement Program.....	240	-	-	-	-	120	120
Program Language Refresh	450	-	-	-	-	-	450
Rational Software Upgrade.....	320	-	-	320	-	-	-
Retail Communication Refresh.....	2,000	-	-	-	-	500	1,500
Racing and Wagering Western Australia Website Refresh....	1,097	-	-	-	-	1,097	-
Software Refresh	2,705	-	-	889	1,155	661	-
Strategic Forecasting Model	270	-	-	-	270	-	-
Telephony Replacement	600	-	-	600	-	-	-
Terminal Replacement Program	7,942	-	-	-	2,544	2,646	2,752
Total Cost of Asset Investment Program	129,376	70,966	15,494	17,433	14,835	13,192	12,950
FUNDED BY							
Internal Funds and Balances			15,494	17,433	14,835	13,192	12,950
Total Funding			15,494	17,433	14,835	13,192	12,950

WESTERN AUSTRALIAN GREYHOUND RACING AUTHORITY

ASSET INVESTMENT PROGRAM

The 2012-13 program totals \$597,000, comprising \$247,000 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, and \$350,000 towards engineering and planning for new track, lure, restaurant and administration facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Information Technology (IT) - 2011-12 Program	121	121	121	-	-	-	-
Minor Works - Cannington - 2011-12 Program	40	40	40	-	-	-	-
Minor Works - Mandurah - 2011-12 Program	230	230	230	-	-	-	-
Plant and Equipment - Cannington - 2011-12 Program	50	50	50	-	-	-	-
Plant and Equipment - Mandurah - 2011-12 Program	200	200	200	-	-	-	-
NEW WORKS							
Cannington Facility	350	-	-	350	-	-	-
IT - 2014-15 Program	20	-	-	-	-	20	-
Plant and Equipment - Cannington							
2012-13 Program	120	-	-	120	-	-	-
2014-15 Program	30	-	-	-	-	80	-
2015-16 Program	60	-	-	-	-	-	60
Plant and Equipment - Mandurah							
2012-13 Program	127	-	-	127	-	-	-
2015-16 Program	44	-	-	-	-	-	44
Total Cost of Asset Investment Program	1,442	641	641	597	-	100	104
FUNDED BY							
Internal Funds and Balances			641	597	-	100	104
Total Funding			641	597	-	100	104

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 golf clubhouse upgrades and park infrastructure upgrades to provide maximum visitor enjoyment and satisfaction.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Equipment - 2011-12 Program	300	300	300	-	-	-	-
Golf Course and Park Infrastructure - 2011-12 Program	380	380	380	-	-	-	-
Minor Equipment Purchases - 2011-12 Program	63	63	63	-	-	-	-
NEW WORKS							
Equipment							
2012-13 Program	310	-	-	310	-	-	-
2013-14 Program	600	-	-	-	600	-	-
2014-15 Program	302	-	-	-	-	302	-
2015-16 Program	200	-	-	-	-	-	200
Golf Course and Park Infrastructure							
2012-13 Program	380	-	-	380	-	-	-
2013-14 Program	350	-	-	-	350	-	-
2014-15 Program	640	-	-	-	-	640	-
2015-16 Program	200	-	-	-	-	-	200
Minor Equipment Purchases - 2012-13 Program	68	-	-	68	-	-	-
Total Cost of Asset Investment Program	3,793	743	743	758	950	942	400
FUNDED BY							
Internal Funds and Balances			743	758	950	942	400
Total Funding			743	758	950	942	400

PERTH MAJOR STADIUM

ASSET INVESTMENT PROGRAM

The 2012-13 Budget provides an additional \$200.0 million towards the new Perth Major Stadium.

The latest provision takes the total funding to \$375.0 million, which is made up of \$273.0 million allocated to the Perth Major Stadium itself and \$102.0 million allocated towards related transport infrastructure (road, rail and pedestrian facilities). These amounts have been allocated in advance of the finalisation of the planning and procurement phase but in acknowledgement of commencement of construction of the Stadium in 2013-14. Construction of transport infrastructure is expected to follow shortly after and be underway by 2014-15.

The initial allocations reflect a commencement of construction of the Perth Major Stadium in 2013-14 with completion scheduled for 2018 and are indicative cashflows reflecting the timing of the project being based on projects of similar size that have been undertaken by Strategic Projects (Department of Treasury) in the past.

The indicative breakdown of the funding allocated in this Budget is as follows:

- \$8.0 million¹ in 2012-13 for project planning, site investigation, land assembly, statutory approvals and procurement process for ground improvement early works (to prepare the site ahead of the main stadium contract);
- \$40.0 million in 2013-14 for ground improvement early works and procurement process for the main stadium contract, and \$5.0 million for planning and procurement of related transport infrastructure works;
- \$100.0 million in 2014-15 for the design and commencement of construction of the Perth Major Stadium under the main stadium contract, and \$30.0 million for the design and commencement of construction of related transport infrastructure works; and
- \$133.0 million in 2015-16 for the ongoing design and construction of the Perth Major Stadium, and \$67.0 million for the ongoing design and construction of related transport infrastructure works.

This latest provision marks a significant milestone as the project is now over one third funded and represents the solid financial management and planning of the Government.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
NEW WORKS							
Perth Major Stadium.....	700,000	-	-	-	40,000	100,000	133,000
Related Transport Infrastructure.....	300,000	-	-	-	5,000	30,000	67,000
Total Cost of Asset Investment Program	1,000,000	-	-	-	45,000	130,000	200,000
FUNDED BY							
Other.....			-	-	-	75,000	200,000
Perth's New Major Stadium Construction Account.....			-	-	45,000	55,000	-
Total Funding			-	-	45,000	130,000	200,000

¹ The \$8.0 million for planning and early works has been allocated as part of the Department of Sport and Recreation's budget.

Part 11

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

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
545	Planning			
	- Delivery of Services.....	40,757	43,406	39,341
	- Capital Appropriation.....	6,874	952	3,753
	Total	47,631	44,358	43,094
560	Western Australian Planning Commission			
	- Delivery of Services.....	98,303	94,662	86,584
	- Capital Appropriation.....	53,821	17,821	8,400
	Total	152,124	112,483	94,984
569	Culture and the Arts			
	- Delivery of Services.....	132,266	139,427	130,959
	- Capital Appropriation.....	21,230	15,730	2,930
	Total	153,496	155,157	133,889
582	Chemistry Centre (WA)			
	- Delivery of Services.....	8,583	8,695	7,754
	- Capital Appropriation.....	195	195	700
	Total	8,778	8,890	8,454
GRAND TOTAL				
	- Delivery of Services.....	279,909	286,190	264,638
	- Capital Appropriation.....	82,120	34,698	15,783
	Total.....	362,029	320,888	280,421

PLANNING

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

DIVISION 47

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 74 Net amount appropriated to deliver services.....	44,298	40,315	42,964	38,885	37,032	37,205	37,670
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	430	442	442	456	469	483	483
Total appropriations provided to deliver services	44,728	40,757	43,406	39,341	37,501	37,688	38,153
CAPITAL							
Item 144 Capital Appropriation	10,112	6,874	952	3,753	2,152	2,739	2,221
TOTAL APPROPRIATIONS.....	54,840	47,631	44,358	43,094	39,653	40,427	40,374
EXPENSES							
Total Cost of Services.....	72,706	70,499	67,711	71,903	67,459	59,788	59,512
Net Cost of Services ^(a)	49,937	47,798	46,776	51,195	47,224	39,696	39,185
CASH ASSETS ^(b)	11,290	6,578	4,979	3,922	4,141	4,360	3,114

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Decommissioning of Office of Shared Services	245	-	-	-	-
Pilbara Cities Office	1,366	862	(143)	(148)	-
Recoup of Voluntary Separation Reduction from Department of Transport.....	675	675	675	675	675
Royalties for Regions - Northern Towns Development Fund	(3,770)	-	(80)	-	-
Transfer Corporate Services to Department of Transport	(2,626)	(2,361)	(2,671)	(2,880)	(2,880)
Voluntary Separation Offer	2,101	-	-	-	-
Voluntary Separation Offer Savings	-	(714)	(714)	(714)	(714)
Efficiency Dividend.....	-	(746)	(1,124)	(1,525)	(1,951)

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 facilitates 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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Integrated Land and Infrastructure Policy Development.....	23,106	27,688	26,710	30,216	28,485	25,465	25,528
2. Land Accessibility Planning and Policy Development.....	49,600	42,811	41,001	42,433	40,098	35,848	35,935
3. Contribution to Responsible Financial Management.....	-	-	-	(746)	(1,124)	(1,525)	(1,951)
Total Cost of Services.....	72,706	70,499	67,711	71,903	67,459	59,788	59,512

Significant Issues Impacting the Agency

- Projected population growth, in the fastest growing State in Australia, places enormous pressure on the State Government in the delivery of infrastructure and services across the State. Prioritisation and coordination of critical infrastructure is required for sustained economic growth throughout the State with a focus on high-growth areas such as the Pilbara and the State's Capital City. The Department, as the State's lead land use planning agency must respond to land use planning demands in providing advice on future infrastructure demands arising from Directions 2031 and other regional growth projections.
- National legislation and policy impacts on the ability of the State to respond to the development pressures brought about by robust economic and population growth. The Department is tasked with ensuring the State's compliance with national legislation and policy which impact on planning outcomes such as the development of a strategic environmental assessment under the *Environment Protection and Biodiversity Conservation Act (Commonwealth) 1999*, to accommodate a capital city of 3.5 million projected through Directions 2031.
- The Department is delivering its planning reform agenda to deliver greater clarity and consistency of policy requirements, improved timelines, better community planning outcomes and to reduce the cost of 'red tape' associated with the production of land and housing.

- Due to legislative requirements, reform processes and stakeholder demands there will be continued pressure on the Department to respond and deliver decisions on structure plans, subdivisions, town planning schemes and scheme amendments in order to address the current and future requirements of Directions 2031 for Perth and Peel and regional growth strategies.
- The development of a new State Planning Strategy will inform the development of high-level policy and land use decisions and State Planning Policies will be updated in order to maintain a contemporary framework for statutory planning decisions.
- The public and industry are concerned about future land supply and the impact of population growth, requiring the Department to closely monitor and track land and housing supply through Urban Development Program Online to inform government and private stakeholders on the demand and supply challenges. The Department is also the State's demographer responsible for accurate population projections.
- The Department efficiently manages lands held by the Western Australian Planning Commission (WAPC), including the management of Whiteman Park, 13,000 hectares of regional open space predominately located in the metropolitan area and approximately 300 residential and commercial tenancies which are located on lands required for various long-term public uses.
- To locate future population and employment activities where there are high-levels of access and infrastructure the Department supports the definition, prioritisation and delivery of strategic activity centres including the Murdoch Activity Centre and the Stirling City Centre.
- The Department has successfully implemented Development Assessment Panels across the State which combine professional advice with local representation in approving major developments.
- The Department is progressing many of the recommendations of the Keelty Report which will result in a review of 'Statement of Planning Policy 3.4 Natural Hazards and Disasters' and the joint WAPC and Fire and Emergency Services Planning for Bushfire Protection Guidelines.
- Increasing focus on regional planning to identify regional infrastructure requirements to facilitate economic growth and development. As a result, preparation of Regional Planning and Infrastructure Frameworks for each region of the State is well advanced. The Pilbara Framework has been finalised and released, and frameworks for Mid West, Gascoyne and Great Southern are expected to be completed by June 2012. Frameworks for Goldfields Esperance and Wheatbelt are expected to be finalised in August 2012. These involve significant Departmental staff resources and is consistent with the Department's role in advancing regional strategy development to guide government decision-making.
- The Department has entered into a Memorandum of Understanding with the Department of Regional Development and Lands (RDL) to facilitate planning and development of settlements in the Pilbara, analyse land use and infrastructure requirements and facilitate provision of critical infrastructure. A program of works has subsequently been developed and endorsed by the Royalties for Regions (RfR) Director General's Reference Group and is due for completion in June 2013.
- The Department has been aggressively identifying efficiencies in its operations to ensure the State's planning system provides value for money for taxpayers and those applicants whose applications are funded on a cost recovery basis. This work will continue in 2012-13 as the agency adjusts to competing demands for services including those across government agencies and in response to demands from other levels of government.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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.....	40.5%	41%	41%	41%	
- Less than R20 : 1 km.....	78.8%	79%	79%	79%	
- R20 : 400 metres.....	59.9%	59%	60%	60%	
- R20 : 1 km.....	95.2%	94%	95%	95%	
- Greater than R20 : 400 metres.....	60.8%	62%	61%	61%	
- Greater than R20 : 1 km.....	95.9%	97%	96%	96%	
Area of commercial and industrial land per capita per corridor:					
- Eastern Sector - Commercial per capita ^(a)	9.4m ²	12.4m ²	9.0m ²	9.0m ²	
- Eastern Sector - Industrial per capita ^(a)	74.7m ²	82.1m ²	76.4m ²	76.4m ²	
- Inner Sector - Commercial per capita ^(a)	32.0m ²	33.1m ²	30.9m ²	30.9m ²	
- Inner Sector - Industrial per capita ^(a)	12.5m ²	14.9m ²	12.1m ²	12.1m ²	
- Middle Sector - Commercial per capita ^(a)	22.2m ²	22.1m ²	21.6m ²	21.6m ²	
- Middle Sector - Industrial per capita ^(a)	61.9m ²	61.7m ²	62.5m ²	62.5m ²	
- North West Sector - Commercial per capita ^(a)	35.5m ²	45.5m ²	33.8m ²	33.8m ²	
- North West Sector - Industrial per capita ^(a)	58.7m ²	68.0m ²	55.5m ²	55.5m ²	
- South East Sector - Commercial per capita ^(a)	12.4m ²	15.0m ²	13.9m ²	13.9m ²	
- South East Sector - Industrial per capita ^(a)	55.4m ²	63.8m ²	52.7m ²	52.7m ²	
- South West Sector - Commercial per capita ^(a)	21.9m ²	25.5m ²	19.0m ²	19.0m ²	
- South West Sector - Industrial per capita ^(a)	159.3m ²	185.0m ²	149.7m ²	149.7m ²	
- Perth Metropolitan Region - Commercial per capita ^(a)	23.5m ²	26.5m ²	22.5m ²	22.5m ²	
- Perth Metropolitan Region - Industrial per capita ^(a)	67.5m ²	74.1m ²	65.9m ²	65.9m ²	
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%	81.3%	91%	
- within a 10 minute ride to a railway station.....	36.4%	36%	33.3%	36%	
- within a 10 minute car travel to a railway station.....	80.1%	80%	73.3%	80%	
Outcome: Accessibility to serviced land and infrastructure:					
Number of lots given preliminary and final approval:					
- residential ^(a)	38,041	47,000	39,366	40,900	
- non-residential ^(a)	6,569	9,500	6,748	6,800	
Median land price as a percentage of median residential property sales price	55%	56%	49%	55%	
Relative affordability of property and land prices.....	Lowest quintile	Third highest quintile	Lowest quintile	Lowest quintile	
Average lot size in the Perth Metropolitan Region.....	441m ²	500m ²	434m ²	440m ²	
Avoided land consumption costs.....	\$98 million	\$110 million	\$137 million	\$141 million	1
Determination appeals that are unsuccessful ^(a)	99.7%	100%	99%	100%	

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

Explanation of Significant Movements

(Notes)

- During 2011-12 the methodology used to calculate the infrastructure cost savings per lot was revised. As a result when comparing the 2011-12 Estimated Actual to the 2011-12 Budget, 2012-13 Budget Target and previous year actuals, significant variances will be noticeable.

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, 'Delivering Services' 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	23,106	27,688	26,710	30,216	1
Less Income	3,949	4,126	4,617	4,488	2
Net Cost of Service.....	19,157	23,562	22,093	25,728	
Employees (Full Time Equivalents).....	156	183	181	181	
Efficiency Indicators					
Average Cost per Policy Hour for Integrated Land Policy Development.	\$99.51	\$84.04	\$95.33	\$101.21	3

(a) More details of effectiveness indicators are provided in the annual report.

Explanation of Significant Movements

(Notes)

1. The movement between the 2011-12 Estimated Actual and the 2012-13 Budget Target is primarily due to projected increases in grants under the Northern Towns Development Fund partially offset by a decrease in expenditure for the Regional Centres Development Plan (Supertowns).
2. The movement between the 2011-12 Budget and the 2011-12 Estimated Actual is largely due to revenue received from RDL for Regional Centres Development Plan (Supertowns) and Pilbara Cities Planning Program.
3. The increase in the average cost per policy hour is due to a decrease in policy hours between the 2011-12 Budget and the 2011-12 Estimated Actual on the Pilbara Cities and Northern Planning Programs under the Northern Towns Development Fund.

2: Land Accessibility Planning and Policy Development

This service contributes to the Government's 'Delivering Services' goal 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 WAPC 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 49,600	\$'000 42,811	\$'000 41,001	\$'000 42,433	
Less Income	18,820	18,575	16,318	16,220	1
Net Cost of Service.....	30,780	24,236	24,683	26,213	
Employees (Full Time Equivalents).....	330	385	385	385	
Efficiency Indicators					
Cost per Subdivision and Development Application Processed.....	\$6,125	\$4,922	\$6,494	\$6,958	2
Average Cost per Policy and Planning Hour	\$101.50	\$82.07	\$90.24	\$101.56	
Statutory Planning Applications Processed within Statutory Timeframes	78%	80%	73%	80%	
Town Planning Scheme Amendments (for Final Approval) Processed within Non-Statutory Timeframes	51%	55%	44%	60%	
Deposited and Strata Plans Endorsed within Non-Statutory Timeframes	99%	100%	99%	100%	

(a) More details of effectiveness indicators are provided in the annual report.

Explanation of Significant Movements

(Notes)

1. The movement between the 2011-12 Budget and the 2011-12 Estimated Actual is largely due to a reduction in revenue received for fees transferred from the WAPC (\$1.5 million) due to the downturn in the property market and lower than forecast revenue received for Development Applications.
2. The movement between the 2011-12 Budget, the 2011-12 Estimated Actual and the 2012-13 Budget Target is the result of a decline in the property market which has meant a decline in the number of subdivision and development applications received for processing while the cost of processing the applications has remained relatively consistent.

ASSET INVESTMENT PROGRAM

The Department's planned asset investment for 2012-13 is \$13.8 million comprising minor works, accommodation initiatives, and the following major projects:

- **Perry Lakes Redevelopment Project**

The Perry Lakes Redevelopment Project is for the development of the existing site for housing, and the construction of new facilities for basketball, athletics and rugby on the site referred to as AK Reserve. The athletic stadium was completed in May 2009 and the basketball facilities in January 2010. The rugby facility is due for completion in October 2012. The residential development is progressing at Stage 2. Stage 2A will be completed in April 2012 and enable the release of a further 21 lots to the residential market. The Stage 2B construction will occur in December 2012 depending on sales rates.

- **Information and Communications Technology (ICT) 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.

- **Geographic Information Services (GIS) Directions**

The project will deliver a transformational change to the business and statutory processes of the Department. The deferral of capital expenditure from 2011-12 was necessary in order to align the strategic direction of the Department's overall ICT development with the roll-out of modern and more flexible GIS tools, starting with the GIS map viewer and GIS data capture systems.

The delay has also ensured the Department obtains the greatest value for money in its roll-out of new ICT systems.

The project will enable the Department to maximise the value of the State's Shared Land Information Platform environment and allow easy integration of spatial (location) information with a sophisticated electronic lodgement system for statutory approvals.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Corporate							
Accommodation Refurbishment and Sustainability							
Initiatives	6,022	2,701	350	554	211	213	223
ICT Infrastructure	28,918	10,264	942	1,525	1,441	1,430	1,498
Other							
Minor Works program	20,123	10,918	272	1,250	500	1,096	500
Perry Lakes Redevelopment Project	161,802	139,869	18,315	8,784	8,577	73	6
Strategic and Statutory Planning - GIS Directions	2,773	1,073	480	1,700	-	-	-
Total Cost of Asset Investment Program	219,638	164,825	20,359	13,813	10,729	2,812	2,227
FUNDED BY							
Capital Appropriation			952	3,753	2,152	2,739	2,221
Internal Funds and Balances			1,092	1,276	-	-	-
Other			18,315	8,784	8,577	73	6
Total Funding			20,359	13,813	10,729	2,812	2,227

FINANCIAL STATEMENTS**Income Statement***Expenses*

The movement in expenditure between the 2011-12 Estimated Actual and the 2012-13 Budget is due to an increase in voluntary separation offers in 2011-12 (\$1.5 million) and realising salary savings reductions across the forward estimates (\$0.7 million), and an increase in the Northern Towns Development program funded from RfR (\$3.3 million) further offset by the reduction in depreciation on assets (\$1.3 million).

Income

The increase in revenue between the 2011-12 Estimated Actual and the 2012-13 Budget is mainly due to an increase in the Northern Towns Development program funded from RfR (\$3.3 million), offset by an increase in voluntary separation offers in 2011-12 only (\$2.1 million) and realising salary savings reduction across the forward estimates (\$0.7 million).

Statement of Financial Position

The reduction in equity in the 2012-13 Budget compared to the 2011-12 Budget is due to the Section 25 Transfer of Capital Infrastructure and escalations to the Department of Transport (\$22.0 million), the deferral of the asset investment program (\$1.9 million) from the 2011-12 Budget to the 2012-13 Budget, and a decrease in the holding account receivables for depreciation of non-current assets (\$1.3 million).

Statement of Cashflows

The decrease in the net cash held in the 2012-13 Budget is mainly due to the deferral of the asset investment expenditure (\$3.2 million) and cash transfer out to Department of Transport as part of the Section 25 Transfer of Corporate Support agreement (\$4.7 million).

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	46,229	45,867	47,871	48,484	47,202	47,945	47,771
Grants and subsidies ^(c)	3,878	8,625	3,037	6,842	8,274	200	200
Supplies and services	14,056	5,543	7,661	5,738	5,242	5,168	5,403
Accommodation.....	179	4,000	4,000	4,271	4,352	4,409	4,409
Depreciation and amortisation	4,089	2,029	1,264	331	214	165	148
Efficiency dividend.....	-	-	-	(746)	(1,124)	(1,525)	(1,951)
Other expenses.....	4,275	4,435	3,878	6,983	3,299	3,426	3,532
TOTAL COST OF SERVICES	72,706	70,499	67,711	71,903	67,459	59,788	59,512
Income							
Sale of goods and services	44	716	716	716	716	716	716
Grants and subsidies	745	1,810	1,874	1,081	81	81	81
Other revenue	21,980	20,175	18,345	18,911	19,438	19,295	19,530
Total Income	22,769	22,701	20,935	20,708	20,235	20,092	20,327
NET COST OF SERVICES.....	49,937	47,798	46,776	51,195	47,224	39,696	39,185
INCOME FROM STATE GOVERNMENT							
Service appropriations	44,728	40,757	43,406	39,341	37,501	37,688	38,153
Resources received free of charge.....	1,263	1,523	1,523	1,607	1,694	1,694	1,694
Royalties for Regions Fund ^(d)	197	6,886	3,129	6,894	8,088	15	15
TOTAL INCOME FROM STATE GOVERNMENT.....	46,188	49,166	48,058	47,842	47,283	39,397	39,862
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(3,749)	1,368	1,282	(3,353)	59	(299)	677

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 486, 566 and 566 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$0.2 million (2010-11), \$6.9 million (2011-12), \$3.1 million (2011-12 Estimated Out Turn), \$6.9 million (2012-13) and \$8.1 million (2013-14).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Koondoola Revitalisation	355	-	-	-	-	-	-
Maddington Kenwick Sustainability.....	1,440	-	-	-	-	-	-
Mandurah Central Revitalisation Strategy	1,742	1,279	797	652	-	-	-
Northern Towns Development Fund.....	-	6,886	1,780	5,790	8,074	-	-
Other Grants and Subsidies.....	75	60	60	-	-	-	-
Rockingham Kwinana Development Office	-	200	200	200	-	-	-
Urban Design Projects	200	200	200	200	200	200	200
Wanneroo Revitalisation	66	-	-	-	-	-	-
TOTAL.....	3,878	8,625	3,037	6,842	8,274	200	200

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	10,387	4,863	3,495	2,457	2,676	2,895	3,114
Receivables.....	6,436	2,779	6,436	6,436	6,436	6,436	6,436
Other.....	680	94	680	680	680	680	680
Total current assets.....	17,503	7,736	10,611	9,573	9,792	10,011	10,230
NON-CURRENT ASSETS							
Holding account receivables.....	23,202	28,806	15,078	16,850	18,505	20,111	21,700
Property, plant and equipment.....	3,985	13,116	1,341	3,731	5,727	8,338	10,446
Intangibles.....	3,182	2,948	30	177	122	88	54
Restricted cash.....	903	1,715	1,484	1,465	1,465	1,465	-
Other.....	-	8,236	1,236	7	4	1	-
Total non-current assets.....	31,272	54,821	19,169	22,230	25,823	30,003	32,200
TOTAL ASSETS.....	48,775	62,557	29,780	31,803	35,615	40,014	42,430
CURRENT LIABILITIES							
Employee provisions.....	9,853	11,778	9,581	9,581	9,581	9,581	9,581
Payables.....	295	1,337	295	295	295	295	295
Other.....	3,167	1,995	3,318	3,501	3,661	4,179	2,256
Total current liabilities.....	13,315	15,110	13,194	13,377	13,537	14,055	12,132
NON-CURRENT LIABILITIES							
Employee provisions.....	2,355	7,337	3,268	4,709	6,150	7,591	9,032
Other.....	37	65	37	37	37	37	37
Total non-current liabilities.....	2,392	7,402	3,305	4,746	6,187	7,628	9,069
TOTAL LIABILITIES.....	15,707	22,512	16,499	18,123	19,724	21,683	21,201
EQUITY							
Contributed equity.....	12,940	16,673	(8,129)	(4,377)	(2,225)	514	2,735
Accumulated surplus/(deficit).....	20,128	23,372	21,410	18,057	18,116	17,817	18,494
Total equity.....	33,068	40,045	13,281	13,680	15,891	18,331	21,229
TOTAL LIABILITIES AND EQUITY.....	48,775	62,557	29,780	31,803	35,615	40,014	42,430

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	42,507	35,744	39,560	37,569	35,846	36,082	36,564
Capital appropriation	10,112	6,874	952	3,753	2,152	2,739	2,221
Royalties for Regions Fund ^(b)	197	6,886	3,129	6,894	8,088	15	15
Net cash provided by State Government.....	52,816	49,504	43,641	48,216	46,086	38,836	38,800
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(46,212)	(44,073)	(47,079)	(46,861)	(45,601)	(45,986)	(48,253)
Grants and subsidies	(3,605)	(8,625)	(3,037)	(6,842)	(8,274)	(200)	(200)
Supplies and services	(10,663)	(3,152)	(5,021)	(3,143)	(2,515)	(2,441)	(2,676)
Accommodation	(179)	(3,811)	(3,811)	(4,082)	(4,163)	(4,409)	(4,409)
Efficiency dividend.....	-	-	-	746	1,124	1,525	1,951
Other payments	(12,755)	(11,137)	(10,829)	(9,605)	(9,600)	(8,799)	(8,905)
Receipts							
Grants and subsidies	745	1,810	1,874	1,081	81	81	81
Sale of goods and services	49	-	-	-	-	-	-
GST receipts	3,098	5,644	5,644	4,835	5,079	4,340	4,340
Other receipts.....	21,133	20,891	19,061	19,627	20,154	20,011	20,246
Net cash from operating activities.....	(48,389)	(42,453)	(43,198)	(44,244)	(43,715)	(35,878)	(37,825)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,251)	(9,242)	(2,044)	(5,029)	(2,152)	(2,739)	(2,221)
Net cash from investing activities.....	(1,251)	(9,242)	(2,044)	(5,029)	(2,152)	(2,739)	(2,221)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	-	(710)	-	-	-	-	-
Proceeds from borrowings	-	380	-	-	-	-	-
Net cash from financing activities.....	-	(330)	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	3,176	(2,521)	(1,601)	(1,057)	219	219	(1,246)
Cash assets at the beginning of the reporting period.....	8,393	9,099	11,290	4,979	3,922	4,141	4,360
Net cash transferred to/from other agencies.....	(279)	-	(4,710)	-	-	-	-
Cash assets at the end of the reporting period.....	11,290	6,578	4,979	3,922	4,141	4,360	3,114

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

(b) Regional Infrastructure and Headworks Fund - \$0.2 million (2010-11), \$6.9 million (2011-12), \$3.1 million (2011-12 Estimated Out Turn), \$6.9 million (2012-13) and \$8.1 million (2013-14).

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Other							
Profit on Disposal of Land.....	10,139	8,686	329	758	774	213	277
Sport and Recreation Athletics Facilities.....	799	-	-	-	-	-	-
Other Revenue.....	414	1	194	-	-	-	-
TOTAL INCOME	11,352	8,687	523	758	774	213	277
EXPENSES							
Other							
Advertising and Promotion Expenses.....	-	120	264	519	488	34	40
Interest Expense.....	4,865	5,964	4,798	4,830	3,311	1,902	1,292
Services and Contracts Expenses.....	1,709	288	342	298	298	25	-
Other Expenses.....	340	-	-	-	-	-	-
TOTAL EXPENSES.....	6,914	6,372	5,404	5,647	4,097	1,961	1,332

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* (the Act) and constituted under Section 16 of the *Financial Management Act 2006*. The purpose of this account is to manage the financial provisions of the Act for the redevelopment of Perry Lakes for housing and the development of sporting facilities for athletics, basketball and rugby on the AK Reserve land.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	531	-	4,575	2
Receipts:				
Other.....	24,809	57,292	20,397	40,237
	25,340	57,292	24,972	40,239
Payments	20,765	57,132	24,970	40,237
CLOSING BALANCE	4,575	160	2	2

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Development Assessment Panels.....	-	716	716	716	716	716	716
GST Input Credits.....	1,720	4,078	4,078	3,339	3,592	2,852	2,852
GST Receipts on Sales	1,378	1,566	1,566	1,496	1,487	1,488	1,488
National Coordinator of eDAIS Implementation Program	694	-	-	-	-	-	-
Other.....	2,958	2,474	549	172	75	75	75
Pilbara Cities Office Project	-	134	1,500	1,000	-	-	-
Regional Centres Development Plan (SuperTowns).....	-	-	293	-	-	-	-
Services Provided to Commonwealth in Respect of Indian Ocean Territories	51	81	81	81	81	81	81
Services Provided to Western Australian Planning Commission	18,224	19,296	17,796	18,739	19,363	19,220	19,455
TOTAL.....	25,025	28,345	26,579	25,543	25,314	24,432	24,667

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

METROPOLITAN REDEVELOPMENT AUTHORITY

ASSET INVESTMENT PROGRAM

The Metropolitan Redevelopment Authority brings together the work of four former agencies which have led the urban renewal of East Perth, Subiaco, Midland and Armadale. The Authority will continue to revitalise communities and create a distinctive sense of character and place that is transforming the city and redefining key areas of metropolitan Perth.

In 2012-13, the Authority's spending is highlighted by:

- \$167.3 million on the Perth Waterfront project to continue to provide for the ongoing construction of the inlet and public domain. The 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;
- \$31.0 million to fund redevelopment works and land acquisition in the Riverside area, in particular enabling the surcharging works in the four hectare Waterbank precinct;
- \$11.4 million to continue development and subdivision in the Midland precincts in order to facilitate the continued redevelopment of the area in conjunction with the construction of the Midland Health Campus;
- \$15.2 million for the Wungong Urban Water project for the commencement of drainage, river restoration, and civil works, primarily funded through a developer contribution scheme and an equity contribution from the State;
- \$9.6 million to continue Stage One works on the Perth City Link project, set to reconnect the city centre with Northbridge and deliver new, high quality residential, commercial and public spaces for Perth's growing population;
- \$4.2 million for the Forrestdale Business Park East for the continued provision of core infrastructure to facilitate private development. The developer contribution scheme is the primary source of funding for this project; and
- \$10.4 million for the continuation of works and initiatives in the Armadale Redevelopment Area such as Structure Planning for Forrestdale Business Park West, civil amenities in Kelmscott and construction and the ongoing development of the land adjacent to Champion Lakes for commercial opportunities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Armadale Redevelopment Area							
Armadale and Kelmscott Scheme Infrastructure	6,789	5,625	429	785	325	54	-
Champion Drive Seville Grove	10,749	5,430	138	1,498	619	835	2,367
Champion Lakes	34,526	30,879	252	1,800	1,799	25	23
City West	7,634	4,392	4,026	548	898	898	898
Forrestdale Business Park East	57,470	51,697	8,710	4,208	1,134	235	196
Forrestdale Business Park West	14,511	1,217	629	2,890	3,468	3,468	3,468
Kelmscott	6,896	3,763	495	2,780	353	-	-
Wungong Urban Water Project - Wungong Water Drainage, River Restoration and other Civil Works							
	79,062	6,951	1,448	15,179	11,327	19,369	26,236
Central Perth Redevelopment Area							
East Perth	123,197	103,350	217	246	328	298	278
Northbridge	69,602	47,655	3,737	191	2,001	96	84
Perth City Link	134,857	15,931	7,290	9,596	13,275	35,777	49,537
Perth Waterfront Project	438,583	32,917	32,083	167,334	140,776	66,376	4,108
Riverside	94,060	36,267	10,421	30,987	16,565	10,177	64
Midland Redevelopment Area							
Midland Redevelopment Precincts	107,768	68,758	12,251	11,397	9,818	-	17,795
Subiaco Redevelopment Area							
Subi Centro	65,629	64,755	7,887	174	175	175	175
Minor Asset Purchases	1,722	698	50	874	50	50	50
COMPLETED WORKS							
Armadale Redevelopment Area							
Champion Lakes - Aboriginal Interpretive Centre	1,585	1,585	252	-	-	-	-
Implementation of Armadale Redevelopment Scheme	6,582	6,582	160	-	-	-	-
Wungong Urban Water Project - Water Smart Australia Initiative							
	2,490	2,490	640	-	-	-	-
Central Perth Redevelopment Area							
Northbridge Redevelopment Works - William Street Investment Properties	7,498	7,498	288	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
NEW WORKS							
Midland Redevelopment Area							
Lloyd Street Extension Road Works	1,000	-	-	-	-	-	1,000
Total Cost of Asset Investment Program	1,272,210	498,440	91,403	250,487	202,911	137,833	106,279
FUNDED BY							
Capital Appropriation			-	168,895	78,260	65,272	-
Borrowings			47,095	51,780	19,553	54,581	43,180
Internal Funds and Balances			12,225	27,733	102,542	16,876	61,186
Adjustment to Fixed Asset Funding due to Agency Project Transfer			32,083	2,079	2,556	1,104	1,913
Total Funding			91,403	250,487	202,911	137,833	106,279

WESTERN AUSTRALIAN PLANNING COMMISSION

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

DIVISION 48

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 75 Net amount appropriated to deliver services.....	3,262	14,703	10,962	3,284	3,356	3,421	3,449
Amount Authorised by Other Statutes - Metropolitan Region Improvement Tax Act 1959.....	77,839	83,600	83,700	83,300	91,700	100,800	110,800
Total appropriations provided to deliver services.....	81,101	98,303	94,662	86,584	95,056	104,221	114,249
CAPITAL							
Item 145 Capital Appropriation.....	5,400	53,821	17,821	8,400	5,400	5,400	5,400
TOTAL APPROPRIATIONS.....	86,501	152,124	112,483	94,984	100,456	109,621	119,649
EXPENSES							
Total Cost of Services.....	91,208	49,113	47,608	46,653	44,732	41,935	42,258
Net Cost of Services ^(a)	51,129	24,970	21,796	23,937	23,058	20,308	20,396
CASH ASSETS ^(b)	131,947	102,148	126,093	157,493	195,417	244,835	254,871

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Arbitration and Court Costs.....	1,940	-	-	-	-
Decommissioning of Office of Shared Services	25	-	-	-	-
Perth Waterfront Project - Transfer to Metropolitan Redevelopment Authority (MRA)	(2,510)	(2,079)	(2,556)	(1,104)	(1,913)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Statutory Planning	10,355	10,789	9,100	9,661	9,394	8,806	8,874
2. Strategic Planning	14,219	16,347	13,460	15,482	14,761	13,839	13,945
3. Asset Management	66,634	21,977	25,048	21,510	20,577	19,290	19,439
Total Cost of Services	91,208	49,113	47,608	46,653	44,732	41,935	42,258

Significant Issues Impacting the Agency

- The Commission is responsible for providing advice to the Minister for Planning on local planning schemes, regional planning schemes, subdivision applications, some development applications and strategic planning. Since 2009, there has been a marked increase in the number of statutory schemes and scheme amendments being finalised by the Commission. This trend is likely to continue as local government's progress local planning schemes through the Commission in response to the release of the Directions 2031 Framework and other strategic planning by the Commission.
- There has been increased demand on the Commission to acquire land for public purposes where landowners exit the market and where the Commission is the only purchaser in the market due to the zoning encumbrances on the land. The State's commitment to respecting Property Rights means land owners who have encumbered land have certain rights that can require compensation where the land use is constrained in order to preserve it for public or conservation purposes. In some cases the Commission is obliged to purchase the land, for example where it will be used for future transport corridors.
- The Commission is continuously improving its statutory planning processes through which the community can participate and make effective contributions to planning initiatives. Further work has progressed on sub-regional plans which sit within the Directions 2031 Framework and this has been undertaken in consultation with stakeholders, including local governments.
- There is a growing need to encourage and promote development in Western Australia's regions, particularly in the northern mining areas. Regional Planning Committees for the Kimberley, Pilbara, Gascoyne and Mid West are continuing to develop robust regional planning strategies to guide orderly development and local planning activities. The release of the Pilbara Framework will guide development across the Pilbara region, manage major resource and population growth and maximise private and public investment opportunities.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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.....	2029	2,121	1725	1800	1
- Country Western Australia	975	1,062	717	740	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. The Estimated Actual figure in 2011-12 for both Metropolitan and Country applications compared to the 2011-12 Budget is lower due to the general downturn in the property market.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	10,355	10,789	9,100	9,661	1
Less Income	9,437	9,766	8,110	8,400	1
Net Cost of Service.....	918	1,023	990	1,261	
Efficiency Indicators					
Determinations which were processed without a successful appeal.....	99%	99%	99%	99%	
Applications processed within the statutory timeframes	79%	80%	73%	75%	
Average cost per application determined	\$2,703	\$2,731	\$2,730	\$2,760	

(a) The Staff undertaking the Commission's activities are employed by the Department of Planning (DOP) under a service level agreement, and appear in the DOP Full Time Equivalents.

Explanation of Significant Movements

(Notes)

1. The Estimated Actual Total Cost of Service in 2011-12 compared with the 2011-12 Budget is lower due to the reduction in the numbers of applications received due to the downturn in the property market. This is also reflected in the Estimated Actual Income in 2011-12 compared with the 2011-12 Budget.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	14,219	16,347	13,460	15,482	1
Less Income.....	5,536	4,060	5,446	3,516	
Net Cost of Service	8,683	12,287	8,014	11,966	
Efficiency Indicators					
Planning Decisions - Strategic, Environment, Industry, Infrastructure and Transport	176	200	200	200	
Client Satisfaction with Strategic Planning Activities (via Survey)	72%	65%	70%	70%	
Client Satisfaction with the Timeliness of Strategic Planning Activities (via Survey).....	48%	65%	55%	60%	
Average Cost per Planning Decision - Strategic, Environment, Industry, Infrastructure and Transport	\$80,790	\$81,745	\$67,300	\$79,910	2

(a) The Staff undertaking the Commission's activities are employed by the DOP under a service level agreement, and appear in the DOP Full Time Equivalents.

Explanation of Significant Movements

(Notes)

1. The Estimated Actual Total Cost of Service in 2011-12 compared with the 2011-12 Budget is lower due to the transfer of the Perth Waterfront budget to the MRA. The Total Cost of Service in 2012-13 Budget compared with the Estimated Actual Total Cost of Service in 2011-12 is higher due to the reallocation of a contribution to the Perth Waterfront Project from Capital to Recurrent.
2. The Estimated Actual Average Cost Per Planning Decision in 2011-12 compared with the 2011-12 Budget is lower due to the transfer of the Perth Waterfront budget to the MRA. The Average Cost Per Planning Decision in the 2012-13 Budget compared with the 2011-12 Estimated Actual is higher due to the reallocation of a contribution to the Perth Waterfront Project from Capital to Recurrent.

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 areas and improvement plans and major land development projects.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	66,634	21,977	25,048	21,510	
Less Income.....	25,106	10,317	12,256	10,800	
Net Cost of Service	41,528	11,660	12,792	10,710	
Efficiency Indicators					
Hectares Managed - Improvement Plans, Regional Roads and Other Uses (Includes Rental Properties).....	3,505	3,600	3,500	3,550	
Hectares Managed - Parks and Recreational Reserves	10,649	11,500	10,600	10,800	
Management - Progress on Formulation and Implementation of Management Plans	6 completed	n/a	n/a	n/a	1
Acquisitions - Acceptances within Approved Range.....	97%	95%	92%	95%	
Disposals - Realised at in Excess of Reserved Price.....	100%	95%	97%	95%	
Acquisitions - Approved Schedule Acquired within Period	94%	100%	100%	100%	
Disposals - Approved Schedule Acquired within Period.....	334%	100%	100%	100%	
Available Days Tenanted.....	97%	95%	97%	96%	
Approved Management Program Achieved	80%	92%	90%	92%	
Approved Management Plan Activities Achieved	80%	92%	90%	92%	
Average Cost per Hectare Managed	\$1,495	\$1,455	\$1,776	\$1,464	2

(a) The Staff undertaking the Commission's activities are employed by the DOP under a service level agreement, and appear in the DOP Full Time Equivalents.

Explanation of Significant Movements

(Notes)

1. The Management Plans for Perth Regional Parks are now completed and will no longer be reported.
2. The Estimated Actual average cost per hectare managed in 2011-12 compared to the 2011-12 Budget reflects the increase in costs associated with the settlement of a number of outstanding land compensation claims for injurious affection.

ASSET INVESTMENT PROGRAM

The Commission's planned 2012-13 asset investment of \$45.2 million includes the acquisition of land reserved under the Metropolitan, Peel and Greater Bunbury Region Schemes, continuation of the Bush Forever Program, and the development of facilities on reserved land. Purchase of land reserved for Bush Forever in future years will be funded as part of the Metropolitan land acquisition program.

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 to complete the detailed studies which will facilitate investment through a consortium of private and government investment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Buildings/Infrastructure.....	9,493	6,493	300	300	300	300	300
Other Minor Equipment.....	3,145	1,754	122	125	128	131	134
Stirling Regional Centre	8,500	7,000	3,500	1,500	-	-	-
COMPLETED WORKS							
Acquisition of Land - 2011-12 Program	46,005	46,005	46,005	-	-	-	-
Perth's Bushplan - 2011-12 Program	10,000	10,000	10,000	-	-	-	-
Regional Land Acquisitions - 2011-12 Program.....	12,400	12,400	12,400	-	-	-	-
NEW WORKS							
Acquisition of Land							
2012-13 Program	24,875	-	-	24,875	-	-	-
2013-14 Program	39,300	-	-	-	39,300	-	-
2014-15 Program	39,818	-	-	-	-	39,818	-
2015-16 Program	89,351	-	-	-	-	-	89,351
Perth's Bushplan - 2012-13 Program	10,000	-	-	10,000	-	-	-
Regional Land Acquisitions							
2012-13 Program	8,400	-	-	8,400	-	-	-
2013-14 Program	5,400	-	-	-	5,400	-	-
2014-15 Program	5,400	-	-	-	-	5,400	-
2015-16 Program	5,400	-	-	-	-	-	5,400
Total Cost of Asset Investment Program	317,487	83,652	72,327	45,200	45,128	45,649	95,185
FUNDED BY							
Capital Appropriation.....			17,821	8,400	5,400	5,400	5,400
Asset Sales.....			6,500	5,000	5,000	5,000	5,000
Internal Funds and Balances			80,089	31,800	34,728	35,249	84,785
Adjustment to fixed asset funding due to agency project transfer.....			(32,083)	-	-	-	-
Total Funding			72,327	45,200	45,128	45,649	95,185

FINANCIAL STATEMENTS

Income Statement

Expenses

The decrease of \$1.5 million in the Estimated Total Cost of Services in 2011-12 Estimated Actual compared with the 2011-12 Budget mainly reflects the transfer of the Perth Waterfront Project to the MRA on 1 January 2012.

Income

Total income for 2012-13 is forecast to reduce by \$3.1 million compared to the Estimated Actual for 2011-12. This is largely due to a decrease in external grants received and reductions in Other Revenue largely due to an expected decrease in interest and rent revenue due to falling interest rates and a decrease in profit on land sales due to the weakness in the property market.

Statement of Financial Position

The Commission's Estimated Total Asset position reflects the outcome of land revaluations undertaken each year across government.

Statement of Cashflows

Estimated cash assets will increase by \$22.8 million for the 2011-12 Estimated Actual compared with the 2011-12 Budget due to a combination of increased land sales, higher than expected rent and interest revenue together with a higher cash balance carried forward from 2010-11. 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)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits	375	328	353	342	352	364	364
Grants and subsidies ^(b)	2,928	5,438	5,508	8,117	5,410	3,050	3,050
Supplies and services	15,130	14,816	13,866	9,944	9,506	8,868	8,958
Accommodation.....	1,220	1,765	2,065	1,830	1,990	2,060	2,060
Depreciation and amortisation	2,357	3,300	3,300	3,400	3,500	3,600	3,600
Other expenses.....	69,198	23,466	22,516	23,020	23,974	23,993	24,226
TOTAL COST OF SERVICES.....	91,208	49,113	47,608	46,653	44,732	41,935	42,258
Income							
Sale of goods and services	8,310	8,683	7,183	7,485	7,949	8,177	8,412
Grants and subsidies	2,882	1,961	2,390	1,331	325	-	-
Other revenue	28,887	13,499	16,239	13,900	13,400	13,450	13,450
Total Income	40,079	24,143	25,812	22,716	21,674	21,627	21,862
NET COST OF SERVICES.....	51,129	24,970	21,796	23,937	23,058	20,308	20,396
INCOME FROM STATE GOVERNMENT							
Service appropriations	81,101	98,303	94,662	86,584	95,056	104,221	114,249
Resources received free of charge.....	144	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT.....	81,245	98,303	94,662	86,584	95,056	104,221	114,249
SURPLUS/(DEFICIENCY) FOR THE PERIOD	30,116	73,333	72,866	62,647	71,998	83,913	93,853

(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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Araluen Botanic Park.....	1,600	1,600	1,600	1,600	-	-	-
Coastal Zone Management	549	1,812	1,500	1,500	952	952	952
Other.....	664	1,591	2,258	1,717	1,848	1,848	1,848
Parks and Reserves - Regional Open Space.....	115	435	150	250	250	250	250
Perth Waterfront	-	-	-	3,050	2,360	-	-
TOTAL.....	2,928	5,438	5,508	8,117	5,410	3,050	3,050

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	122,437	97,972	116,583	149,083	186,892	236,310	246,346
Restricted cash.....	9,510	4,176	9,510	8,410	8,525	8,525	8,525
Receivables.....	1,180	1,110	1,180	1,180	1,170	1,170	1,170
Other.....	2,341	1,782	2,341	2,341	2,341	2,341	2,341
Total current assets	135,468	105,040	129,614	161,014	198,928	248,346	258,382
NON-CURRENT ASSETS							
Holding account receivables	2,839	3,219	3,219	3,599	3,979	4,359	4,739
Property, plant and equipment	555,653	675,396	616,309	650,570	685,774	721,289	806,126
Total non-current assets.....	558,492	678,615	619,528	654,169	689,753	725,648	810,865
TOTAL ASSETS.....	693,960	783,655	749,142	815,183	888,681	973,994	1,069,247
CURRENT LIABILITIES							
Payables.....	1,873	-	1,873	1,873	1,873	1,873	1,873
Other.....	41,125	37,989	41,118	41,112	41,212	41,212	41,212
Total current liabilities.....	42,998	37,989	42,991	42,985	43,085	43,085	43,085
TOTAL LIABILITIES.....	42,998	37,989	42,991	42,985	43,085	43,085	43,085
EQUITY							
Accumulated surplus/(deficit).....	622,478	718,022	677,667	743,714	817,112	902,425	997,678
Reserves.....	28,484	27,644	28,484	28,484	28,484	28,484	28,484
Total equity	650,962	745,666	706,151	772,198	845,596	930,909	1,026,162
TOTAL LIABILITIES AND EQUITY.....	693,960	783,655	749,142	815,183	888,681	973,994	1,069,247

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	80,721	97,923	94,282	86,204	94,676	103,841	113,869
Capital appropriation	5,400	53,821	17,821	8,400	5,400	5,400	5,400
Net cash provided by State Government.....	86,121	151,744	112,103	94,604	100,076	109,241	119,269
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(288)	(328)	(353)	(342)	(352)	(364)	(364)
Grants and subsidies	(2,899)	(5,438)	(5,508)	(8,117)	(5,410)	(3,050)	(3,050)
Supplies and services	(12,742)	(14,688)	(13,738)	(9,809)	(9,375)	(8,733)	(8,823)
Accommodation.....	(1,223)	(1,765)	(2,065)	(1,830)	(1,990)	(2,060)	(2,060)
Other payments.....	(28,301)	(26,894)	(14,525)	(26,452)	(27,401)	(27,424)	(27,443)
Receipts							
Grants and subsidies	2,772	1,961	2,390	1,331	325	-	-
Sale of goods and services	15	8,683	7,183	7,485	7,949	8,177	8,412
GST receipts	4,004	3,330	3,330	3,330	3,330	3,330	3,330
Other receipts.....	23,460	10,999	13,239	11,400	10,900	10,950	10,950
Net cash from operating activities	(15,202)	(24,140)	(10,047)	(23,004)	(22,024)	(19,174)	(19,048)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(52,978)	(118,422)	(104,410)	(45,200)	(45,128)	(45,649)	(95,185)
Equity contribution payment.....	-	-	(10,000)	-	-	-	-
Proceeds from sale of non-current assets	9,530	5,000	6,500	5,000	5,000	5,000	5,000
Net cash from investing activities	(43,448)	(113,422)	(107,910)	(40,200)	(40,128)	(40,649)	(90,185)
NET INCREASE/(DECREASE) IN CASH HELD	27,471	14,182	(5,854)	31,400	37,924	49,418	10,036
Cash assets at the beginning of the reporting period.....	104,476	87,966	131,947	126,093	157,493	195,417	244,835
Cash assets at the end of the reporting period.....	131,947	102,148	126,093	157,493	195,417	244,835	254,871

(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 49

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 76 Net amount appropriated to deliver services.....	77,989	76,105	81,338	76,354	115,012	113,038	113,362
Item 77 Art Gallery of Western Australia	4,824	10,927	10,927	4,317	-	-	-
Item 78 Library Board of Western Australia	13,431	13,303	14,423	18,448	-	-	-
Item 79 Perth Theatre Trust.....	5,760	10,259	11,067	10,746	-	-	-
Item 80 Western Australian Museum	7,979	7,075	7,075	6,018	-	-	-
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990.....	13,000	13,818	13,818	14,274	14,783	14,783	14,783
- Salaries and Allowances Act 1975	757	779	779	802	826	851	877
Total appropriations provided to deliver services	123,740	132,266	139,427	130,959	130,621	128,672	129,022
CAPITAL							
Item 146 Capital Appropriation	11,563	21,000	15,500	2,700	10,730	17,430	43,930
Item 147 Art Gallery of Western Australia	230	230	230	230	-	-	-
Library Board of Western Australia.....	120	-	-	-	-	-	-
Perth Theatre Trust.....	9,089	-	-	-	-	-	-
TOTAL APPROPRIATIONS.....	144,742	153,496	155,157	133,889	141,351	146,102	172,952
EXPENSES ^(a)							
Total Cost of Services.....	167,752	164,926	184,655	170,466	169,865	162,058	158,187
Net Cost of Services ^(b)	120,143	129,612	148,315	128,710	128,435	126,023	126,739
CASH ASSETS ^(c)	72,432	57,975	76,350	77,552	81,155	84,513	85,800

- (a) Total and Net Cost of Services in 2014-15 exclude the transfer out expense of \$70.0 million for the Albany Entertainment Centre.
- (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.

EFFECTIVE ALLOCATION BY SERVICE AGENCY

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Art Gallery of Western Australia.....	9,978	16,596	19,307	13,948	11,827	12,082	12,362
Development and Strategy	35,056	34,298	34,596	31,820	32,841	33,119	33,347
Library Board of Western Australia.....	29,086	31,737	33,877	37,468	36,877	35,929	35,450
Perth Theatre Trust.....	10,037	14,829	16,515	16,898	16,723	15,269	15,627
ScreenWest.....	3,861	3,751	3,808	3,698	3,806	3,901	3,996
State Records Office.....	1,972	2,479	2,413	2,136	2,291	2,342	2,404
Western Australian Museum	33,750	28,576	28,911	26,676	28,702	29,343	30,080
Contribution to Responsible Financial Management	-	-	-	(1,685)	(2,446)	(3,313)	(4,244)
Total.....	123,740	132,266	139,427	130,959	130,621	128,672	129,022

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Albany Entertainment Centre - Operating Costs and Transfer Out Expense.....	458	(66,161)	4,040	70,000	-
Portfolio Agencies Funding	-	3,000	7,967	8,166	8,360
Library Materials Depreciation.....	2,220	1,999	2,948	1,509	507
Museum of Modern Art (MOMA) Exhibition Insurance Cover	2,432	-	-	-	-
Own-Source Revenue Revisions.....	918	967	610	2,756	(1,834)
Portfolio Maintenance Program.....	-	5,230	2,000	2,000	2,000
BOCS Ticketing and Marketing Service.....	350	2,555	-	-	-
Efficiency Dividend.....	-	(1,685)	(2,446)	(3,313)	(4,244)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Arts Industry Support	33,724	34,757	35,355	31,765	32,821	33,112	33,281
2. Screen Production Industry Support	11,311	9,323	10,191	9,729	9,844	9,891	9,634
3. Venue Management Services.....	31,170	27,630	31,572	33,762	33,095	29,818	30,324
4. Art Gallery Services	15,250	23,696	31,858	27,230	23,047	19,918	16,152
5. Library and Information Services	36,407	34,182	39,783	36,925	38,443	36,771	36,304
6. Museum Services.....	37,161	32,943	33,466	30,566	32,722	33,466	34,278
7. Government Recordkeeping and Archival Services.....	2,729	2,395	2,430	2,174	2,339	2,395	2,458
8. Contribution to Responsible Financial Management.....	-	-	-	(1,685)	(2,446)	(3,313)	(4,244)
Total Cost of Services ^(a)	167,752	164,926	184,655	170,466	169,865	162,058	158,187

(a) 2014-15 excludes the transfer out expense of \$70 million for the Albany Entertainment Centre.

Significant Issues Impacting the Agency

- The Government has committed \$428.3 million to a new State museum in the Perth Cultural Centre. The Western Australian Museum Francis Street building has been demolished to prepare the site for the future construction of the State Museum. A new Museum will be a major asset and cultural investment for the State, delivering significant improvements to visitor experiences, importantly, it will tell the unique stories of Western Australia with more contemporary exhibitions and programs.
- Maintenance of the highly used and specialised building stock continues to be a key challenge for the Department. An important consideration is that 33 of the Department's 40 buildings are heritage listed, many of which were not built for their current purpose.
- The TomorrowFund now provides the opportunity for the Art Gallery of Western Australia to pursue significant acquisitions of contemporary art. Meeting all the targets identified in the Gallery's Acquisitions Policy 2009–2013 is challenging in the current economic climate.
- To implement new legal deposit legislation that will ensure the preservation of the State's documentary heritage collections, the State Library will conduct an extensive consultation program with stakeholders to develop regulations.
- Meeting the public's demand to access e-books and Western Australian heritage material in digital format presents challenges, and the State Library continues to seek ways to increase the digitisation of collections. Preservation of digital content for future generations is also critically important and the Library will investigate solutions to this important issue.
- Designed to raise the literacy levels of children throughout Western Australia, around 70,000 Better Beginnings packs will be distributed to new-born babies and children entering formal education during 2012. In 2012-13, the program will receive \$1.7 million to further expand the program, including \$0.7 million from the Royalties for Regions Fund.
- Significant projects for the State Library to develop and improve the efficiency of public library services and systems include a review of the exchanges system, implementation of a new regional model and maximising the use of technology in public libraries.
- As a major contribution to mark the 400th anniversary of Dirk Hartog's landing in Western Australia, the Western Australian Museum proposes to redisplay the Shipwreck Galleries, Fremantle and the Shark Bay World Heritage Discovery Centre, Denham, to provide high quality experiences of the unique collections retrieved from the Dutch shipwrecks along the Western Australian coast, as well as the continuing cultural and economic legacy of the Dutch in Australia.

- The screen industry is continuously and rapidly evolving, creating new challenges in terms of digital production, distribution channels and audience needs. The appropriate infrastructure, both in terms of people and physical assets is needed to ensure the growth of the Western Australian screen industry.
- The Australian dollar continues at an all-time high and to counter the impact of the strong dollar, ScreenWest is working closely with international producers to develop more co-production opportunities.
- To take advantage of new markets and business opportunities, ScreenWest is taking a leadership position to assist the industry to capitalise on innovation and technology developments.
- The Commonwealth Government is currently undertaking the 'Convergence Review', a review of all legislation underpinning the screen industry. At this stage the outcomes and how they may effect the Western Australian screen industry are unclear. ScreenWest will be closely monitoring the review in 2012-13.
- The need to store, preserve and make accessible the State's archives remains a strategic priority for the State Records Office (SRO). In support of the business case for a State Archives repository an initial site assessment was undertaken to determine options for the location of a future repository.
- The State Government, through the Perth Theatre Trust, will continue to own and operate the Albany Entertainment Centre until 30 June 2014. The State Government is continuing to work with the City of Albany on a transition plan for the City to take over the Centre management and ownership.
- In 2012, the State Government will tender the ticketing rights for the Perth Theatre Trust venues. Ticketing is currently provided by BOCS Ticketing, a Perth Theatre Trust business unit.
- The Department has prepared a policy statement, 'Cultural Infrastructure Directions', which provides a framework for more consistent and better planning for cultural infrastructure across the State. Cultural infrastructure is defined as the people, technologies and built infrastructure that enable the delivery of culture and arts services and experiences. This document will be released in mid-2012. It is the result of extensive consultation with stakeholders in the local government sector, organisations involved in regional development, and the arts sector.
- The Department, ScreenWest and Perth Theatre Trust relocated to Gordon Stephenson House in-line with the Government's Office Accommodation Master Plan.
- The Department is undertaking a major reform to understand and measure the public value created through State Government investments in arts and culture. This will require substantial changes in the ways and types of information the Department collects from its clients and the community.
- The growth of Internet and communications infrastructure will create new and valuable opportunities for the community to engage with and access new arts experiences. Additional support, training and services in digital technology in order to meet increased community demands will need to be addressed by all levels of government.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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.....	67%	79%	79%	80%	
Proportion of Western Australians that perceive culture and arts sector (including the Screen Industry) events to be accessible	61%	61%	63%	64%	
Perceived value of culture and the arts (including the Screen Industry) to the Western Australian Community.....	77%	79%	79%	79%	
Proportion of triennially funded organisations within the culture and arts sector regarded as financially healthy	12%	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.....	82%	83%	82%	83%	
The number of accesses to Western Australia's natural, cultural and documentary collections per capita	2.063	2.273	1.901	1.958	
Percentage of clients satisfied with the services associated with accessing Western Australia's natural, cultural and documentary collections	93%	90%	91%	91%	
Value of collection renewal, content development, expansion and/or maintaining the physical integrity of the collection as a proportion of collection value.....	6%	6%	6%	7%	

(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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 33,724	\$'000 34,757	\$'000 35,355	\$'000 31,765	1
Less Income	2,214	69	528	101	2
Net Cost of Service.....	31,510	34,688	34,827	31,664	
Employees (Full Time Equivalents).....	48	48	48	49	
Efficiency Indicators					
Average Cost per Grant Application Processed	\$856	\$841	\$928	\$1,013	

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service in 2012-13 is mainly due to the reduction in the Arts Funding program.
2. The reduction in Income is due to a one-off regional grant received in 2011-12 for the Regional Touring Project.

2: Screen Production Industry Support

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	11,311	9,323	10,191	9,729	
Less Income	7,147	5,646	6,398	6,112	
Net Cost of Service.....	4,164	3,677	3,793	3,617	
Employees (Full Time Equivalents).....	20	20	20	21	
Efficiency Indicators					
Average Cost per Grant Application Processed	\$2,579	\$2,884	\$2,978	\$3,051	

3: Venue Management Services

Management and promotion of performing arts venues.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	31,170	27,630	31,572	33,762	1
Less Income	15,401	13,415	14,875	17,269	2
Net Cost of Service.....	15,769	14,215	16,697	16,493	
Employees (Full Time Equivalents).....	54	54	51	55	
Efficiency Indicators					
Average Cost per Performance	\$35,300	\$27,630	\$31,572	\$33,762	3

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Services in the 2011-12 Estimated Actual and 2012-13 Budget Target is due to additional funding received for the operating costs of the Albany Entertainment Centre.
2. The increase in Income in 2012-13 is due to estimated additional revenue from the Perth Theatre Trust venues.
3. The increase in the Average Cost per Performance in the 2011-12 Estimated Actual and 2012-13 Budget Target is due to the additional expenditure on 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	15,250	23,696	31,858	27,230	1
Less Income	10,497	8,000	6,484	12,017	2
Net Cost of Service.....	4,753	15,696	25,374	15,213	
Employees (Full Time Equivalents).....	67	68	67	68	
Efficiency Indicators					
Average Cost of Art Gallery Services per Art Gallery Access.....	\$29	\$35	\$36	\$31	

Explanation of Significant Movements

(Notes)

1. The movements in Total Cost of Services in the 2011-12 Estimated Actual and 2012-13 Budget Target are mainly due to the Museum of Modern Art Exhibitions and the reallocation of expenditure for the Art Gallery Facade maintenance project.
2. The increase in Income in 2012-13 is mainly due to the 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	36,407	34,182	39,783	36,925	1
Less Income	3,122	3,201	3,266	1,732	2
Net Cost of Service.....	33,285	30,981	36,517	35,193	
Employees (Full Time Equivalents).....	202	219	203	221	
Efficiency Indicators					
Average Cost of State Library Services per New Collection Item	\$84	\$65	\$91	\$77	
Average Cost of State Library Services per State Library Access/Client Interaction.....	\$13	\$10	\$16	\$14	

Explanation of Significant Movements

(Notes)

1. The movements in Total Cost of Services in the 2011-12 Estimated Actual and 2012-13 Budget Target are due to the reallocation of online serials capital funding, capital maintenance carry-overs and additional depreciation expenditure.
2. The decrease in Income in 2012-13 is due to one-off grants received during 2011-12.

6: Museum Services

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	37,161	32,943	33,466	30,566	1
Less Income	9,048	4,859	4,623	4,406	
Net Cost of Service.....	28,113	28,084	28,843	26,160	
Employees (Full Time Equivalents).....	218	230	214	230	
Efficiency Indicators					
Average Cost of Museum Services per Museum Access	\$24	\$42	\$47	\$35	

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Services in 2012-13 is a result of one-off funding received in 2011-12 for the Cultural Centre Development project.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	2,729	2,395	2,430	2,174	
Less Income	180	124	166	119	
Net Cost of Service.....	2,549	2,271	2,264	2,055	
Employees (Full Time Equivalents).....	22	25	22	25	
Efficiency Indicators					
Average Cost of SRO Services per Regulatory Service.....	\$459	\$399	\$412	\$362	
Average Cost of SRO Services per Access to the State Archives Collection.....	\$12	\$12	\$16	\$11	

ASSET INVESTMENT PROGRAM

To support the delivery of the Department's services, a total of \$13.3 million is budgeted to be spent on asset investment in 2012-13, including the following:

- Planning money for a new State Museum of \$2.5 million reallocated from 2011-12. The State Government has further committed \$70.5 million to commence construction of the new State Museum at an estimated total cost of \$428.3 million. The new Museum will deliver significant improvements to visitor experiences and provide a contemporary capital city museum for the whole State. If additional funding is required in 2012-13, consideration will be sought to bring forward funding from 2013-14;
- Library Materials for the Public and State Reference Library of \$10.3 million;
- Asset replacement and Information Technology (IT) system delivery of \$0.2 million; and
- Ongoing funding for the Art Gallery art acquisition fund of \$0.2 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Department - New State Museum - Planning.....	5,000	2,500	2,500	2,500	-	-	-
COMPLETED WORKS							
Art Gallery							
Art Acquisition							
2009-10 Program	230	230	230	-	-	-	-
2010-11 Program	230	230	230	-	-	-	-
2011-12 Program	230	230	230	-	-	-	-
Works of Art - Acquisition Program.....	1,800	1,800	122	-	-	-	-
Department							
Global Provision							
Asset Replacement - 2010-11 Program.....	480	480	480	-	-	-	-
Asset Replacement - 2011-12 Program.....	200	200	200	-	-	-	-
State Theatre Centre.....	102,931	102,931	507	-	-	-	-
Library							
Public Library Materials							
2010-11 Program	9,307	9,307	1,343	-	-	-	-
2011-12 Program	8,992	8,992	8,992	-	-	-	-
State Reference Library Materials							
2010-11 Program	1,642	1,642	401	-	-	-	-
2011-12 Program	1,078	1,078	1,078	-	-	-	-
NEW WORKS							
Art Gallery - Art Acquisition							
2012-13 Program	230	-	-	230	-	-	-
2013-14 Program	230	-	-	-	230	-	-
2014-15 Program	230	-	-	-	-	230	-
2015-16 Program	230	-	-	-	-	-	230
Department							
Global Provision							
2012-13 Program	200	-	-	200	-	-	-
2013-14 Program	500	-	-	-	500	-	-
2014-15 Program	500	-	-	-	-	500	-
2015-16 Program	500	-	-	-	-	-	500
New State Museum.....	428,300	-	-	-	10,200	16,900	43,400
Library							
Public Library Materials							
2012-13 Program	9,235	-	-	9,235	-	-	-
2013-14 Program	9,438	-	-	-	9,438	-	-
2014-15 Program	9,645	-	-	-	-	9,645	-
2015-16 Program	9,645	-	-	-	-	-	9,645
State Reference Library Materials							
2012-13 Program	1,098	-	-	1,098	-	-	-
2013-14 Program	1,122	-	-	-	1,122	-	-
2014-15 Program	1,147	-	-	-	-	1,147	-
2015-16 Program	1,147	-	-	-	-	-	1,147
Total Cost of Asset Investment Program	605,517	129,620	16,313	13,263	21,490	28,422	54,922
FUNDED BY							
Capital Appropriation.....			15,730	2,930	10,730	17,430	43,930
Drawdowns from the Holding Account.....			10,270	10,333	10,760	10,992	10,992
Internal Funds and Balances			(9,687)	-	-	-	-
Total Funding			16,313	13,263	21,490	28,422	54,922

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated decrease in the Total Cost of Services of \$14.2 million (7.7%) for 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. This decrease is mainly attributable to one-off funding in 2011-12 for:

- Art Gallery International Exhibition Attraction Insurance (\$2.4 million);
- Arts Grant Funding (\$3.5 million);
- Capital Maintenance carryovers (\$3.0 million); and
- Art Gallery Façade Maintenance Project (\$3.7 million).

Income

The estimated income for 2012-13 is \$41.8 million.

Statement of Financial Position

The Department's Total Equity is expected to increase by \$60.2 million (3.8%) between the 2011-12 Estimated Actual and the 2012-13 Budget Estimate. This reflects a projected increase in total assets of \$60.5 million (3.7%). The expected increase in assets is mainly attributable to increased:

- land and buildings (\$22.6 million);
- collection revaluations (\$21.4 million); and
- holding account receivables for approved future asset replacement (\$14.3 million).

Statement of Cashflows

The 2012-13 closing cash assets balance of \$77.6 million represents an increase of \$1.2 million (1.6%) in comparison to the 2011-12 Estimated Actual.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	61,948	60,592	61,153	63,385	64,631	64,060	65,920
Grants and subsidies ^(c)	38,259	36,910	37,404	33,902	34,431	34,446	34,421
Supplies and services	25,325	27,737	30,805	28,671	29,791	26,397	22,380
Accommodation.....	10,103	8,476	18,394	15,545	11,456	11,471	11,619
Depreciation and amortisation	19,558	20,042	22,262	22,121	23,253	20,719	19,717
Efficiency dividend.....	-	-	-	(1,685)	(2,446)	(3,313)	(4,244)
Other expenses ^(d)	12,559	11,169	14,637	8,527	8,749	78,278	8,374
TOTAL COST OF SERVICES	167,752	164,926	184,655	170,466	169,865	232,058	158,187
Income							
Sale of goods and services	21,792	20,681	19,983	27,296	27,761	23,406	19,413
Grants and subsidies	9,932	6,724	7,873	6,697	6,718	5,778	5,778
Other revenue	15,885	7,909	8,484	7,763	6,951	6,851	6,257
Total Income	47,609	35,314	36,340	41,756	41,430	36,035	31,448
NET COST OF SERVICES.....	120,143	129,612	148,315	128,710	128,435	196,023	126,739
INCOME FROM STATE GOVERNMENT							
Service appropriations	123,740	132,266	139,427	130,959	130,621	128,672	129,022
Resources received free of charge.....	159	150	168	168	168	168	168
Royalties for Regions Fund ^(e)	842	1,176	1,000	1,008	1,051	277	228
TOTAL INCOME FROM STATE GOVERNMENT.....	124,741	133,592	140,595	132,135	131,840	129,117	129,418
SURPLUS/(DEFICIENCY) FOR THE PERIOD	4,598	3,980	(7,720)	3,425	3,405	(66,906)	2,679
Extraordinary items.....	(2,660)	(500)	(500)	(500)	(500)	(500)	(500)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS.....	1,938	3,480	(8,220)	2,925	2,905	(67,406)	2,179

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 631, 625 and 669 respectively. In some cases the figures for 2010-11 and 2011-12 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 2014-15 include the transfer of the Albany Entertainment Centre to the City of Albany for \$70.0 million.

(e) Regional Community Services Fund - \$0.8 million (2010-11), \$1.2 million (2011-12), \$1.0 million (2011-12 Estimated Out Turn), \$1.0 million (2012-13), \$1.1 million (2013-14), \$0.3 million (2014-15) and \$0.2 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Arts Projects and Organisations.....	27,401	28,285	28,085	25,336	25,923	25,923	26,033
Film Projects and Screen Organisations	8,595	7,485	8,179	7,472	7,394	7,394	7,244
Other.....	2,263	1,140	1,140	1,094	1,114	1,129	1,144
TOTAL.....	38,259	36,910	37,404	33,902	34,431	34,446	34,421

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	38,691	23,465	42,452	43,410	46,751	49,829	53,197
Restricted cash.....	27,315	27,781	27,214	27,214	27,214	27,214	27,214
Holding account receivables	14,190	11,436	10,333	10,760	10,992	10,992	10,992
Receivables	4,284	4,737	4,284	4,284	4,284	4,284	4,284
Other.....	7,287	4,007	7,287	7,287	7,287	7,287	7,287
Total current assets	91,767	71,426	91,570	92,955	96,528	99,606	102,974
NON-CURRENT ASSETS							
Holding account receivables	41,670	50,580	55,601	69,484	82,047	92,076	101,103
Property, plant and equipment	479,557	548,235	503,980	529,831	564,923	533,985	600,698
Intangibles	718	838	711	686	711	736	761
Restricted cash.....	1,037	1,340	1,295	1,539	1,801	2,081	-
Other ^(b)	981,629	1,067,308	1,002,192	1,021,362	1,040,274	1,061,343	1,083,915
Total non-current assets.....	1,504,611	1,668,301	1,563,779	1,622,902	1,689,756	1,690,221	1,786,477
TOTAL ASSETS	1,596,378	1,739,727	1,655,349	1,715,857	1,786,284	1,789,827	1,889,451
CURRENT LIABILITIES							
Employee provisions.....	9,124	8,401	9,326	9,528	9,730	9,932	10,134
Payables	8,550	7,228	8,550	8,550	8,550	8,550	8,550
Other.....	37,027	34,369	36,758	36,755	36,953	37,217	35,825
Total current liabilities.....	54,701	49,998	54,634	54,833	55,233	55,699	54,509
NON-CURRENT LIABILITIES							
Employee provisions.....	4,005	3,939	4,105	4,205	4,305	4,405	4,505
Other.....	90	1,228	90	90	90	90	90
Total non-current liabilities	4,095	5,167	4,195	4,295	4,395	4,495	4,595
TOTAL LIABILITIES.....	58,796	55,165	58,829	59,128	59,628	60,194	59,104
EQUITY							
Contributed equity	291,549	315,144	307,279	310,209	320,939	338,369	382,299
Accumulated surplus/(deficit).....	327,386	319,526	319,166	322,091	324,996	257,590	259,769
Reserves.....	918,647	1,049,892	970,075	1,024,429	1,080,721	1,133,674	1,188,279
Total equity	1,537,582	1,684,562	1,596,520	1,656,729	1,726,656	1,729,633	1,830,347
TOTAL LIABILITIES AND EQUITY.....	1,596,378	1,739,727	1,655,349	1,715,857	1,786,284	1,789,827	1,889,451

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

(b) Includes collections held by the Art Gallery of Western Australia and the Western Australian Museum.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	105,249	111,922	119,083	106,316	107,066	107,651	109,003
Capital appropriation	21,002	21,230	15,730	2,930	10,730	17,430	43,930
Holding account drawdowns	15,487	14,190	10,270	10,333	10,760	10,992	10,992
Royalties for Regions Fund ^(b)	842	1,176	1,000	1,008	1,051	277	228
Net cash provided by State Government.....	142,580	148,518	146,083	120,587	129,607	136,350	164,153
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(59,931)	(60,051)	(60,876)	(63,039)	(64,082)	(63,445)	(66,961)
Grants and subsidies	(36,529)	(36,910)	(37,404)	(33,902)	(34,431)	(34,446)	(34,421)
Supplies and services	(24,202)	(27,878)	(30,928)	(28,387)	(29,691)	(26,280)	(22,255)
Accommodation.....	(9,755)	(8,487)	(18,405)	(15,545)	(11,456)	(11,471)	(11,619)
Efficiency dividend.....	-	-	-	1,685	2,446	3,313	4,244
Other payments	(25,398)	(20,015)	(23,483)	(15,641)	(16,828)	(16,374)	(16,478)
Receipts							
Grants and subsidies	10,148	6,724	7,873	6,697	6,718	5,778	5,778
Sale of goods and services	23,045	20,681	19,983	27,296	27,761	23,406	19,413
GST receipts	15,368	8,829	8,829	6,876	8,023	8,023	8,023
Other receipts.....	8,542	7,984	8,559	7,838	7,026	6,926	6,332
Net cash from operating activities	(98,712)	(109,123)	(125,852)	(106,122)	(104,514)	(104,570)	(107,944)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(45,738)	(22,420)	(16,313)	(13,263)	(21,490)	(28,422)	(54,922)
Net cash from investing activities	(45,738)	(22,420)	(16,313)	(13,263)	(21,490)	(28,422)	(54,922)
NET INCREASE/(DECREASE) IN CASH HELD	(1,870)	16,975	3,918	1,202	3,603	3,358	1,287
Cash assets at the beginning of the reporting period.....	74,302	41,000	72,432	76,350	77,552	81,155	84,513
Cash assets at the end of the reporting period.....	72,432	57,975	76,350	77,552	81,155	84,513	85,800

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

(b) Regional Community Services Fund - \$0.8 million (2010-11), \$1.2 million (2011-12), \$1.0 million (2011-12 Estimated Out Turn), \$1.0 million (2012-13), \$1.1 million (2013-14), \$0.3 million (2014-15) and \$0.2 million (2015-16).

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
GST Input Credits.....	11,699	5,895	5,895	3,888	5,030	5,030	5,030
GST Receipts on Sales	3,669	2,934	2,934	2,988	2,993	2,993	2,993
Rental Income from King Street Arts Centre.....	19	30	20	20	20	20	20
TOTAL.....	15,387	8,859	8,849	6,896	8,043	8,043	8,043

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 50

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 81 Net amount appropriated to deliver services.....	9,262	8,381	8,493	7,546	6,616	5,740	6,122
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	196	202	202	208	208	208	208
Total appropriations provided to deliver services	9,458	8,583	8,695	7,754	6,824	5,948	6,330
CAPITAL							
Item 148 Capital Appropriation	195	195	195	700	700	700	-
TOTAL APPROPRIATIONS.....	9,653	8,778	8,890	8,454	7,524	6,648	6,330
EXPENSES							
Total Cost of Services.....	21,644	22,996	23,626	24,797	25,840	27,069	28,483
Net Cost of Services ^(a)	6,772	7,458	7,464	6,778	5,751	4,672	3,512
CASH ASSETS ^(b)	4,935	4,303	4,333	5,490	7,079	9,560	11,869

(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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Commercial and Scientific Information and Advice	17,439	20,108	19,294	20,339	20,908	21,975	23,224
2. Research and Development	3,123	1,785	3,088	3,173	3,605	3,723	3,843
3. Emergency Response Management	1,082	1,103	1,244	1,285	1,327	1,371	1,416
Total Cost of Services	21,644	22,996	23,626	24,797	25,840	27,069	28,483

Significant Issues Impacting the Agency

- To support the Western Australian community, the Centre is: supporting public health, policing and strategy through expert identification and analysis of emerging synthetic drug hazards, including synthetic cannabinoids; verifying the quality and management of food resources in Western Australia with chemical residue and allergen testing, along with lupin alkaloid analysis, for Department of Agriculture and Food and WA Health; and protecting the community from chemical hazards through scientific advice and response to chemical emergencies, hazards and clandestine drug laboratories.
- To build the State, the Centre is: developing bioanalytical testing and chemical markers for potential environmental impact as part of the Western Australian Marine Science Institution's Kimberley Science Program; increasing carbon analysis for accurate measurement and assessment of carbon storage and sequestration initiatives; supporting the mining sector with high quality occupational health and safety analyses, testing for sustainable mine closures and airshed monitoring; and participating in the Port Hedland Airshed Research for sustainable cities in Western Australia's North West.
- The Centre continues to expand its customer base and external income and will reduce its reliance on appropriations supporting rent by \$3.0 million from 2012-13 through to 2014-15. This means the Centre must continue to be more commercial in its approach and be less reliant on its current customer base that has been broadened in recent years to be less reliant on Government entities. Each of the Centre's eight business areas will continually strive to identify new priority market opportunities, with a target for each financial year.
- The Centre continues to develop high-level scientific software systems, including a unique drug profiling database system for joint use with the Australian Federal Police and other jurisdictions. It also needs to invest in high-quality internal systems for tracking workflows, monitoring customer needs and reporting to customers, its Executive and the Board.
- The Centre has invested considerable effort in defining the competencies required to deliver the complete range of services offered or planned for the next five years. It will need to constantly match current competencies against these requirements and ensure the training or recruitment processes are in place to meet them, within a wider succession plan.
- In order to maintain its capacity to meet mandated responsibilities to the State (such as responding to chemical hazards and emergencies) the Centre must continually innovate through co-investment in applied collaborative research and development. This innovation will create a service advantage in key fields, however 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 opportunities that meet mandated responsibilities and create commercial opportunities, along with the clear definition of value propositions.
- Through its long history of service delivery for key areas of the State Government and its economy, the Centre has developed considerable expertise in certain core areas. There is the potential to develop these into world class capabilities that will not only benefit the State, but also leverage 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)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Quality Scientific Advice:					
Client satisfaction	83%	80%	80%	80%	
Proficiency rating	93%	95%	95%	95%	
Outcome: Quality Research and Development:					
Aggregate value of ChemCentre components.....	54/46	60/40	60/40	60/40	
Quality of research and development.....	80%	80%	80%	80%	
Outcome: Quality Emergency Response:					
Average resolution time.....	3 hours	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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	17,439	20,108	19,294	20,339	1
Less Income	13,123	14,654	14,483	16,241	1
Net Cost of Service.....	4,316	5,454	4,811	4,098	
Employees (Full Time Equivalents).....	90	90	90	90	
Efficiency Indicators					
Total Cost of Service	17,439	20,108	19,294	20,339	
Billable Hours.....	104,831	101,400	109,000	109,000	
Average Cost per Chargeable Hour	\$166	\$198	\$178	\$186	1

Explanation of Significant Movements

(Notes)

1. Total Cost of Services and Income have been recast to more accurately reflect the split between Services 1 and 2.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	3,123	1,785	3,088	3,173	1
Less Income	1,749	884	1,679	1,778	1
Net Cost of Service.....	1,374	901	1,409	1,395	
Employees (Full Time Equivalents).....	20	20	19	19	
Efficiency Indicators					
Total Cost of Service	3,123	1,785	3,088	3,173	
Billable Hours.....	6,661	7,500	6,700	6,700	
Average Cost per Chargeable Hour	\$468	\$238	\$461	\$474	1

Explanation of Significant Movements

(Notes)

1. Total Cost of Services and Income have been recast to more accurately reflect the split between Services 1 and 2.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,082	1,103	1,244	1,285	
Less Income	-	-	-	-	
Net Cost of Service.....	1,082	1,103	1,244	1,285	
Employees (Full Time Equivalents).....	6	6	6	6	
Efficiency Indicators					
Total Cost of Service	1,082	1,103	1,244	1,285	
Billable Hours.....	3,354	3,500	3,500	3,500	
Average Cost per Chargeable Hours.....	\$298	\$315	\$300	\$315	

ASSET INVESTMENT PROGRAM

In 2012-13, the Centre will spend \$1.4 million on the ongoing replacement and acquisition of scientific equipment to support the delivery of its services. The Centre's current asset investment program now reflects its commercial focus and the assets needed to drive new revenue streams.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Asset Acquisition Program							
New Scientific Equipment - 2011-12 Program	1,436	1,436	1,436	-	-	-	-
Asset Replacement Program							
Scientific Equipment - 2011-12 Program.....	690	690	690	-	-	-	-
NEW WORKS							
Asset Acquisition Program							
New Scientific Equipment							
2012-13 Program	952	-	-	952	-	-	-
2013-14 Program	1,057	-	-	-	1,057	-	-
2014-15 Program	839	-	-	-	-	839	-
Basic Lab Gear Replacement	20	-	-	-	-	-	20
Dionex Ion Chromatography System	200	-	-	-	-	-	200
General Lab Minor Equipment	30	-	-	-	-	-	30
Inductively Coupled Plasma – Mass Spectrometer for Scientific Service Division	450	-	-	-	-	-	450
Stereomicroscopes with Digital Interface.....	130	-	-	-	-	-	130
Asset Replacement Program							
Replacement of Information Technology Software.....	40	-	-	-	-	-	40
Replacement of Personal Computers used for Scientific Equipment.....	15	-	-	-	-	-	15
Replacement of Workstation Personal Computers	15	-	-	-	-	-	15
Scientific Equipment							
2012-13 Program	405	-	-	405	-	-	-
2013-14 Program	405	-	-	-	405	-	-
2014-15 Program	405	-	-	-	-	405	-
Workstation Personal Computers for General Purpose	63	-	-	-	-	-	63
Total Cost of Asset Investment Program	7,152	2,126	2,126	1,357	1,462	1,244	963
FUNDED BY							
Capital Appropriation.....			195	700	700	700	-
Drawdowns from the Holding Account			405	405	405	-	-
Internal Funds and Balances			1,526	252	357	544	963
Total Funding			2,126	1,357	1,462	1,244	963

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated increase in the 2012-13 Total Cost of Services of \$1.7 million (7.5%) when compared to the 2011-12 Estimated Actual. This is mainly attributable to a \$777,000 salary increase arising out of additional staff commencing part way through the previous year being employed for a full year in 2011-12, plus incremental increases and increases arising out of the General Agreement.

Income

Total income from fee-for-service revenue is estimated to be \$18.0 million for 2012-13. This represents an increase of \$2.5 million (17.7%) compared to the 2011-12 Budget. The increase is attributable to anticipated revenue from the mining sector. Total appropriations have fallen by \$917,000 (10.6%) due to a reduction in appropriation for rent of the Centre's premises.

Statement of Financial Position

The Centre's Total Equity is expected to increase by \$2.5 million between 2011-12 and 2012-13, which reflects the anticipated surplus for the 2012-13 period. This is mainly reflected in an increase in cash (\$1.4 million) and fixed assets.

Statement of Cashflows

The 2012-13 closing cash assets balance of \$5.4 million represents an increase of \$1.2 million in comparison to the 2011-12 Budget. The increase is attributable to the surplus arising out of higher revenue over expenditure for the period.

INCOME STATEMENT ^(a) (Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	10,611	11,475	11,714	12,369	13,269	14,238	15,347
Supplies and services	2,819	4,507	2,719	2,945	2,938	3,034	3,165
Accommodation	5,687	5,210	5,935	6,144	6,209	6,280	6,358
Depreciation and amortisation	1,133	1,284	1,364	1,364	1,364	1,366	1,366
Other expenses	1,394	520	1,894	1,975	2,060	2,151	2,247
TOTAL COST OF SERVICES	21,644	22,996	23,626	24,797	25,840	27,069	28,483
Income							
Sale of goods and services	14,855	15,538	16,145	18,002	20,072	22,380	24,954
Other revenue	17	-	17	17	17	17	17
Total Income	14,872	15,538	16,162	18,019	20,089	22,397	24,971
NET COST OF SERVICES	6,772	7,458	7,464	6,778	5,751	4,672	3,512
INCOME FROM STATE GOVERNMENT							
Service appropriations	9,458	8,583	8,695	7,754	6,824	5,948	6,330
TOTAL INCOME FROM STATE GOVERNMENT	9,458	8,583	8,695	7,754	6,824	5,948	6,330
SURPLUS/(DEFICIENCY) FOR THE PERIOD	2,686	1,125	1,231	976	1,073	1,276	2,818
Income tax benefit/(expense)	(592)	(338)	(338)	(293)	(322)	(383)	(845)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	2,094	787	893	683	751	893	1,973

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 116, 115 and 115 respectively. In some cases the figures for 2010-11 and 2011-12 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets ^(b)	4,935	4,303	4,333	5,490	7,079	9,560	11,869
Holding account receivables	770	405	405	405	405	-	-
Receivables	2,208	2,674	2,324	2,608	2,925	3,279	3,674
Other	122	84	126	130	134	138	143
Total current assets	8,035	7,466	7,188	8,633	10,543	12,977	15,686
NON-CURRENT ASSETS							
Holding account receivables	-	560	-	-	-	-	-
Property, plant and equipment	3,692	1,912	4,625	4,689	4,858	4,808	4,437
Intangibles	603	461	472	441	410	379	348
Restricted cash	81	81	81	81	81	81	81
Other ^(b)	1,185	1,311	1,281	1,536	1,791	2,046	2,301
Total non-current assets	5,561	4,325	6,459	6,747	7,140	7,314	7,167
TOTAL ASSETS	13,596	11,791	13,647	15,380	17,683	20,291	22,853
CURRENT LIABILITIES							
Employee provisions	2,115	2,228	2,263	2,562	3,023	3,567	3,567
Payables	2,101	984	1,881	1,887	1,969	2,084	2,602
Other	3,088	1,439	1,648	1,516	1,581	1,649	1,720
Total current liabilities	7,304	4,651	5,792	5,965	6,573	7,300	7,889
NON-CURRENT LIABILITIES							
Employee provisions	706	1,181	1,181	1,358	1,602	1,890	1,890
Other	-	357	-	-	-	-	-
Total non-current liabilities	706	1,538	1,181	1,358	1,602	1,890	1,890
TOTAL LIABILITIES	8,010	6,189	6,973	7,323	8,175	9,190	9,779
EQUITY							
Contributed equity	3,848	4,238	4,043	4,743	5,443	6,143	6,143
Accumulated surplus/(deficit)	1,738	1,364	2,631	3,314	4,065	4,958	6,931
Total equity	5,586	5,602	6,674	8,057	9,508	11,101	13,074
TOTAL LIABILITIES AND EQUITY	13,596	11,791	13,647	15,380	17,683	20,291	22,853

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

(b) Cash and Other Non-Current Assets have been recast to classify the sinking fund held by Curtin University as the Centre's landlord, for future building repairs and maintenance as a non-cash asset.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	8,911	7,983	8,655	7,349	6,419	5,948	5,730
Capital appropriation	195	195	195	700	700	700	-
Holding account drawdowns.....	405	405	405	405	405	-	-
Net cash provided by State Government.....	9,511	8,583	9,255	8,454	7,524	6,648	5,730
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(10,259)	(11,475)	(10,989)	(11,893)	(12,564)	(13,406)	(15,347)
Supplies and services	(2,575)	(4,142)	(2,725)	(2,958)	(2,951)	(3,047)	(3,178)
Accommodation.....	(4,868)	(998)	(7,301)	(6,144)	(6,209)	(6,280)	(6,358)
Other payments.....	(1,902)	(5,216)	(3,966)	(4,208)	(4,256)	(4,199)	(4,374)
Receipts							
Sale of goods and services	13,546	14,932	15,890	17,718	19,755	22,026	24,559
GST receipts	1,354	-	1,615	1,800	2,007	2,238	2,495
Net cash from operating activities	(4,704)	(6,899)	(7,476)	(5,685)	(4,218)	(2,668)	(2,203)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,516)	(600)	(2,126)	(1,357)	(1,462)	(1,244)	(963)
Other payments.....	-	(255)	(255)	(255)	(255)	(255)	(255)
Net cash from investing activities	(1,516)	(855)	(2,381)	(1,612)	(1,717)	(1,499)	(1,218)
NET INCREASE/(DECREASE) IN CASH HELD	3,291	829	(602)	1,157	1,589	2,481	2,309
Cash assets at the beginning of the reporting period.....	1,644	3,474	4,935	4,333	5,490	7,079	9,560
Cash assets at the end of the reporting period.....	4,935	4,303	4,333	5,490	7,079	9,560	11,869

(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	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
600	Training and Workforce Development			
	- Delivery of Services.....	472,284	476,184	474,867
	- Capital Appropriation.....	22,086	3,784	20,374
	Total	494,370	479,968	495,241
613	Indigenous Affairs			
	- Delivery of Services.....	36,020	38,906	41,481
	- Capital Appropriation.....	-	-	1,239
	Total	36,020	38,906	42,720
	GRAND TOTAL			
	- Delivery of Services.....	508,304	515,090	516,348
	- Capital Appropriation.....	22,086	3,784	21,613
	Total.....	530,390	518,874	537,961

INDEPENDENT MARKET OPERATOR

ASSET INVESTMENT PROGRAM

The asset investment program for 2012-13 of \$3.5 million includes \$3.2 million to maintain and enhance the Wholesale Electricity Market System (WEMs).

This level of WEMs expenditure is lower than the asset investment for 2011-12, which included \$5.9 million to complete the delivery of the Market Evolution Program (MEP). The MEP was an initiative undertaken on behalf of the industry to significantly enhance the WEMs, including the implementation of new Balancing and Load Following Ancillary Service markets.

The IMO is receiving funding of \$0.3 million from the former Office of Energy (now Public Utilities Office) in 2011-12 to commence work on the Gas Information Services Project (GISP), which includes the implementation of the Gas Bulletin Board (GBB) and Gas Statement of Opportunities (GSOO). The GBB will display short-term forecasts of gas production, transportation, storage and demand in Western Australia, and include a facility to assist with the management of future gas supply disruptions. The GSOO will establish an annual planning document providing longer-term forecasts of gas demand and supply in Western Australia. These services are designed to improve transparency in the State's natural gas sector, facilitate competition in the market and assist with the management of any future gas supply disruption.

The IMO has received conditional approval for a further \$3.0 million to finalise the GISP implementation subject to the passage of Regulations associated with the *Gas Services Information Act 2012*. Therefore, the \$3.0 million additional GISP funding is not reflected in the table below.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Enterprise Monitoring Solution	285	110	110	25	-	75	75
Infrastructure Upgrade	810	170	-	200	170	-	270
Wholesale Electricity Market System	30,417	25,761	8,267	3,156	500	500	500
COMPLETED WORKS							
Office Refurbishment	135	135	135	-	-	-	-
NEW WORKS							
Accounting System	150	-	-	50	-	100	-
Gas Information Services Project	350	350	350	-	-	-	-
Document Management System	195	-	-	25	-	170	-
Standard Operating Environment Upgrade	100	-	-	-	-	50	50
Total Cost of Asset Investment Program	32,442	26,526	8,862	3,456	670	895	895
FUNDED BY							
Borrowings			8,512	3,456	670	895	895
Other			350	-	-	-	-
Total Funding			8,862	3,456	670	895	895

HORIZON POWER

ASSET INVESTMENT PROGRAM

Regional Western Australia is a major driver of the State's economic growth.

The investment that the State Government makes into regional Western Australia through Horizon Power contributes towards compliance with statutory and regulatory obligations and improves the adequacy and quality of electricity supplies for customers located in this area of the State. Horizon Power will invest a further \$258.2 million during 2012-13.

Asset Management Plan

Horizon Power will invest \$167.5 million over the forward estimates, including an additional \$64.7 million, to mitigate most of the identified extreme and high safety risks associated with Horizon Power's energy and non-energy infrastructure. This investment contributes towards ensuring regulatory compliance, reliability and capacity of all of Horizon Power's systems to support the development and enhancement of communities throughout regional Western Australia. A total of \$65.3 million will be invested in 2012-13.

Carnarvon Power Station

Horizon Power continues to progress the \$77.0 million project to construct a new power station to improve the reliability of the town's power supplies and provide generation capacity for future growth. A further \$29.5 million will be invested in 2012-13, with the project expected to be completed during 2013-14.

Karratha Temporary Generation Project

Horizon Power will invest \$43.5 million over two years to meet forecast demand in the Pilbara from 2013. This involves the extension of the Alinta Energy contract and the installation of a 20 megawatt gas turbine unit and allows Horizon Power to meet the forecast load requirements in 2013-14.

The additional capacity provided by the new gas turbine will allow Horizon Power to maintain the existing level of reliability and quality of supply within the North West Interconnected System. Horizon Power is proactively working with government to secure long-term security of supply in the Pilbara.

Pilbara Underground Power Project

Work continues on the Pilbara Underground Power Project (PUPP) to underground the ageing overhead power systems in Karratha, South Hedland, Wedgefield, Onslow and Roebourne, to provide these cyclone-prone North West towns with safe and reliable power supplies. A further \$53.3 million has been allocated to the project in 2012-13.

The PUPP will dramatically reduce significant safety risks and the likelihood of power outages to essential services, regional residents and businesses, during and immediately following adverse weather events.

This project is a partnership between the State Government (through the Royalties for Regions (RfR) program) and local government authorities, delivered by Horizon Power. The project has been funded by a \$100.0 million contribution from the RfR program in addition to contributions from local government authorities.

Onslow Power Station Network Connection

Horizon Power will invest \$7.3 million over 2012-13 and 2013-14 to fund electricity distribution network upgrades in the town of Onslow. These upgrades are essential to connect the new power station to be built by Chevron under the State Development Agreement signed between the State and Chevron, to provide essential infrastructure to accommodate the forecast population growth in Onslow.

Business Transformation

Horizon Power continues its program to separate from Western Power Information Technology (IT) systems and to renew its essential IT platforms. Through this project, Horizon Power will standardise business processes and enable efficient management of its asset and service base while providing customer focused outcomes.

Over the forward estimates period, Horizon Power will invest a further \$13.7 million on IT and Business systems projects (Geographic Information System, IT Business Investment and Knowledge and Technology Investment).

Murchison Radio-astronomy Observatory

Horizon Power has been selected by the Commonwealth Scientific and Industrial Research Organisation (CSIRO) to design, build, operate and maintain a one megawatt solar-diesel power station, which will provide power at CSIRO's Murchison Radio-astronomy Observatory (MRO) - a world class scientific facility.

The Murchison site, on Boolardy Station approximately 400km north east of Geraldton, will be used as the location for CSIRO's Australian Square Kilometre Array Pathfinder telescope project - a project that aims to demonstrate Australia's capability to host the largest radio telescope on the planet, the Square Kilometre Array.

The MRO project is being funded by a \$10.0 million contribution from RfR and a further \$5.5 million equity contribution by the State Government, with \$14.5 million forecast to be invested during 2012-13.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Asset Management Plan							
Asset Replacement.....	31,035	6,091	6,091	9,717	5,969	5,924	3,334
Capacity.....	4,377	3,043	326	520	319	317	178
Regulatory Compliance	47,519	10,183	9,117	14,545	8,934	8,867	4,990
Reliability	27,781	7,374	4,983	7,950	4,883	4,847	2,727
Safety.....	119,423	35,930	20,388	32,527	19,979	19,829	11,158
Major Projects							
Carnarvon Power Station Redevelopment.....	77,029	45,337	31,342	29,455	2,237	-	-
Karratha Temporary Generation Project	43,470	7,071	7,071	36,399	-	-	-
Murchison Radio Observatory Power Station	15,500	900	900	14,529	71	-	-
Pilbara Underground Power Project.....	130,000	76,675	28,563	53,325	-	-	-
Other Works							
Customer Driven Works	30,193	13,343	13,343	10,057	2,643	4,150	-
Fairway Drive Substation	3,701	1,770	970	-	-	1,931	-
Geographic Information System	5,039	3,105	3,105	1,441	238	255	-
Information Technology Business Investment.....	16,131	9,002	9,002	6,201	875	53	-
Karratha Gap Ridge Industrial Subdivision	6,626	6,377	6,377	249	-	-	-
Knowledge and Technology Investment.....	5,214	580	580	2,139	300	2,195	-
Mobile Plant and Operational Fleet	17,376	11,928	3,876	2,538	2,910	-	-
Other Projects	3,649	2,867	2,867	782	-	-	-
Port Hedland Road Crossing.....	13,530	8,196	8,196	5,334	-	-	-
Property Management.....	8,777	2,797	2,797	2,262	3,718	-	-
Regularisation							
Aboriginal and Remote Communities Power Supply - Phase 2.....	26,505	13,279	3,396	13,226	-	-	-
Town Reserves Regularisation Project III.....	4,794	1,188	1,188	3,606	-	-	-
NEW WORKS							
Other Works							
Cape Lambert Transmission Towers.....	7,760	-	-	7,760	-	-	-
Onslow Power Station Network Connection.....	7,320	-	-	3,660	3,660	-	-
Total Cost of Asset Investment Program	652,749	267,036	164,478	258,222	56,736	48,368	22,387
FUNDED BY							
Equity Contributions.....			3,528	18,523	71	-	-
Borrowings			162,728	250,338	49,853	40,033	19,089
Internal Funds and Balances			(2,678)	(19,739)	6,812	8,335	3,298
Drawdowns from Royalties for Regions Fund ^(a)			900	9,100	-	-	-
Total Funding			164,478	258,222	56,736	48,368	22,387

(a) Regional Infrastructure and Headworks Fund.

SYNERGY

ASSET INVESTMENT PROGRAM

Synergy's total asset investment program over the forward estimates of \$27.2 million principally relates to further development and enhancement of Synergy's Information Technology (IT) capability. Major expenditure centres around:

Customer Information and Billing Systems

An allocation of \$10.3 million has been made for systems enhancement and improvements to enable Synergy to administer its relationships with over a million 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 \$15.5 million has been made relating to the maintenance and enhancement of Synergy's stand-alone IT environment (hardware and software).

Property, Plant and Equipment

In order to support Synergy's customer facing functions, an allocation of \$1.4 million has been made for various building and other equipment needs.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
IT							
Customer Information and Billing System.....	47,910	35,598	1,000	1,000	3,000	3,000	3,312
Product and Software Development.....	11,500	4,871	1,000	1,000	1,000	1,000	1,629
System Enhancements	36,840	22,660	5,750	4,650	850	850	3,330
Wholesale Market Systems.....	5,542	3,742	500	300	300	300	300
Property, Plant and Equipment	14,894	12,926	300	300	300	300	468
Total Cost of Asset Investment Program	116,686	79,797	8,550	7,250	5,450	5,450	9,039
FUNDED BY							
Internal Funds and Balances			8,550	7,250	5,450	5,450	9,039
Total Funding			8,550	7,250	5,450	5,450	9,039

VERVE ENERGY

ASSET INVESTMENT PROGRAM

The primary functions of Verve Energy are to generate and supply electricity in the South West Interconnected System (SWIS) region. It currently owns a portfolio of thermal generating stations and gas turbines utilising coal, gas and liquids as fuel sources, as well as interests in 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 \$249.7 million on its asset investment program.

Generation

An allocation of \$249.0 million has been made for works on Verve Energy's fossil fuel plant portfolio. Major items within this total include:

- \$115.3 million at Muja Power Station for various works to support reliability, efficiency and environmental targets. Major works include: \$19.6 million at Stages C and D, to accommodate two shifting and low load requirements including the installation of modern governor systems; \$13.7 million for the replacement of an ash hopper system at Stage D; and \$11.8 million for generator stator rewinds at Stage C that are nearing the end of their technical life; and
- \$82.5 million to improve gas turbine reliability and security of supply. Key works include: \$33.9 million for strategic spares at the Cockburn Gas Turbine; \$12.1 million for a spare supercore for the new High Efficiency Gas Turbines; and \$7.3 million for the installation of a bypass stack on the Worsley Gas Turbine.

Sustainable Energy

An allocation of \$0.8 million has been made for a planned switchboard upgrade at Denham.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Generation							
Cockburn Power Station	61,834	26,649	5,169	11,246	318	15,837	7,784
Collie Power Station and Basin Infrastructure	66,025	57,970	23,218	1,915	4,090	762	1,288
High Efficiency Gas Turbine	273,913	261,835	55,446	12,078	-	-	-
Kwinana Power Station.....	86,562	61,411	9,523	3,614	10,620	10,917	-
Muja Power Station	373,953	258,653	33,135	46,994	31,403	15,286	21,617
Other Low Value Generation Projects	76,827	58,854	14,606	490	4,052	84	13,347
Pinjar Gas Turbine.....	59,842	32,546	2,610	4,063	7,962	10,645	4,626
Worsley Gas Turbine	8,502	569	-	-	-	653	7,280
Sustainable Energy	60,378	59,607	24,771	771	-	-	-
Total Cost of Asset Investment Program	1,067,836	818,094	168,478	81,171	58,445	54,184	55,942
FUNDED BY							
Equity Contributions.....			31,362	-	-	-	-
Borrowings			15,739	-	-	-	-
Internal Funds and Balances			118,877	78,671	58,445	54,184	55,942
Drawdowns from Royalties for Regions Fund ^(a)			2,500	2,500	-	-	-
Total Funding			168,478	81,171	58,445	54,184	55,942

(a) Regional Infrastructure and Headworks Fund.

WESTERN POWER

ASSET INVESTMENT PROGRAM

Western Power's asset investment program for 2012-13 totals \$1039.1 million and is focused on improving public safety, facilitating state growth by connecting new customers and maintaining service standards and security of energy supply of the electricity network.

The State Government has now approved the progression of the first stage of the Mid West Energy Project. This is the most significant electricity transmission growth project in Western Australia and will unlock significant investment in the Mid West region from the resource and electricity generation sectors.

An investment of \$176.0 million toward this project in 2012-13 will enable growth in electricity transmission capacity to meet increasing demand and enable the connection of electricity generators to the network (including renewable energy). The Mid West Energy Project will also improve network service standards and security, benefiting all users in the region.

Further to this, Western Power will invest \$863.1 million on its assets in 2012-13, with a focus on a number of critical safety areas, including:

- 45,800 pole reinforcements and 17,000 pole replacements (\$187.2 million);
- 35,000 overhead customer service connection replacements (\$29.2 million);
- 2,048 km of streetlight switch wire replacements (\$17.4 million);
- power line management (\$22.9 million), including 177 km of line carrier replacement; and
- bushfire mitigation (\$38.3 million).

A key objective of delivering these important safety programs is to reduce the likelihood of electric shocks and fires caused by these assets.

Importantly, the 2012-13 safety investment programs include a significant increase in the number of wood poles reinforcements, which will help Western Power move towards meeting the requirements of Energy Safety Order 01/2009. Furthermore, Western Power plans to increase pole replacement and reinforcement rates over the next five years. The intention is to replace a minimum of 17,000 and reinforce a minimum of 45,800 poles every year. The program will be prioritised to address the poles in the poorest condition and in the highest risk locations first.

Western Power is also planning additional specific bushfire mitigation activities such as reducing the distance between some power poles (by adding more poles). This will reduce the risk of wires clashing. Other work includes improving vegetation management near wires and continuing to complete pole top replacements.

As a part of the State Government's continuing State Underground Power Program, \$40.0 million will be spent in 2012-13 undergrounding powerlines in the suburbs of Shoalwater, Wilson East, Ardross West, Attadale North, Hamilton Hill East, Coolbinia, Salter Point, Lathlain North and South, Ashfield and Coolbellup.

Customer driven works (\$224.2 million) will result in \$189.2 million being spent on the Distribution network and \$35.0 million on the Transmission network including the Bunbury Port line relocation and the construction of new substations at the Public Transport Authority's City and Clarkson train stations, the Perth Airport and the new Children's Hospital at the Queen Elizabeth II Medical Centre.

Due to increasing demands on the network, Capacity Expansion works (\$91.7 million) will be required to augment electricity Transmission and Distribution networks at various sites.

Capacity expansion in the Transmission network (\$26.5 million) will focus on completing work already in progress, as well as augmenting existing substations to deliver additional substation capacity. Three substation projects will commence during 2012-13 to install additional transformers in existing substations at Meadow Springs, Midland Junction and Wangara. Work will also commence on a new 132kV substation project at Shenton Park.

With a view to preventing supply interruptions to customers, capacity expansion in the Distribution network (\$65.2 million) will focus on feeders that are forecast to be overloaded during 2012-13. The replacement of overloaded transformers will continue at its current pace, targeting 150 transformers during the period. The final stages of the voltage conversion of Rivervale and Victoria Park which began in 2011-12 are also expected to be completed in 2012-13.

A further \$214.0 million will be spent on asset replacement, regulatory compliance, network communications, metering and business support investments. This will include plant and equipment, property refurbishment, replacement of end-of-life Information Technology (IT) hardware, IT software and the implementation of enterprise information systems.

Replacing poor performing or out-dated assets is critical to maintaining network performance. Western Power's Network currently contains a large proportion of assets that will require replacement during 2012-13 and future years in order to maintain historical average service levels. A total of \$36.1 million has been allocated for asset replacement in 2012-13 for transmission and distribution assets such as transformers, circuit breakers and surge arrestors.

An investment of \$9.0 million will allow the automation of remote monitoring and control for specific distribution equipment, which will ensure faster restoration and the safer operation of the electricity network during faults and emergency (bushfire) incidents.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Capitalised Borrowing Costs	77,555	43,593	9,176	8,415	8,546	8,540	8,461
Growth - Major Projects - Mid West Energy Project	442,576	39,977	18,393	175,999	225,000	1,600	-
COMPLETED WORKS							
Distribution							
Customer Driven	1,256,852	1,256,852	169,797	-	-	-	-
New Capacity, Asset Replacement and Public Safety	1,515,507	1,515,507	348,430	-	-	-	-
Government Initiative							
State Underground Power Program	140,234	140,234	31,194	-	-	-	-
Mobile Plant, Motor Vehicle and Information Technology							
Replacement	429,581	429,581	94,086	-	-	-	-
Transmission							
Customer Driven	582,037	582,037	29,903	-	-	-	-
New Capacity, Asset Replacement and Public Safety	828,936	828,936	73,478	-	-	-	-
NEW WORKS							
Government Initiative							
Perth Waterfront Works	15,000	-	-	-	-	15,000	-
State Underground Power Program	60,000	-	-	40,000	20,000	-	-
Growth							
Distribution							
Capacity Expansion	268,808	-	-	65,234	74,432	59,533	69,609
Customer Driven	799,039	-	-	189,200	196,440	203,403	209,996
Transmission							
Capacity Expansion	131,775	-	-	26,523	33,714	33,498	38,040
Customer Driven	96,000	-	-	35,000	21,000	20,000	20,000
Safety							
Bushfire Mitigation	175,402	-	-	38,275	43,916	46,617	46,594
Conductor Management	102,173	-	-	22,946	23,578	27,672	27,977
Connection Management	72,501	-	-	29,205	27,014	14,030	2,252
Pole Management	863,125	-	-	187,213	209,868	228,448	237,596
Streetlight Safety Management	35,524	-	-	17,351	18,173	-	-
Security							
Thermal Management	4,274	-	-	1,847	2,427	-	-
Voltage and Fault Level Management	7,008	-	-	1,881	5,127	-	-
Service							
Business Support and IT	228,663	-	-	68,255	64,744	50,970	44,694
Corporate Real Estate	85,400	-	-	26,700	26,500	17,700	14,500
Metering	232,054	-	-	19,899	76,941	75,319	59,895
Regulatory Compliance	28,618	-	-	7,649	7,469	6,000	7,500
Reliability Driven Asset Replacement	149,106	-	-	36,085	40,789	36,437	35,795
Unregulated							
Motor Vehicle Fleet and Mobile Plant	156,600	-	-	36,200	37,900	40,800	41,700
System Management	8,600	-	-	5,200	1,800	900	700
Total Cost of Asset Investment Program	8,792,948	4,836,717	774,457	1,039,077	1,165,378	886,467	865,309
FUNDED BY							
Borrowings			460,345	562,871	676,164	379,854	211,200
Internal Funds and Balances			314,112	476,206	489,214	506,613	654,109
Total Funding			774,457	1,039,077	1,165,378	886,467	865,309

TRAINING AND WORKFORCE DEVELOPMENT

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

DIVISION 51

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 82 Net amount appropriated to deliver services.....	425,656	469,550	473,450	472,050	452,036	422,655	432,457
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	2,150	2,734	2,734	2,817	2,902	2,990	2,990
Total appropriations provided to deliver services	427,806	472,284	476,184	474,867	454,938	425,645	435,447
CAPITAL							
Item 149 Capital Appropriation	27,901	22,086	3,784	20,374	12,088	-	-
TOTAL APPROPRIATIONS.....	455,707	494,370	479,968	495,241	467,026	425,645	435,447
EXPENSES							
Total Cost of Services.....	684,510	758,287	756,308	699,490	677,259	664,680	670,069
Net Cost of Services ^(a)	410,170	495,125	489,278	477,354	449,946	419,562	420,483
CASH ASSETS ^(b)	82,128	52,079	76,776	55,428	54,967	50,367	55,501

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
District Allowance Payments.....	5,567	5,678	5,901	6,095	6,291
State Government Funded Training Places.....	-	25,445	12,722	-	-
National Partnership Agreement on Skills Reform (Commonwealth Government).....	-	24,855	24,855	39,400	39,400
Remedial Works 2012-13 Program.....	-	6,000	-	-	-
Training Delivery	(8,800)	46,192	23,497	-	-
Efficiency Dividend.....	-	(8,809)	(12,766)	(17,456)	(21,830)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Institutional Based Training (IBT).....	520,227	590,803	567,033	531,039	521,365	520,280	527,820
2. Employment Based Training (EBT)	164,283	167,484	189,275	177,260	168,660	161,856	164,079
3. Contribution to Responsible Financial Management.....	-	-	-	(8,809)	(12,766)	(17,456)	(21,830)
Total Cost of Services	684,510	758,287	756,308	699,490	677,259	664,680	670,069

Significant Issues Impacting the Agency

- In an environment where skilled labour demand is expected to outpace supply, the development of a skilled workforce is essential for ensuring the State's economic growth potential is fully realised, and consistent with this, that opportunities for workforce participation are maximised. The Department continues to progress a number of key strategies and initiatives outlined in 'Skilling WA - A workforce development plan for Western Australia' in conjunction with government, industry, employers and other stakeholders.
- The main current or proposed initiatives aimed at developing the State's workforce include: targeting training priorities through the 'State Priority Occupation List'; reframing training allocations to target groups under-represented in the workforce; undertaking industry and regional specific workforce development plans; collaborating with industry stakeholders to facilitate and promote attraction and retention strategies; assisting small to medium sized businesses undertake their own workforce planning and workforce development strategies; progressing the 'Western Australian Skilled Migration Strategy' including targeted migration for high demand, industry-critical occupations through the Western Australian Skilled Migration Occupation List; promotion of the State's skilled migration portal; and advocating for changes to the national skilled migration program.
- The new National Partnership on Skills Reform between the Commonwealth and the State and Territory Governments contains proposals for a broad range of reforms to the vocational education and training (VET) system. This National Partnership seeks the State to commit towards ambitious reform outcomes, particularly, improved quality in the VET system; enhanced transparency including the implementation of a unique student identifier and publishing of training delivery information on the MySkills website; increased efficiency; and access and equity to VET students through the implementation of a training entitlement. The National Partnership on Skills Reform will also require states to significantly improve qualification completions over the life of the Agreement.

- The National Partnership on Skills Reform, which replaces the National Partnership on Productivity Places Program, provides significantly less funding from the Commonwealth Government in the first four years out of the Agreement's full term of five years. The reduced funding will present considerable challenges to deliver on the ambitious new reform milestones while at the same time significantly improving training delivery outcomes.
- 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 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.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: A skilled workforce that meets the needs of Western Australia:					
Employer satisfaction with the skill needs of their employees.....	-	88.0%	85.3%	88.0%	1
Apprenticeship and traineeship training rate.....	3.2%	3.0%	3.1%	3.6%	2
Apprenticeship and traineeship completion rate	66.1%	63.0%	57.4%	60.0%	3
Graduate employment rate.....	80.1%	80.0%	80.4%	81.0%	4

(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 is derived from the National Centre for Vocational Education Research (NCVER) Survey of Employer Use and Views of the VET System (SEUV), conducted biennially. The 2011-12 Estimated Actual figure of 85.3% was reported in the 2011 SEUV and is marginally below the 2011-12 Budget.
2. The 'Apprenticeship and traineeship training rate' is the proportion of the total number of employed persons with a contract of employment as an apprentice or trainee, and includes publicly and privately funded training places. The Estimated Actual for 2011-12 is 3.1% which is above the target. The 2012-13 Budget Target of 3.6% is consistent with targets specified in Training WA.
3. The 'Apprenticeship and traineeship completion rate' measures the proportion of contracts that are completed in a given period. The Estimated Actual for 2011-12 is calculated using the cohort of apprentices and trainees who commenced their contract for the first time in 2007, including subsequent commencements in the same qualification or trade. The decrease from 2010-11 Actual to 2011-12 Estimated Actual is due to a modification in the calculation method. Previously those individuals whose contract was terminated in the probation period were not counted in the commencing cohort; these are now included in the count. The 2012-13 Budget Target takes into account the revised calculation method.
4. The 'Graduate employment rate' measures the proportion of graduates that are employed after training in Western Australia. The Estimated Actual for 2011-12 is derived from the NCVER Student Outcomes Survey 2011. The Estimated Actual figure of 80.4% is above the target.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	520,227	590,803	567,033	531,039	
Less Income	219,035	213,482	200,203	166,544	
Net Cost of Service.....	301,192	377,321	366,830	364,495	1
Employees (Full Time Equivalents).....	445	547	499	452	
Efficiency Indicators					
IBT Unit Cost (Total Expenditure of Service 1 / Student Curriculum Hours Associated with this Service)	\$18.72	\$21.25	\$20.35	\$19.06	2

Explanation of Significant Movements

(Notes)

1. The reduction between 2011-12 Budget and Estimated Actual is due to the transfer of K-12 activities and associated Full Time Equivalents (FTE) to the Department of Education. FTE will reduce further in 2012-13 due to the planned establishment of the Vocational Training and Education Centre from 1 July 2012 as a stand alone Statutory Authority and associated transfer of FTE.
2. IBT Unit Cost reflects the relationship between Total Costs of IBT and associated SCH. Total Costs may include expenditure not directly related to the delivery of SCH and as such the Unit Cost may be affected by movements in expenses not directly related to their delivery. The 2011-12 expenditure includes significant expenditure in respect to Royalties for Regions and Commonwealth Government grants that was not directly related to the delivery of SCH.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	164,283	167,484	189,275	177,260	
Less Income	55,305	49,680	66,827	55,592	
Net Cost of Service.....	108,978	117,804	122,448	121,668	
Employees (Full Time Equivalents).....	140	163	148	106	1
Efficiency Indicators					
EBT Unit Cost (Total Expenditure of Service 2 / Student Curriculum Hours Associated with this Service)	\$19.31	\$19.68	\$20.69	\$19.38	2

Explanation of Significant Movements

(Notes)

1. The reduction between 2011-12 Budget and Estimated Actual is due to the transfer of K-12 activities and associated Full Time Equivalents (FTE) to the Department of Education. FTE will reduce further in 2012-13 due to the planned establishment of the Vocational Training and Education Centre as a stand alone Statutory Authority and associated transfer of FTE.
2. EBT Unit Cost reflects the relationship between Total Costs of EBT and associated SCH. Total Costs may include expenditure not directly related to the delivery of SCH and as such the Unit Cost may be affected by movements in expenses not directly related to their delivery. The 2011-12 expenditure includes significant expenditure in respect to Royalties for Regions and Commonwealth Government grants that was not directly related to the delivery of SCH.

ASSET INVESTMENT PROGRAM

Commencement of the Skills Training Initiative, which includes \$77.6 million for new training facilities, has now been approved by the Government. This will deliver a \$10.0 million trade training centre in Broome, provision for \$15.5 million in campus upgrades and expansions in South Hedland and Karratha, and over \$24.0 million in additional works for the Durack Institute of Technology.

Work will continue 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 for the building and construction industry and improve trades training access for young people who live in the southern metropolitan area.

Construction has commenced on an automotive training centre at the South West Institute of Technology's Bunbury Campus. This \$16 million project will allow enhanced trade training in heavy and light automotive to fill skill shortages in the automotive, resource and logistics industries.

Planning will commence for both the Challenger Institute of Technology (Murdoch) and the South West Institute of Technology (Busselton) campus upgrade projects.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Information Communication Technology (ICT)							
State-wide Computer Network for the Training Sector.....	3,580	2,280	912	1,300	-	-	-
New Buildings and Additions at State Training Providers							
C.Y. O'Connor Institute - Narrogin Campus Upgrade.....	2,300	26	26	2,274	-	-	-
Central Institute of Technology - E Central and Leederville Realignment	4,000	3,664	71	336	-	-	-
Challenger Institute of Technology - Rockingham - Campus Redevelopment	28,610	3,880	3,258	17,592	7,138	-	-
Durack Institute of Technology - Geraldton - Batavia Coast Marine Centre	3,010	2,001	330	1,009	-	-	-
Kimberley Training Institute - Ord River Stage 2 - Kununurra and Wyndham.....	10,000	9,800	3,017	200	-	-	-
South West Institute of Technology - Bunbury - Heavy Duty Automotive	16,000	3,982	2,635	12,018	-	-	-
Skills Training Initiative ^(a)							
Great Southern Institute of Technology - Community Services and Health Science Block	5,764	100	100	1,000	2,834	1,830	-
Kimberley Training Institute - Broome Trade Training Centre	10,000	100	100	2,100	4,500	3,300	-
Kimberley Training Institute - Derby Extension and Workshop Facilities	6,200	100	100	650	4,000	1,450	-
Kimberley Training Institute - Halls Creek Campus Upgrade	2,800	100	100	2,050	650	-	-
Pilbara Institute - South Hedland and Karratha Campuses Upgrade and Expansion	15,546	90	90	1,947	7,016	6,493	-
State Training Providers ICT Capital Infrastructure (Regional Colleges)	6,395	2,000	2,000	2,895	1,000	500	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
New Buildings and Additions at State Training Providers							
C.Y. O'Connor Institute - Northam B and C Workshop	2,400	2,400	8	-	-	-	-
Central Institute of Technology - Aberdeen St Refurbishment.....	7,990	7,990	3,168	-	-	-	-
Central Institute of Technology - East Perth Sustainability Centre	2,000	2,000	5	-	-	-	-
Central Institute of Technology - Perth Campus - Redevelopment Stage 2/3.....	57,183	57,183	1,753	-	-	-	-
Durack Institute of Technology - Wiluna Education and Vocational Training Centre.....	3,000	3,000	399	-	-	-	-
Great Southern Institute of Technology - Albany - Wool Harvesting and Aquaculture.....	2,395	2,395	23	-	-	-	-
Kimberley Training Institute - Fitzroy Crossing Training Centre	3,000	3,000	1,493	-	-	-	-
Pilbara Institute - Karratha - Metals and Automotive Workshop Extension	2,400	2,400	56	-	-	-	-
Vocational Training and Education Centre - Kalgoorlie - Metal, Electrical and Automotive	3,670	3,670	218	-	-	-	-
West Coast Institute of Training - Clarkson - Trades Training	19,000	19,000	1,724	-	-	-	-
West Coast Institute of Training - Clarkson - Trades Training Stage 2.....	3,940	3,940	4	-	-	-	-
NEW WORKS							
New Buildings and Additions at State Training Providers							
Challenger Institute of Technology - Murdoch Stage 4	41,970	-	-	250	7,500	14,510	14,710
Great Southern Institute of Technology - Mt Barker Campus	4,440	-	-	250	2,640	1,550	-
Kimberley Training Institute - West Kimberley Campus....	5,460	-	-	-	5,460	-	-
Polytechnic West - Armadale Training Centre.....	9,010	-	-	3,510	5,500	-	-
South West Institute of Technology - Busselton Campus Upgrade	2,000	-	-	2,000	-	-	-
Remedial Works Program - 2012-13 Program	4,000	-	-	4,000	-	-	-
Skills Training Initiative ^(a)							
Challenger Institute of Technology - Peel Health and Community Training Centre	6,000	-	-	834	2,566	2,600	-
Durack Institute of Technology - Centre for Health Industries Training and Workforce Development	15,020	-	-	2,000	9,000	4,020	-
Durack Institute of Technology - Centre for Resource Sector Workforce Development Training	9,000	-	-	1,000	4,000	4,000	-
Polytechnic West - Pinjarra Apprentice Training Facility.....	375	-	-	375	-	-	-
South West Institute of Technology - Busselton Campus Sustainability Centre	500	-	-	-	500	-	-
Total Cost of Asset Investment Program	318,958	135,101	21,590	59,590	64,304	40,253	14,710
FUNDED BY							
Capital Appropriation			3,784	20,374	12,088	-	-
Commonwealth Grants			15,300	13,420	15,300	11,060	19,710
Internal Funds and Balances			16	10,945	850	5,000	(5,000)
Drawdowns from Royalties for Regions Fund ^(b)			2,490	14,851	36,066	24,193	-
Total Funding			21,590	59,590	64,304	40,253	14,710

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The forecast \$56.8 million reduction in Total Cost of Services between 2011-12 Estimated Actual to 2012-13 Budget Estimate is mainly attributable to reduced expenditure as a result of lower Commonwealth Government funding under the Education Investment Fund as well as a reduction in expenditure funded by the Regional Community Services Fund (RCSF).

Income

The income statement shows an estimated decrease of \$44.9 million in income from 2011-12 Estimated Actual to 2012-13 Budget Estimate. This reduction is mainly attributable to reduced funding under the National Partnership on Skills Reform and cessation of funding under the Commonwealth Government Education Investment Fund and the RCSF.

Statement of Financial Position

The most significant asset on the Department's statement of financial position is property, plant and equipment. The expected increase in current assets between the 2011-12 Budget and 2011-12 Estimated Actual, and subsequent reduction in 2012-13 is primarily due to the timing of expenditure for assets under construction.

Statement of Cashflows

Cash assets at the end of the reporting period is forecast to fall by \$21.3 million between 2011-12 Estimated Actual and 2012-13 Budget Estimate due to expenditure related to Commonwealth Government funding received in the prior year.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	53,802	75,615	65,203	55,245	58,022	60,328	61,804
Grants and subsidies ^(c)	593,435	593,459	638,667	608,513	584,778	582,912	583,161
Supplies and services	24,668	11,472	26,927	27,035	28,314	30,249	30,521
Accommodation.....	597	790	1,390	1,432	1,476	1,526	1,546
Depreciation and amortisation	778	580	580	1,194	1,194	1,207	1,207
Efficiency dividend.....	-	-	-	(8,809)	(12,766)	(17,456)	(21,830)
Other expenses.....	11,230	76,371	23,541	14,880	16,241	5,914	13,660
TOTAL COST OF SERVICES	684,510	758,287	756,308	699,490	677,259	664,680	670,069
Income							
Sale of goods and services	57,391	44,813	47,181	44,244	45,608	45,653	45,653
Grants and subsidies	205,441	214,851	214,851	174,118	177,762	195,430	199,798
Other revenue	11,508	3,498	4,998	3,774	3,943	4,035	4,135
Total Income	274,340	263,162	267,030	222,136	227,313	245,118	249,586
NET COST OF SERVICES.....	410,170	495,125	489,278	477,354	449,946	419,562	420,483
INCOME FROM STATE GOVERNMENT							
Service appropriations	427,806	472,284	476,184	474,867	454,938	425,645	435,447
Resources received free of charge.....	544	269	269	278	286	294	294
Royalties for Regions Fund ^(d)	1,954	30,500	29,553	7,229	10,422	5,083	5,247
TOTAL INCOME FROM STATE GOVERNMENT.....	430,304	503,053	506,006	482,374	465,646	431,022	440,988
SURPLUS/(DEFICIENCY) FOR THE PERIOD	20,134	7,928	16,728	5,020	15,700	11,460	20,505

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 585, 647 and 558 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$2.0 million (2010-11), \$30.5 million (2011-12), \$29.6 million (2011-12 Estimated Out Turn), \$7.2 million (2012-13), \$10.4 million (2013-14), \$5.1 million (2014-15) and \$5.2 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Capital Grants to Private Training Providers	2,100	4,120	2,120	1,500	-	-	-
Capital Grants to State Training Providers	20,259	14,979	13,119	-	-	-	-
Contracts and Agreements for the Delivery of Training and Employment Services by: State Training Providers; Vocational Training and Education Centre; and Western Australian Academy of Performing Arts.....	444,009	406,734	421,848	451,815	448,177	463,751	467,445
Grants to Private Training Providers	117,510	163,664	190,819	146,247	126,591	107,652	105,632
Other.....	9,557	3,962	10,761	8,951	10,010	11,509	10,084
TOTAL.....	593,435	593,459	638,667	608,513	584,778	582,912	583,161

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	12,879	4,034	18,125	8,691	7,703	4,470	10,996
Restricted cash.....	67,205	45,857	56,280	44,029	44,209	42,585	41,985
Receivables.....	15,651	8,352	15,651	15,651	15,651	15,651	15,651
Other.....	1,144	596	1,144	1,144	1,144	1,144	1,144
Assets held for sale	20,000	21,000	20,000	20,000	20,000	20,000	20,000
Total current assets	116,879	79,839	111,200	89,515	88,707	83,850	89,776
NON-CURRENT ASSETS							
Holding account receivables	31,635	32,215	32,215	33,409	34,603	35,810	37,017
Property, plant and equipment	122,911	71,488	106,471	105,733	154,148	188,516	87,124
Restricted cash.....	2,044	2,188	2,371	2,708	3,055	3,312	2,520
Other.....	1,333	168	1,333	1,333	1,333	1,333	1,333
Total non-current assets.....	157,923	106,059	142,390	143,183	193,139	228,971	127,994
TOTAL ASSETS	274,802	185,898	253,590	232,698	281,846	312,821	217,770
CURRENT LIABILITIES							
Employee provisions.....	9,961	8,583	10,184	10,415	10,652	10,896	11,232
Payables.....	1,641	5,383	1,061	437	70	70	70
Other.....	23,737	22,276	23,795	23,854	23,658	23,084	22,292
Total current liabilities.....	35,339	36,242	35,040	34,706	34,380	34,050	33,594
NON-CURRENT LIABILITIES							
Employee provisions.....	2,360	1,678	2,445	2,532	2,622	2,714	2,714
Borrowings	4	7	4	4	4	4	4
Other.....	9	8	9	9	9	9	9
Total non-current liabilities	2,373	1,693	2,458	2,545	2,635	2,727	2,727
TOTAL LIABILITIES.....	37,712	37,935	37,498	37,251	37,015	36,777	36,321
EQUITY							
Contributed equity	223,964	153,777	186,238	160,573	194,257	214,010	98,910
Accumulated surplus/(deficit).....	13,126	(5,814)	29,854	34,874	50,574	62,034	82,539
Total equity	237,090	147,963	216,092	195,447	244,831	276,044	181,449
TOTAL LIABILITIES AND EQUITY.....	274,802	185,898	253,590	232,698	281,846	312,821	217,770

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	426,920	471,704	475,604	473,673	453,744	424,438	434,240
Capital appropriation	27,901	22,086	3,784	20,374	12,088	-	-
Royalties for Regions Fund ^(b)	1,954	40,200	32,043	22,080	46,488	29,276	5,247
Net cash provided by State Government.....	456,775	533,990	511,431	516,127	512,320	453,714	439,487
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(48,306)	(75,307)	(64,895)	(54,927)	(57,695)	(59,992)	(62,260)
Grants and subsidies	(593,435)	(593,459)	(638,667)	(608,513)	(584,778)	(582,912)	(583,161)
Supplies and services	(19,452)	(6,376)	(20,526)	(20,798)	(21,851)	(22,200)	(23,259)
Accommodation.....	(596)	(790)	(1,390)	(1,432)	(1,476)	(1,526)	(1,546)
Efficiency dividend.....	-	-	-	8,809	12,766	17,456	21,830
Other payments	(33,846)	(88,195)	(36,670)	(22,791)	(22,394)	(13,651)	(20,479)
Receipts							
Grants and subsidies	201,940	214,851	214,851	174,118	177,762	195,430	199,798
Sale of goods and services	51,945	42,194	44,562	41,564	42,844	42,889	42,889
GST receipts	18,284	2,659	2,659	2,426	2,521	2,521	2,521
Other receipts.....	9,646	3,383	4,883	3,659	3,824	3,924	4,024
Net cash from operating activities.....	(413,820)	(501,040)	(495,193)	(477,885)	(448,477)	(418,061)	(419,643)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(42,798)	(43,799)	(21,590)	(59,590)	(64,304)	(40,253)	(14,710)
Proceeds from sale of non-current assets	15	-	-	-	-	-	-
Net cash from investing activities.....	(42,783)	(43,799)	(21,590)	(59,590)	(64,304)	(40,253)	(14,710)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments	(7)	-	-	-	-	-	-
Net cash from financing activities.....	(7)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	165	(10,849)	(5,352)	(21,348)	(461)	(4,600)	5,134
Cash assets at the beginning of the reporting period.....	81,963	62,928	82,128	76,776	55,428	54,967	50,367
Cash assets at the end of the reporting period.....	82,128	52,079	76,776	55,428	54,967	50,367	55,501

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

(b) Regional Community Services Fund - \$2.0 million (2010-11), \$40.2 million (2011-12), \$32.0 million (2011-12 Estimated Out Turn), \$22.1 million (2012-13), \$46.5 million (2013-14), \$29.3 million (2014-15) and \$5.2 million (2015-16).

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Commonwealth Capital	2,354	15,300	15,300	13,420	15,300	11,060	19,710
Commonwealth Recurrent	199,586	199,551	199,551	160,698	162,462	184,370	180,088
GST Receipts on Sales	18,284	2,659	2,659	2,426	2,521	2,521	2,521
Proceeds from Commercial Activities of Institutions	51,945	42,194	44,562	41,564	42,844	42,889	42,889
Receipts - Other	9,646	3,383	4,883	3,659	3,824	3,924	4,024
TOTAL.....	281,815	263,087	266,955	221,767	226,951	244,764	249,232

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 2012-13 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 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CENTRAL INSTITUTE OF TECHNOLOGY							
WORKS IN PROGRESS							
Accommodation and Infrastructure							
Green Skills Training Centre	15,168	6,668	6,500	8,500	-	-	-
COMPLETED WORKS							
Accommodation and Infrastructure - Leederville Campus	2,827	2,827	135	-	-	-	-
Total Cost of Asset Investment Program	17,995	9,495	6,635	8,500	-	-	-
CHALLENGER INSTITUTE OF TECHNOLOGY							
COMPLETED WORKS							
Equipment Replacement - 2011-12 Program	2,654	2,654	2,654	-	-	-	-
NEW WORKS							
Equipment Replacement							
2012-13 Program	2,000	-	-	2,000	-	-	-
2013-14 Program	1,250	-	-	-	1,250	-	-
2014-15 Program	1,015	-	-	-	-	1,015	-
2015-16 Program	1,046	-	-	-	-	-	1,046
Total Cost of Asset Investment Program	7,965	2,654	2,654	2,000	1,250	1,015	1,046
DURACK INSTITUTE OF TECHNOLOGY							
WORKS IN PROGRESS							
Asset Replacement Program	1,991	630	218	540	406	165	250
Equipment Replacement Program	1,308	494	205	150	82	291	291
Multi-Functional Device Replacement	97	67	15	15	15	-	-
COMPLETED WORKS							
Information Technology (IT) Server Replacement	162	162	96	-	-	-	-
IT Switch Replacement	110	110	103	-	-	-	-
Plumbing Workshop	173	173	93	-	-	-	-
NEW WORKS							
Bus Replacement	65	-	-	65	-	-	-
Total Cost of Asset Investment Program	3,906	1,636	730	770	503	456	541
GREAT SOUTHERN INSTITUTE OF TECHNOLOGY							
WORKS IN PROGRESS							
Equipment, Maintenance and Minor Works	5,707	2,513	1,709	940	340	957	957
Small Capital Works and Equipment and Plant Purchases	1,975	1,044	96	486	445	-	-
Total Cost of Asset Investment Program	7,682	3,557	1,805	1,426	785	957	957
KIMBERLEY TRAINING INSTITUTE							
WORKS IN PROGRESS							
Asset Replacement Program	1,289	819	120	130	140	100	100
Minor IT and Building Maintenance	685	443	37	242	-	-	-
Total Cost of Asset Investment Program	1,974	1,262	157	372	140	100	100

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
PILBARA INSTITUTE							
WORKS IN PROGRESS							
Pundulmurra Campus Upgrade.....	10,838	500	500	3,648	5,000	1,690	-
NEW WORKS							
Equipment Replacement							
2012-13 Equipment Program Pundulmurra.....	1,352	-	-	1,352	-	-	-
2013-14 Equipment Program Other	416	-	-	-	416	-	-
Total Cost of Asset Investment Program	12,606	500	500	5,000	5,416	1,690	-
POLYTECHNIC WEST							
WORKS IN PROGRESS							
Trades Equipment							
Major Works.....	11,329	7,329	1,000	1,000	1,000	1,000	1,000
Minor Works.....	4,365	2,365	500	500	500	500	500
Rolling Refreshment Program	7,368	5,368	983	500	500	500	500
Total Cost of Asset Investment Program	23,062	15,062	2,483	2,000	2,000	2,000	2,000
SOUTH WEST INSTITUTE OF TECHNOLOGY							
WORKS IN PROGRESS							
Equipment, Maintenance and Minor Works	4,750	850	850	900	950	1,000	1,050
Total Cost of Asset Investment Program	4,750	850	850	900	950	1,000	1,050
WEST COAST INSTITUTE OF TRAINING							
WORKS IN PROGRESS							
Small Capital Works and Equipment and Plant Purchases	15,801	3,401	1,845	4,000	2,800	3,000	2,600
Total Cost of Asset Investment Program	15,801	3,401	1,845	4,000	2,800	3,000	2,600
Total Cost of State Training Providers Asset Investment Program.....	95,741	38,417	17,659	24,968	13,844	10,218	8,294
FUNDED BY							
Commonwealth Grants			6,000	5,000	5,000	1,690	-
Internal Funds and Balances			11,659	19,968	8,844	8,528	8,294
Total Funding			17,659	24,968	13,844	10,218	8,294

INDIGENOUS AFFAIRS

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

DIVISION 52

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 83 Net amount appropriated to deliver services.....	30,699	35,782	38,668	41,237	32,480	32,214	31,706
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	202	238	238	244	246	247	247
Total appropriations provided to deliver services	30,901	36,020	38,906	41,481	32,726	32,461	31,953
CAPITAL							
Item 150 Capital Appropriation	-	-	-	1,239	616	198	-
TOTAL APPROPRIATIONS.....	30,901	36,020	38,906	42,720	33,342	32,659	31,953
EXPENSES							
Total Cost of Services.....	33,255	41,263	44,876	46,639	37,974	36,841	37,345
Net Cost of Services ^(a)	31,632	39,931	43,427	44,741	34,791	33,613	34,072
CASH ASSETS ^(b)	4,838	11,385	11,516	9,501	7,957	7,291	5,676

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Aboriginal Community Patrols Funding Extension	-	1,209	-	-	-
Aboriginal Heritage Electronic Lodgements Project (A-HELP)	-	382	743	372	581
Browse LNG Precinct - Native Title Agreement	-	3,621	2,689	1,281	-
Stolen Wages Reparation Scheme Western Australia	750	1,250	-	-	-
Efficiency Dividend.....	-	(734)	(931)	(1,228)	(1,512)

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.	Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community.	1. Heritage Management
	Better utilisation of the Aboriginal Lands Trust Estate to achieve shared social and economic outcomes.	2. Land Management
	Improving accountability for the delivery of outcomes for Aboriginal people from government investments.	3. Accountable Government
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.	Supporting the Western Australia Aboriginal community to independently determine and further their identified priorities.	4. Community Development

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Heritage Management.....	7,440	7,771	8,964	10,794	8,865	8,674	8,854
2. Land Management	4,453	6,405	5,987	6,423	5,275	5,162	5,268
3. Accountable Government	18,828	22,432	24,435	26,371	21,657	21,191	21,630
4. Community Development.....	2,534	4,655	5,490	3,785	3,108	3,042	3,105
5. Contribution to Responsible Financial Management.....	-	-	-	(734)	(931)	(1,228)	(1,512)
Total Cost of Services	33,255	41,263	44,876	46,639	37,974	36,841	37,345

Significant Issues Impacting the Agency

- The Department is implementing a new Outcome Based Management (OBM) structure from the 2012-13 Budget and annual reporting period. Over the last few years there has been a significant change in the business conducted by the Department and the previous indicators did not clearly measure the extent to which the Department's outcomes had been achieved. For comparison purposes, values for 2010-11 Actual and 2011-12 Budget and Estimated Actual have been restated to reflect the new OBM structure.
- The Department has received \$2.0 million dollars over two years to administer the 'Stolen Wages Reparation Scheme Western Australia'. The program provides ex-gratia payments of up to \$2,000 for eligible Aboriginal and Torres Strait Islander persons born prior to 1958 who from the age of 14 years or older were residents of a Government Native Welfare Settlement in Western Australia and who experienced direct control over their income which was never repaid. In recognition of this past practice the State Government is providing ex-gratia payments to Aboriginal and Torres Strait Islander people who fulfil the eligibility requirements; it is not intended to represent full reparation.
- The Department has received \$3.4 million over four years to develop the A-HELP project, which is an integrated digital Aboriginal heritage information system with a planned life cycle of ten years that will replace current antiquated labour intensive paper-based systems. The benefits include cost savings as a result of more efficient decision-making processes, online research and approval lodgement capability, greater protection of heritage sites and greater all round transparency in heritage processes. The finalisation of this system is a component of the Government's policy commitment to streamline project approvals across government with resultant economic benefits to the State.
- The Department has received \$7.6 million over three years as a component of the Browse LNG Precinct Regional Benefits Agreement. This funding will facilitate changes to the land tenure of Aboriginal lands on the Dampier Peninsula to allow greater diversity of land use including the creation of heritage and conservation reserves, ecotourism infrastructure nodes, community-based outlets and home ownership.
- The Department has received an additional \$1.2 million for 2012-13 to continue the operation of the Aboriginal Community Patrols program. Partial funding for Patrols has emanated from Western Australia signing the Council of Australian Governments' Indigenous Economic Participation National Partnership Agreement in December 2008. The funding from this agreement ceases 30 June 2013 and the Department will be conducting a review of the effectiveness of the Patrol program in consideration of continuing this program into the forward estimates. 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 to also make referrals as appropriate to government agencies and non-government organisations for support and follow up.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community:					
Percentage of direct stakeholders satisfied with the services related to the management of Aboriginal heritage.....	61.5%	65%	65%	65%	1
Outcome: Better utilisation of the Aboriginal Lands Trust Estate to achieve shared social and economic outcomes:					
Percentage of direct stakeholders satisfied with the services related to the management of the Aboriginal Lands Trust Estate	61.5%	65%	65%	65%	1
Outcome: Improving accountability for the delivery of outcomes for Aboriginal people from government investments:					
Percentage of direct stakeholders satisfied with services related to improving accountability for the delivery of services to Aboriginal people	56.8%	65%	65%	65%	1
Outcome: Supporting the Western Australia Aboriginal community to independently determine and further their identified priorities:					
Percentage of direct stakeholders satisfied with services related to community development programs for Aboriginal people	56.8%	65%	65%	65%	1

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

Explanation of Significant Movements

(Notes)

- Following the implementation of the new OBM structure, for comparative purposes, the 2010-11 Actual and 2011-12 Budget data has been remapped from the old to the new Key Effectiveness Indicators.

Services and Key Efficiency Indicators**1: Heritage Management**

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 7,440	\$'000 7,771	\$'000 8,964	\$'000 10,794	1
Less Income	363	251	289	432	1
Net Cost of Service.....	7,077	7,520	8,675	10,362	
Employees (Full Time Equivalents).....	33	35	31	43	
Efficiency Indicators					
Average Processing Time per Statutory Approval	70 days	70 days	71 days	70 days	1
Average Time to Update Register.....	33 days	33 days	33 days	33 days	1
Average Time to Complete Initial Assessment.....	50 days	28 days	8 days	28 days	1, 2

Explanation of Significant Movements

(Notes)

- Following the implementation of the new OBM structure, for comparative purposes, the 2010-11 Actual and the 2011-12 Budget data has been re-stated to reflect the new outcomes.
- The average time taken to Complete Initial Assessments has decreased as a result of the implementation of the Compliance Unit and resources applied to this task. The long-term benchmark is 28 days.

2: Land Management

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 4,453	\$'000 6,405	\$'000 5,987	\$'000 6,423	1
Less Income	217	207	193	257	1
Net Cost of Service.....	4,236	6,198	5,794	6,166	
Employees (Full Time Equivalents).....	20	29	21	25	
Efficiency Indicators					
Average Processing Time per Land Transaction	15 days	15 days	9 days	10 days	1

Explanation of Significant Movements

(Notes)

- Following the implementation of the new OBM structure, for comparative purposes, the 2010-11 Actual and the 2011-12 Budget data has been re-stated to reflect the new outcomes.

3: Accountable Government

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 18,828	\$'000 22,432	\$'000 24,435	\$'000 26,371	1
Less Income	919	724	790	1,057	1
Net Cost of Service.....	17,909	21,708	23,645	25,314	
Employees (Full Time Equivalents).....	85	101	84	104	
Efficiency Indicators					
Average Cost per 1,000 of Aboriginal Population	\$242,668	\$284,018	\$314,974	\$327,956	1

Explanation of Significant Movements

(Notes)

- Following the implementation of the new OBM structure, for comparative purposes, the 2010-11 Actual and the 2011-12 Budget data has been re-stated to reflect the new outcomes.

4: Community Development

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 2,534	\$'000 4,655	\$'000 5,490	\$'000 3,785	1
Less Income	124	150	177	152	1
Net Cost of Service	2,410	4,505	5,313	3,633	
Employees (Full Time Equivalents).....	11	21	19	15	
Efficiency Indicators					
Average Cost per Initiative Funded	\$13,696	\$18,622	\$16,177	\$16,459	1

Explanation of Significant Movements

(Notes)

- Following the implementation of the new OBM structure, for comparative purposes, the 2010-11 Actual and the 2011-12 Budget data has been re-stated to reflect the new outcomes.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Aboriginal Heritage Management System E-Lodgement (A-HELP) Project - 2011-12 Program	822	822	822	-	-	-	-
Asset Replacement - Information Technology (IT) 2011-12 Program	319	319	319	-	-	-	-
Asset Replacement - Office Equipment 2011-12 Program	170	170	170	-	-	-	-
NEW WORKS							
Aboriginal Heritage Management System E-Lodgement (A-HELP) Project							
2012-13 Program	1,239	-	-	1,239	-	-	-
2013-14 Program	553	-	-	-	553	-	-
Asset Replacement - IT							
2012-13 Program	272	-	-	272	-	-	-
2013-14 Program	381	-	-	-	381	-	-
2014-15 Program	242	-	-	-	-	242	-
2015-16 Program	450	-	-	-	-	-	450
Asset Replacement - Office Equipment							
2012-13 Program	128	-	-	128	-	-	-
2013-14 Program	134	-	-	-	134	-	-
2014-15 Program	141	-	-	-	-	141	-
2015-16 Program	148	-	-	-	-	-	148
Total Cost of Asset Investment Program	4,999	1,311	1,311	1,639	1,068	383	598
FUNDED BY							
Capital Appropriation			-	1,239	616	198	-
Drawdowns from the Holding Account			489	400	452	185	598
Internal Funds and Balances			822	-	-	-	-
Total Funding			1,311	1,639	1,068	383	598

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an increase in Total Cost of Services of \$1.8 million in 2012-13 compared to the 2011-12 Estimated Actual. This is primarily due to an increase in expenditure for Stolen Wages (\$1.3 million) and A-HELP (\$0.4 million). The decrease in Total Cost of Services in the forward estimates after 2012-13 is primarily due to the winding down of fixed term programs such as Remote Service Delivery (\$3.4 million), Stolen Wages (\$1.3 million) and Browse LNG Precinct (\$1.0 million).

Aboriginal Community Patrol expenses previously reported as Grants and Subsidies are now reported under Supplies and Services. The increase in Supplies and Service of \$6.0 million in 2011-12 Estimated Actual compared to 2011-12 Budget Estimate is largely due to the Patrols program.

Statement of Financial Position

The most significant asset on the Department's Statement of Financial Position is Restricted Cash. This is primarily Royalties for Regions (RfR) funding for the Aboriginal Community Emergency Response Fund (ACERF) that is managed by the Aboriginal Affairs Coordinating Committee and provides capacity to intervene in a more effective manner with participating agencies contributing to expenses on a recoup basis.

Statement of Cashflows

In 2012-13, the Net Cash provided by State Government is forecast to reduce by \$7.1 million to \$43.6 million compared to the 2011-12 Estimated Actual of \$50.7 million, comprising a reduction in RfR ACERF funding and an increase in appropriation funding for Stolen Wages and the Browse Basin LNG Precinct.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	18,672	19,580	21,007	21,520	20,880	20,904	22,713
Grants and subsidies ^(c)	6,928	8,846	5,044	2,716	766	766	650
Supplies and services	3,744	7,962	14,172	16,933	10,974	9,804	8,792
Accommodation.....	2,402	3,399	3,116	4,646	4,728	4,812	4,896
Depreciation and amortisation	253	426	426	426	446	648	648
Efficiency dividend.....	-	-	-	(734)	(931)	(1,228)	(1,512)
Other expenses.....	1,256	1,050	1,111	1,132	1,111	1,135	1,158
TOTAL COST OF SERVICES.....	33,255	41,263	44,876	46,639	37,974	36,841	37,345
Income							
Grants and subsidies	292	200	130	130	130	130	130
Other revenue	1,331	1,132	1,319	1,768	3,053	3,098	3,143
Total Income	1,623	1,332	1,449	1,898	3,183	3,228	3,273
NET COST OF SERVICES.....	31,632	39,931	43,427	44,741	34,791	33,613	34,072
INCOME FROM STATE GOVERNMENT							
Service appropriations	30,901	36,020	38,906	41,481	32,726	32,461	31,953
Resources received free of charge.....	236	295	236	236	236	236	236
Royalties for Regions Fund ^(d)	74	11,565	11,709	884	155	161	166
TOTAL INCOME FROM STATE GOVERNMENT.....	31,211	47,880	50,851	42,601	33,117	32,858	32,355
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(421)	7,949	7,424	(2,140)	(1,674)	(755)	(1,717)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 149, 155 and 187 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$0.1 million (2010-11), \$11.6 million (2011-12), \$11.7 million (2011-12 Estimated Out Turn), \$0.9 million (2012-13), \$0.2 million (2013-14), \$0.2 million (2014-15) and \$0.2 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Aboriginal Community Patrols ^(a)	4,023	5,250	-	-	-	-	-
Clontarf Hostel Extension.....	-	2,000	2,000	-	-	-	-
Fitzroy Futures Fund	412	500	588	-	-	-	-
Kimberley Interpreting Service.....	200	200	200	200	-	-	-
Kimberley Science and Conservation Strategy							
- Rock Art Research Program	125	100	125	50	-	-	-
Partnership Acceptance Learning Sharing	223	230	300	300	300	300	300
Reconciliation Grants	156	100	100	-	-	-	-
Remote Service Delivery	325	-	450	450	-	-	-
Stolen Wages	-	-	750	1,250	-	-	-
Various Indigenous Community Grants.....	1,368	350	415	350	350	350	350
Yagan's Memorial Park	96	116	116	116	116	116	-
TOTAL.....	6,928	8,846	5,044	2,716	766	766	650

(a) As a result of the Government's \$600.0 million Sustainable Funding Commitment to the Not-For-Profit sector, Aboriginal Community Patrols previously reported as Controlled Grants and Subsidies are now considered as 'Services Purchased from the Non-Government Sector' and reported under Services and Contracts.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	3,737	912	1,251	1,091	212	211	6
Restricted cash.....	706	10,000	9,800	7,875	7,140	7,080	5,670
Holding account receivables	489	400	400	452	185	598	-
Receivables	816	546	813	765	718	717	706
Other.....	112	251	117	122	127	132	137
Total current assets	5,860	12,109	12,381	10,305	8,382	8,738	6,519
NON-CURRENT ASSETS							
Holding account receivables	60	96	96	80	351	411	1,069
Property, plant and equipment	534	589	597	571	901	1,159	1,632
Intangibles	-	-	822	2,061	2,353	1,830	1,307
Restricted cash.....	395	473	465	535	605	-	-
Other.....	169	168	169	169	169	169	169
Total non-current assets.....	1,158	1,326	2,149	3,416	4,379	3,569	4,177
TOTAL ASSETS	7,018	13,435	14,530	13,721	12,761	12,307	10,696
CURRENT LIABILITIES							
Employee provisions.....	3,068	2,330	3,091	3,114	3,138	3,164	3,188
Payables	584	284	590	596	602	608	614
Other.....	301	351	353	409	469	533	601
Total current liabilities.....	3,953	2,965	4,034	4,119	4,209	4,305	4,403
NON-CURRENT LIABILITIES							
Employee provisions.....	726	713	733	740	748	755	763
Total non-current liabilities	726	713	733	740	748	755	763
TOTAL LIABILITIES.....	4,679	3,678	4,767	4,859	4,957	5,060	5,166
EQUITY							
Contributed equity	2,481	2,481	2,481	3,720	4,336	4,534	4,534
Accumulated surplus/(deficit).....	(328)	7,090	7,096	4,956	3,282	2,527	810
Reserves.....	186	186	186	186	186	186	186
Total equity	2,339	9,757	9,763	8,862	7,804	7,247	5,530
TOTAL LIABILITIES AND EQUITY.....	7,018	13,435	14,530	13,721	12,761	12,307	10,696

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	30,434	35,584	38,470	41,045	32,270	31,803	31,295
Capital appropriation	-	-	-	1,239	616	198	-
Holding account drawdowns	356	489	489	400	452	185	598
Royalties for Regions Fund ^(b)	74	11,565	11,709	884	155	161	166
Net cash provided by State Government.....	30,864	47,638	50,668	43,568	33,493	32,347	32,059
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(17,603)	(19,500)	(20,925)	(21,434)	(20,788)	(20,807)	(22,613)
Grants and subsidies	(6,928)	(8,846)	(5,044)	(2,716)	(766)	(766)	(650)
Supplies and services	(3,225)	(7,704)	(13,984)	(16,745)	(10,786)	(9,615)	(8,603)
Accommodation.....	(2,339)	(3,343)	(3,053)	(4,583)	(4,665)	(4,749)	(4,833)
Efficiency dividend.....	-	-	-	734	931	1,228	1,512
Other payments.....	(2,893)	(2,728)	(3,633)	(3,671)	(3,225)	(3,179)	(3,013)
Receipts							
Grants and subsidies	292	200	130	130	130	130	130
GST receipts	1,684	1,655	2,438	2,529	2,153	2,036	1,857
Other receipts.....	2,461	1,176	1,392	1,812	3,047	3,092	3,137
Net cash from operating activities	(28,551)	(39,090)	(42,679)	(43,944)	(33,969)	(32,630)	(33,076)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(162)	(489)	(1,311)	(1,639)	(1,068)	(383)	(598)
Net cash from investing activities	(162)	(489)	(1,311)	(1,639)	(1,068)	(383)	(598)
NET INCREASE/(DECREASE) IN CASH HELD	2,151	8,059	6,678	(2,015)	(1,544)	(666)	(1,615)
Cash assets at the beginning of the reporting period.....	2,687	3,326	4,838	11,516	9,501	7,957	7,291
Cash assets at the end of the reporting period.....	4,838	11,385	11,516	9,501	7,957	7,291	5,676

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

(b) Regional Community Services Fund - \$0.1 million (2010-11), \$11.6 million (2011-12), \$11.7 million (2011-12 Estimated Out Turn), \$0.9 million (2012-13), \$0.2 million (2013-14), \$0.2 million (2014-15) and \$0.2 million (2015-16).

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Grants and Subsidies	292	200	130	130	130	130	130
GST Input Credits.....	1,684	1,655	2,438	2,529	2,153	2,036	1,857
Other Receipts.....	2,461	1,176	1,392	1,812	3,047	3,092	3,137
TOTAL.....	4,437	3,031	3,960	4,471	5,330	5,258	5,124

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; Emergency Services

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
625	Transport			
	- Delivery of Services.....	132,916	152,742	144,320
	- Administered Grants, Subsidies and Other Transfer Payments.....	329	80	85
	- Capital Appropriation.....	9,020	9,570	18,201
	Total	142,265	162,392	162,606
638	Commissioner of Main Roads			
	- Delivery of Services.....	661,656	669,475	726,342
	- Capital Appropriation.....	310,985	257,636	307,931
	Total	972,641	927,111	1,034,273
653	Public Transport Authority of Western Australia			
	- Delivery of Services.....	326	326	337
	- Capital Appropriation.....	216,904	201,814	269,807
	Total	217,230	202,140	270,144
674	Housing Authority			
	- Delivery of Services.....	103,131	95,057	57,660
	- Capital Appropriation.....	169,521	174,881	106,303
	Total	272,652	269,938	163,963
687	Fire and Emergency Services Authority of Western Australia			
	- Delivery of Services.....	22,051	23,634	36,837
	- Capital Appropriation.....	-	-	2,810
	Total	22,051	23,634	39,647
GRAND TOTAL				
	- Delivery of Services.....	920,080	941,234	965,496
	- Administered Grants, Subsidies and Other Transfer Payments.....	329	80	85
	- Capital Appropriation.....	706,430	643,901	705,052
	Total.....	1,626,839	1,585,215	1,670,633

TRANSPORT

PART 13 - MINISTER FOR TRANSPORT; HOUSING; EMERGENCY SERVICES

DIVISION 53

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 84 Net amount appropriated to deliver services.....	142,489	131,858	151,684	143,230	162,750	132,261	132,998
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,024	1,058	1,058	1,090	1,122	1,156	1,191
Total appropriations provided to deliver services	143,513	132,916	152,742	144,320	163,872	133,417	134,189
ADMINISTERED TRANSACTIONS							
Item 85 Western Australian Coastal Shipping Commission	329	329	80	85	90	95	100
CAPITAL							
Item 151 Capital Appropriation	9,859	9,020	9,570	18,201	16,989	129,180	199,882
TOTAL APPROPRIATIONS.....	153,701	142,265	162,392	162,606	180,951	262,692	334,171
EXPENSES							
Total Cost of Services.....	308,138	327,396	332,371	360,943	375,498	349,910	347,799
Net Cost of Services ^(a)	125,086	124,373	142,838	153,964	162,487	(196,269)	(162,489)
CASH ASSETS ^(b)	92,214	97,189	116,118	128,897	144,060	158,431	91,825

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Access to Driver and Vehicle Services in Remote Areas.....	700	2,286	2,358	2,431	2,508
Central Business District (CBD) Transport Plan	-	7,300	5,800	6,000	6,500
Esperance Cleanup and Recovery.....	5,815	-	-	-	-
Grain Freight Network – Transitional Assistance Package.....	-	4,700	-	-	-
Lloyd Street Southern Extension and Underpass	1,000	5,000	29,200	5,000	-
Metropolitan Bicycle Network	-	10,000	10,000	-	-
Planning and Design for Light Rail	-	2,200	1,300	-	-
Port Geographe Development.....	-	1,500	-	-	-
Taxi User Subsidy Scheme.....	1,800	2,706	2,706	2,706	2,706
Efficiency Dividend.....	-	(2,215)	(4,218)	(4,896)	(6,015)

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 they contribute 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 to deliver safe vehicles and safe drivers.	2. Driver and Vehicle 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 and Integrated Planning

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Transport System and Services Development, Planning, Operation and Regulation	105,809	102,212	105,326	123,457	120,441	128,927	124,009
2. Driver and Vehicle Services	151,063	158,501	161,375	161,163	165,622	169,066	168,660
3. Strategic Transport Policy and Integrated Planning	51,266	66,683	65,670	78,538	93,653	56,813	61,145
4. Contribution to Responsible Financial Management.....	-	-	-	(2,215)	(4,218)	(4,896)	(6,015)
Total Cost of Services	308,138	327,396	332,371	360,943	375,498	349,910	347,799

Significant Issues Impacting the Agency

- The rapidly expanding Perth metropolitan area, together with substantially higher population growth projections, is increasing pressure on the urban transport system for general traffic and public transport. A strategic transport planning response for a high quality integrated public transport network, well planned walking and cycling facilities and targeted investment in the road network is essential. These elements are encompassed in the Moving People Network Plan developed by the Department. The CBD Transport Plan, planning for light rail and funding for improvements to the principal shared path bicycle network in this budget specifically target this issue.
- Major projects such as the Perth Waterfront Development and Perth City Link will impact on traffic flow in and around the city. The CBD Transport Plan addresses this issue through implementation of a series of inner-city congestion initiatives to better meet the needs of drivers, users of public transport, pedestrians and cyclists.

- A new rapid transit system, with the capacity to move large volumes of people during peak hours, is needed for the central northern suburbs. Projected volumes for this corridor suggest that this should be planned as a light rail route. The 2012-13 Budget provides additional funding that will go towards selecting route, concept and systems design for light rail and assessment of procurement options and urban development opportunities.
- The economic outlook requires development of medium and long-term strategies for managing the freight task across Western Australia. The Department is developing strategic freight network plans for regional Western Australia and metropolitan Perth, with both scheduled for completion in 2012. The strategies will guide the development of the freight transport network by quantifying future freight demands and long-term transport needs of industries and communities. The strategies will identify potential policy changes and network planning needs, and investment priorities in road, rail and ports to facilitate economic growth and ensure optimal network performance.
- The rapidly expanding resources sector is generating a high demand for movement of large, indivisible loads between Perth and the regions. The Department is leading a study to define a future road network for large, indivisible load movements up to 2031. The study will identify infrastructure (such as street furniture, bridges and power lines) that may be affected by particular cargo sizes, and potential works that may result.
- Continued economic growth is placing increased pressure on Western Australian ports and their ability to respond to demand for port infrastructure and export capacity allocations. The Government has recently endorsed a Ports Governance Review which includes a phased consolidation of the existing 20 regional Western Australian ports under the jurisdiction of four new port authorities, to be formed through the amalgamation of the existing seven regional port authorities. Fremantle Port Authority will remain a separate entity. Consultation will occur in 2012 and take account of existing contract arrangements, with legislative changes introduced in 2013 and amalgamations to commence in 2014.
- The aviation industry in Western Australia plays a crucial role in the State's economy and in contributing to social cohesion. Western Australia is a vast State with widely dispersed towns, settlements and mine sites. Air services are vital in connecting our population centres. Air services facilitate business activity, play a crucial role in the operation of the resources industry and underpin tourism. The rapid growth of air passenger movements in Western Australia, especially fly-in/fly-out services to the minerals and resources industry, has heightened the need for a State Aviation Strategy to provide a sound policy framework and clear direction for investment in aviation infrastructure and services over the medium to long-term. A draft Western Australian Aviation Strategy is expected to be released for public comment in 2012.
- Road safety is an issue for all Western Australians. Consistent with the Department's desired outcome for safe drivers, particularly young drivers, the Government is doubling the number of supervised driving hours required to be undertaken by learner drivers from 25 to 50 before they sit their practical driving test.
- The Department continues to implement initiatives to provide a more convenient licensing service to clients, who can:
 - check the availability, design, and order personalised plates;
 - create and purchase a temporary permit to move unlicensed vehicles;
 - pay online for their vehicle examination;
 - check the number of demerit points currently held against their Western Australian driver's licence;
 - pay driver's licence and vehicle registration;
 - locate their account number to enable them to pay online; and
 - check the renewal dates for their driver's licence and vehicle registrations.
- Access to driver and vehicle services to people living in remote communities is challenging. The introduction of Driver and Vehicle Licensing Outreach Services in the West and East Kimberley, the Pilbara and the Goldfields regions will mean that many people living in remote Western Australia, particularly remote Indigenous communities, will now be able to access the full range of licensing services. Wherever possible, the Outreach Services will provide a regular, online driver and vehicle licensing service, including licence renewal payments, vehicle transfers and the issue and surrender of number plates. The Outreach Services will also issue learners permits and conduct practical driving assessments.

- The Government is committed to improving the taxi industry by implementing its Taxi Action Plan and Taxi Industry Security Taskforce initiatives. These initiatives address antisocial behaviour in taxis and improve security and safety standards for taxi drivers and their passengers. The plan also includes the release of 303 conventional and 47 multi-purpose taxi plates to meet the growing demand for taxis and development of an Occupational Licensing Bill to deliver enhanced service standards with improved taxi driver training and entry requirements. Importantly, the new Bill will introduce a Taxi Driver Penalty Point Scheme to identify taxi drivers who continually commit breaches of the Taxi Regulations 1995. Recalcitrant drivers will be removed from the industry, compliance capacity will be strengthened and the upgrade of cameras in all metropolitan taxis will continue.
- The Department, in conjunction with the Swan River Trust, is in the process of completing a comprehensive review of aquatic usage in the Swan and Canning Riverpark following extensive public consultation. The review will lead to the development of safer and more equitable access to aquatic facilities in the Riverpark.
- The Government continues to seek a long-term solution to the sand and seagrass issues at Port Geographe. Proposals are being developed for modifications to the existing coastal structures to overcome these issues in consultation with key stakeholders, and will be considered by government in 2012. The Department will continue to undertake coastal maintenance to mitigate ongoing concerns.
- Esperance was contaminated during handling and loading of lead carbonate at the Esperance Port from April 2005 to March 2007. The Department has now completed a comprehensive clean up of the Esperance townsite and will continue to monitor the area into the future.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: An accessible and safe transport system:					
Percentage of standard metropolitan (non-multi-purpose) taxi jobs which were not covered - peak	3.1%	n/a	4.6%	1.0%	1
Percentage of standard metropolitan (non-multi-purpose) taxi jobs which were not covered - off-peak	1.1%	n/a	1.6%	0.5%	1
Percentage by which, the waiting time standard, for metropolitan area taxis, is met.	91.9%	91.0%	92.1%	91.0%	
Percentage of time maritime infrastructure is fit for purpose when required	99.73%	99.71%	99.83%	99.71%	
Number of serious rail accidents per million train kilometres.....	2.38	3.30	2.38	2.38	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels.	12.52	9.00	10.60	10.00	
Rate of reported incidents (accidents) on the water per 100 commercial vessels surveyed under the Western Australian Marine Act 1982.....	5.95	4.00	4.50	4.50	
Percentage of 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 to deliver safe vehicles and safe drivers:					
Percentage of vehicle examinations completed in accordance with the Australian Design Rules assessed by independent audit (Safe Vehicles)	99.8%	100%	99.67%	100%	
Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing system assessed by independent audit (Safe Drivers).....	84.5%	100%	80.0%	100%	
Outcome: Integrated transport systems that facilitate economic development:					
Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle port.....	11.5%	13.0%	13.0%	14.0%	

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

Explanation of Significant Movements

(Notes)

1. This is a new indicator approved for commencement in 2012-13 and therefore there is no budget target for 2011-12.

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.

	2010-11 Actual ^(a)	2011-12 Budget ^(a)	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 105,809	\$'000 102,212	\$'000 105,326	\$'000 123,457	
Less Income	56,503	65,891	67,333	84,375	
Net Cost of Service.....	49,306	36,321	37,993	39,082	
Employees (Full Time Equivalents).....	283	285	286	286	
Efficiency Indicators					
Average Cost per Household Contacted Under the Travelsmart Scheme	\$182.42	\$145.48	\$307.35	\$466.81	
Cost of Regulation per Taxi Plate Administered.....	\$2,959	\$3,317.94	\$3139.88	\$2979.42	
Average Cost per Day per Maritime Infrastructure Asset Managed	\$58.28	\$55.17	\$59.64	\$58.67	
Average Survey Cost per Commercial Vessel	\$2,429	\$2,365.84	\$2495.41	\$2939.17	
Average Cost per Private Recreational Vessel Registration.....	\$113.26	\$111	\$109.66	\$98.54	
Cost to Maintain Pollution Response Preparedness per Registered Vessel	\$24.48	\$17.62	\$18.87	\$20.36	

- (a) In order to make the above table meaningful for comparative purposes adjustments of costs between services in 2012-13 are reflected in the 2010-11 Actual and 2011-12 Budget figures.

2: Driver and Vehicle 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.

	2010-11 Actual ^(a)	2011-12 Budget ^(a)	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 151,063	\$'000 158,501	\$'000 161,375	\$'000 161,163	
Less Income	92,558	105,936	90,341	85,531	
Net Cost of Service.....	58,505	52,565	71,034	75,632	
Employees (Full Time Equivalents).....	1,033	1,040	1,038	1,044	
Efficiency Indicators					
Average Cost per Vehicle and Driver Transaction.....	\$17.19	\$17.76	\$17.23	\$16.67	
Average Cost per Vehicle Inspection.....	\$81.22	\$74.06	\$81.29	\$85.90	
Average Cost per Driver Assessment	\$77.94	\$64.15	\$89.39	\$84.72	
Percentage of Driver Licence Cards Issued within 21 Days of Completed Application	99.9%	99%	100%	100%	

(a) In order to make the above table meaningful for comparative purposes adjustments of costs between services in 2012-13 are reflected in the 2010-11 Actual and 2011-12 Budget figures.

3: Strategic Transport Policy and Integrated Planning

This service contributes to the Government's Framework for the Strategic Management goal 'State Building – Major Projects' by providing leadership for strategic management, development and protection of economic transport nodes and networks 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 those of national significance and those involving multi-modal solutions;
- ensuring the transport policy framework supports cost effective transport systems and services;
- developing an agreed State-wide Integrated Transport Strategy;
- 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.

	2010-11 Actual ^(a)	2011-12 Budget ^(a)	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	51,266	66,683	65,670	78,538	
Less Income	33,991	31,196	31,859	37,073	
Net Cost of Service.....	17,275	35,487	33,811	41,465	
Employees (Full Time Equivalents).....	142	143	143	143	
Efficiency Indicators					
Average Cost per Policy Hour for Strategic Transport Policy Development	\$109.78	\$65.96	\$98.03	\$90.60	
Average Cost per Planning Hour for Integrated Transport Planning Development.....	\$149.73	\$88.46	\$91.61	\$102.88	

(a) In order to make the above table meaningful for comparative purposes adjustments of costs between services in 2012-13 are reflected in the 2010-11 Actual and 2011-12 Budget figures.

ASSET INVESTMENT PROGRAM

The Department's planned asset investment for 2012-13 is \$44.2 million, comprising \$4.7 million of new works and \$39.5 million of work in progress.

Major projects include:

Augusta Boat Harbour

A new boat harbour will be constructed at Flat Rock in Flinders Bay, about 4 km south of the town of Augusta, over the next two years. Large rock breakwaters will be built to create the sheltered water that is needed to enable safe boating access to the ocean waters of the region. Within the harbour, a four lane boat ramp will be provided for smaller recreational boats; and a service jetty will allow larger commercial vessels to safely and efficiently transfer passengers and product. Harbour land will be created to facilitate and enhance the growth in tourism and commercial development in the region.

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 and a dredged basin. 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.

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.

Driver and Vehicle Services Reform Program

This program of works is to continue increasing 'self-service' capability and modernising the delivery of licensing services through development of web-based applications and accommodation improvements for improved customer service.

Information and Communications Infrastructure

This program of works is for the ongoing management of Information and Communications Technology infrastructure and applications. This includes the asset upgrade and replacement of data storage, networks, servers, communications hardware and corporate information systems.

Exmouth Floating Pens

The construction of new floating pens at Exmouth Boat Harbour will address the critical shortage of boat mooring pens in the region, support the development of marine tourism and recreational activities, and enhance business opportunities associated with the resources sector.

Kewdale Intermodal Terminal and Rail Network (KIMT)

This project is one of three components within the Kewdale Intermodal Rail Supply Chain. The KIMT will support the rail service moving containers between Fremantle Inner Harbour and the Kewdale-Welshpool-Forrestfield area. It will serve the largest and most concentrated industrial area in Perth and increase the operational efficiency of the freight rail link servicing Fremantle Port's container trade, providing an inland site for road pick-up and delivery, as well as empty container storage and management services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Coastal Infrastructure							
Augusta Boat Harbour ^(a)	25,000	2,500	2,500	10,000	12,500	-	-
Batavia Coast Marina - Additional Boat Mooring Pens	3,852	2,407	856	-	1,445	-	-
Broome Boating Facility - Stage One ^(a)	35,000	2,415	1,500	2,000	400	25,000	5,185
Maritime Facilities Program	106,485	20,182	5,645	7,694	5,795	8,288	8,808
Corporate - Accommodation and Refurbishment	7,934	1,571	273	373	445	449	633
Driver and Vehicle Services							
Driver and Vehicle Services Reform Program	56,463	19,549	4,324	4,913	2,934	2,153	4,514
Information and Communications Infrastructure	57,219	3,311	3,311	5,504	4,638	4,601	4,823
Major Transport Project Development - Kewdale							
Intermodal Terminal and Rail Network	25,552	800	800	7,200	17,552	-	-
Marine Safety							
Marine Oil Pollution Response Equipment -							
Enhancement/Replacement Program	1,541	661	175	48	48	49	175
Navigations Aids - Navigational Aids Program	7,610	492	361	654	520	560	560
Vessel Replacement	8,089	2,184	570	460	460	460	510
Minor Works - Minor Works	6,596	917	549	158	207	823	728
Passenger Services Business Unit - Taxi Industry Security							
Initiatives	550	88	88	462	-	-	-
COMPLETED WORKS							
Coastal Infrastructure							
Carnarvon Boat Ramp Project ^(a)	3,000	3,000	1,240	-	-	-	-
Wyndham Port Facility Upgrade	10,000	10,000	5,831	-	-	-	-
Corporate - Office Accommodation - Exmouth	415	415	26	-	-	-	-
Investment and Finance Coordination - Office of Shared							
Services Decommissioning	1,430	1,430	1,430	-	-	-	-
NEW WORKS							
Coastal Infrastructure - Exmouth Floating Pens	2,299	-	-	2,299	-	-	-
Investment and Finance Coordination							
CBD Transport Plan	9,200	-	-	2,400	3,200	3,600	-
Nation Building Program 2	946,000	-	-	-	-	458,000	488,000
Total Cost of Asset Investment Program	1,314,235	71,922	29,479	44,165	50,144	503,983	513,936
FUNDED BY							
Capital Appropriation			9,570	18,201	16,989	129,180	199,882
Commonwealth Grants			-	4,550	12,226	340,000	300,000
Internal Funds and Balances			13,759	9,114	8,029	9,803	8,869
Drawdowns from Royalties for Regions Fund ^(b)			6,150	12,300	12,900	25,000	5,185
Total Funding			29,479	44,165	50,144	503,983	513,936

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	111,655	119,678	120,900	127,871	129,219	130,608	132,053
Grants and subsidies ^(c)	73,534	101,045	91,442	112,313	129,631	95,061	80,975
Supplies and services	71,840	59,991	64,092	72,362	70,367	76,562	86,821
Accommodation	13,735	14,155	15,439	14,819	15,129	15,583	16,050
Depreciation and amortisation	11,121	11,442	12,207	12,207	12,207	12,207	12,207
Efficiency dividend	-	-	-	(2,215)	(4,218)	(4,896)	(6,015)
Other expenses	26,253	21,085	28,291	23,586	23,163	24,785	25,708
TOTAL COST OF SERVICES	308,138	327,396	332,371	360,943	375,498	349,910	347,799
Income							
Sale of goods and services	16,086	16,395	16,560	17,734	18,421	19,132	18,998
Regulatory fees and fines	119,479	126,632	123,190	138,387	142,679	147,110	151,386
Grants and subsidies	23,241	28,344	16,742	8,422	15,193	342,910	302,910
Other revenue	24,246	31,652	33,041	42,436	36,718	37,027	36,994
Total Income	183,052	203,023	189,533	206,979	213,011	546,179	510,288
NET COST OF SERVICES	125,086	124,373	142,838	153,964	162,487	(196,269)	(162,489)
INCOME FROM STATE GOVERNMENT							
Service appropriations	143,513	132,916	152,742	144,320	163,872	133,417	134,189
Resources received free of charge	1,019	1,949	1,949	1,969	1,989	1,989	1,989
Royalties for Regions Fund ^(d)	4,597	22,933	21,320	37,400	34,691	32,546	25,473
TOTAL INCOME FROM STATE GOVERNMENT	149,129	157,798	176,011	183,689	200,552	167,952	161,651
SURPLUS/(DEFICIENCY) FOR THE PERIOD	24,043	33,425	33,173	29,725	38,065	364,221	324,140

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

(b) The Full Time Equivalents for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 1,458, 1,467 and 1,473 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$4.6 million (2010-11), \$22.9 million (2011-12), \$7.9 million (2011-12 Estimated Out Turn), \$12.3 million (2012-13), \$9.8 million (2013-14), \$8.9 million (2014-15), \$0.7 million (2015-16), Regional Community Services Fund - \$13.4 million (2011-12 Estimated Out Turn), \$25.2 million (2012-13), \$24.9 million (2013-14), \$23.6 million (2014-15) and \$24.8 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Aviation (Public Air Route) Subsidies.....	1,114	852	1,700	852	852	852	852
CBD Transport Plan	-	-	-	7,250	5,750	5,850	3,850
Coastal Projects and Zone Management	998	1,057	1,056	1,056	1,056	1,056	1,056
Community Police	820	820	945	1,300	1,300	1,300	1,300
Country Age Pension Fuel Card Scheme.....	20,125	23,676	23,676	22,233	24,223	23,201	24,361
Emergency Vehicle Insurance	-	120	120	120	120	120	120
Fare Subsidies (Pensioners).....	1,271	1,590	1,589	1,589	1,589	1,589	1,589
Fremantle Port Rail Service.....	2,121	-	3,000	-	-	-	-
Grain Freight Network Rescue - Transitional Assistance Package	1,881	7,732	2,732	6,100	1,400	1,400	1,400
Lloyd Street Southern Extension and Underpass	-	-	1,000	5,000	29,200	5,000	-
Marine Communications	469	469	469	535	535	535	535
Marine Safety	-	234	234	243	243	243	243
Metropolitan Bicycle Network/Country Pathways.....	2,673	2,660	2,660	12,660	12,660	2,660	2,660
Metropolitan Taxi Camera Surveillance Unit Replacement Project	-	4,360	4,226	2,576	670	-	-
Milligan Street Taxi Rank - Safer Northbridge Initiative.....	1,109	-	-	-	-	-	-
National Transport Commission	396	568	425	542	296	306	306
North West Shipping Service	5,613	8,573	8,573	8,573	8,573	8,573	8,573
Other Grants and Subsidies.....	2,661	2,341	1,933	747	747	747	747
Port of Wyndham	2,165	2,053	2,053	1,935	1,935	1,935	1,935
Public Transport Authority - Perth Parking Fees and CAT Replacement, CAT Depot and Service Extension.....	12,694	12,936	12,936	13,218	13,678	13,692	13,692
Recreational Boat Facilities	-	1,500	1,362	1,500	1,500	1,500	1,500
Regional Airport Development Scheme	4,326	10,073	8,523	6,940	4,740	5,886	1,940
Royalties for Regions - Regional Recreational Boat Facilities	1,366	8,300	800	5,000	5,000	5,000	700
Royalties for Regions - Tantibiddi Boat Ramp...	-	1,500	-	-	-	-	-
Student Fare Concessions	1,187	1,241	1,240	1,241	1,240	1,240	1,240
Taxi User - Lifting Subsidy	1,168	1,390	1,390	1,398	1,398	1,398	1,398
Taxi User Subsidy Scheme.....	9,377	7,000	8,800	9,705	10,926	10,978	10,978
TOTAL.....	73,534	101,045	91,442	112,313	129,631	95,061	80,975

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	27,122	25,860	38,283	51,218	62,358	67,392	69,152
Restricted cash.....	63,406	70,101	75,407	75,095	78,981	88,181	22,673
Receivables.....	8,310	6,190	8,310	8,310	8,310	8,310	8,310
Other.....	1,896	1,191	1,896	1,896	1,896	1,896	1,896
Total current assets.....	100,734	103,342	123,896	136,519	151,545	165,779	102,031
NON-CURRENT ASSETS							
Holding account receivables.....	122,031	135,648	149,327	164,653	179,978	195,303	210,628
Property, plant and equipment.....	314,062	354,021	338,635	376,150	414,768	907,225	1,409,735
Intangibles.....	15,721	11,591	16,877	14,351	13,670	12,989	12,208
Restricted cash.....	1,686	1,228	2,428	2,584	2,721	2,858	-
Other.....	-	-	275	275	275	275	275
Total non-current assets.....	453,500	502,488	507,542	558,013	611,412	1,118,650	1,632,846
TOTAL ASSETS.....	554,234	605,830	631,438	694,532	762,957	1,284,429	1,734,877
CURRENT LIABILITIES							
Employee provisions.....	13,262	13,341	13,228	13,228	13,228	13,228	13,228
Payables.....	8,165	6,572	8,165	8,165	8,165	8,165	8,165
Other.....	16,284	5,681	16,187	15,505	15,458	15,411	11,134
Total current liabilities.....	37,711	25,594	37,580	36,898	36,851	36,804	32,527
NON-CURRENT LIABILITIES							
Employee provisions.....	12,628	11,788	15,657	18,775	21,893	25,011	28,129
Borrowings.....	26	-	26	26	26	26	26
Other.....	173	1,747	173	173	173	173	173
Total non-current liabilities.....	12,827	13,535	15,856	18,974	22,092	25,210	28,328
TOTAL LIABILITIES.....	50,538	39,129	53,436	55,872	58,943	62,014	60,855
EQUITY							
Contributed equity.....	431,483	469,755	472,616	503,549	530,838	685,018	812,485
Accumulated surplus/(deficit).....	55,907	85,582	89,080	118,805	156,870	521,091	845,231
Reserves.....	16,306	11,364	16,306	16,306	16,306	16,306	16,306
Total equity.....	503,696	566,701	578,002	638,660	704,014	1,222,415	1,674,022
TOTAL LIABILITIES AND EQUITY.....	554,234	605,830	631,438	694,532	762,957	1,284,429	1,734,877

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	129,307	118,710	137,417	128,995	148,547	118,092	118,864
Capital appropriation	9,859	9,020	9,570	18,201	16,989	129,180	199,882
Royalties for Regions Fund ^(b)	7,747	42,783	27,470	49,700	47,591	57,546	30,658
Net cash provided by State Government.....	146,913	170,513	174,457	196,896	213,127	304,818	349,404
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(107,632)	(116,628)	(116,896)	(124,330)	(125,678)	(127,067)	(132,742)
Grants and subsidies	(71,983)	(101,045)	(91,442)	(112,313)	(129,631)	(95,061)	(80,975)
Supplies and services	(56,669)	(55,305)	(59,994)	(68,394)	(66,319)	(72,452)	(82,647)
Accommodation.....	(13,699)	(14,344)	(15,628)	(15,008)	(15,318)	(15,583)	(16,050)
Efficiency dividend.....	-	-	-	2,215	4,218	4,896	6,015
Other payments.....	(48,261)	(24,740)	(31,358)	(26,503)	(26,140)	(28,013)	(29,000)
Receipts							
Regulatory fees and fines.....	68,839	70,686	71,436	82,043	84,819	87,013	87,696
Grants and subsidies	23,096	28,344	16,742	8,422	15,193	342,910	302,910
Sale of goods and services	15,924	16,395	16,560	17,734	18,421	19,132	18,998
Taxation.....	48,773	54,840	50,648	55,239	57,390	59,627	63,220
GST receipts	15,584	1,107	1,107	1,107	1,107	1,107	1,107
Other receipts.....	23,266	31,652	33,041	42,436	36,718	37,027	36,994
Net cash from operating activities.....	(102,762)	(109,038)	(125,784)	(137,352)	(145,220)	213,536	175,526
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(24,608)	(42,621)	(29,479)	(44,165)	(50,144)	(503,983)	(513,936)
Proceeds from sale of non-current assets	50	-	-	-	-	-	-
Net cash from investing activities.....	(24,558)	(42,621)	(29,479)	(44,165)	(50,144)	(503,983)	(513,936)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	(12)	-	-	-	-	-	-
Net cash from financing activities.....	(12)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	19,581	18,854	19,194	15,379	17,763	14,371	10,994
Cash assets at the beginning of the reporting period.....	71,254	78,335	92,214	116,118	128,897	144,060	158,431
Net cash transferred to/from other agencies.....	1,379	-	4,710	(2,600)	(2,600)	-	(77,600)
Cash assets at the end of the reporting period.....	92,214	97,189	116,118	128,897	144,060	158,431	91,825

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

(b) Regional Infrastructure and Headworks Fund - \$7.7 million (2010-11), \$42.8 million (2011-12), \$14.1 million (2011-12 Estimated Out Turn), \$24.6 million (2012-13), \$22.7 million (2013-14), \$33.9 million (2014-15), \$5.9 million (2015-16), Regional Community Services Fund - \$0 million(2010-11), \$0 million(2011-12), \$13.4 million (2011-12 Estimated Out Turn), \$25.2 million (2012-13), \$24.9 million (2013-14), \$23.6 million (2014-15) and \$24.8 million (2015-16).

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Taxation							
Conservancy Fees	291	314	314	320	328	339	348
Motor Vehicle Licence Fees	522,304	537,272	552,049	596,694	630,250	661,371	698,348
Motor Vehicle Recording Fees	44,985	46,930	46,930	47,423	48,722	50,059	52,800
Fines							
Speed and Red Light Fines ^(a)	47,295	77,187	75,110	75,279	82,123	82,123	82,123
Final Demand Fees	1,562	2,000	2,000	2,000	2,000	2,000	2,000
Plate and Transfer Infringements	6,856	6,400	6,400	6,465	6,644	6,829	6,953
Other Fines	26,033	26,587	26,587	30,165	28,604	27,042	27,042
Other							
Motor Drivers' Licences	40,424	38,652	39,029	33,514	34,452	35,405	42,929
Firearm Licence Fees	3,444	3,600	3,600	3,740	3,900	3,985	4,121
Dealer Plates Annual Fees	232	220	220	94	97	100	102
Collection of Interstate Licence Fees	2,072	-	-	-	-	-	-
Appropriation	329	329	80	85	90	95	100
TOTAL INCOME	695,827	739,491	752,319	795,779	837,210	869,348	916,866
EXPENSES							
Statutory Authorities							
Western Australian Coastal Shipping Commission	329	329	80	85	90	95	100
Other							
Payments to Consolidated Account	673,501	687,704	702,166	720,415	754,997	787,130	834,643
Payment to Road Trauma Trust Account ^(b)	15,765	51,458	50,073	75,279	82,123	82,123	82,123
All Other Expenses	5,375	-	-	-	-	-	-
TOTAL EXPENSES	694,970	739,491	752,319	795,779	837,210	869,348	916,866

- (a) With the exception of amounts budgeted for 2011-12, Speed and Red Light Fines estimated to be collected by the Fines Enforcement Registry are reflected in the Budget Statements of the Department of the Attorney General.
- (b) For Speed and Red Light Fines, in 2011-12 two-thirds of revenue collected will be paid into the Road Trauma Trust Account and from 2012-13 and thereafter, 100% of revenue collected will be paid into the Road Trauma Trust Account.

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Boat Registration Fees	11,783	12,392	11,953	12,907	13,911	14,468	15,046
Jetty Licences	501	521	521	515	531	547	563
Marine Examinations	624	766	770	901	937	964	991
Motor Drivers	14,744	17,005	15,058	16,760	16,943	17,560	18,203
Motor Vehicle Plates	12,773	13,697	15,518	16,391	16,401	16,993	17,843
Motor Vehicles	21,359	23,504	20,531	22,608	23,905	24,859	25,851
Other Revenue	740	668	618	707	798	830	863
Proof of Age Card	789	551	562	562	948	986	1,025
Recoup for Services Provided	15,855	16,160	16,325	17,539	18,224	18,937	19,679
Temporary Permits	834	633	646	646	871	906	942
TOTAL	80,002	85,897	82,502	89,536	93,469	97,050	101,006

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; EMERGENCY SERVICES

DIVISION 54

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 86 Net amount appropriated to deliver services.....	145,714	216,255	209,297	199,032	224,245	193,661	194,770
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	352	365	365	377	389	401	401
- Road Traffic Act 1974.....	409,125	445,036	459,813	526,933	529,461	607,100	644,277
Total appropriations provided to deliver services	555,191	661,656	669,475	726,342	754,095	801,162	839,448
CAPITAL							
Item 152 Capital Appropriation ^(a)	114,065	213,519	160,170	232,769	215,875	78,039	7,032
Amount Authorised by Other Statutes							
- Road Traffic Act 1974.....	119,110	97,466	97,466	75,162	106,389	60,071	60,071
TOTAL APPROPRIATIONS.....	788,366	972,641	927,111	1,034,273	1,076,359	939,272	906,551
EXPENSES							
Adjusted Total Cost of Services ^(b)	1,175,483	1,470,849	1,525,602	1,723,383	1,541,988	1,221,096	1,126,594
Adjusted Net Cost of Services ^(c)	920,984	1,038,129	1,020,269	1,152,633	1,173,830	1,017,871	978,884
CASH ASSETS ^(d)	225,204	287,654	256,669	233,980	275,189	335,210	400,991

- (a) Capital Appropriation includes funding for loan repayments consisting of \$5.0 million in 2010-11 and \$5.0 million per annum through to 2015-16.
- (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 Service 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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Additional Traffic Capacity - Graham Farmer Freeway Tunnel and Mitchell Freeway	-	-	1,600	2,900	2,900
Inner City Congestion - Active Traffic Management.....	-	3,250	4,250	4,250	2,250
Local Government Grants.....	3,990	8,385	8,753	9,105	19,089
Road Maintenance.....	22,877	15,345	16,883	17,595	45,751
Road Trauma Trust Account - Metropolitan Intersection Crashes	-	14,290	-	-	-
Road Trauma Trust Account - Regional and Remote Road Improvements	-	13,300	-	-	-
Efficiency Dividend.....	-	(753)	(1,802)	(1,074)	(1,364)

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; Emergency Services	1. Road Safety 2. Road Safety Management 3. Road Efficiency Improvements 4. Infrastructure for Community Access 5. Road Network Maintenance 6. Infrastructure for State Development
Minister for Police; 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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Road Safety	102,135	85,796	116,782	92,066	78,667	83,309	82,914
2. Road System Management	85,855	81,685	119,223	152,436	180,840	189,570	201,959
3. Road Efficiency Improvements	225,445	461,108	441,332	389,499	496,027	221,398	123,534
4. Infrastructure for Community Access	40,730	29,027	35,285	16,219	19,824	19,171	20,673
5. Road Network Maintenance	581,707	584,066	613,707	598,806	612,750	646,613	654,447
6. Infrastructure for State Development.....	114,526	199,748	167,483	386,095	122,763	30,613	14,967
7. Office of Road Safety	25,085	29,419	31,790	89,015	32,919	31,496	29,464
8. Contribution to Responsible Financial Management.....	-	-	-	(753)	(1,802)	(1,074)	(1,364)
Total Cost of Services	1,175,483	1,470,849	1,525,602	1,723,383	1,541,988	1,221,096	1,126,594

Significant Issues Impacting the Agency

- The next tranche of the joint Commonwealth/State funded Nation Building Program is scheduled to commence on 1 July 2014. Projects to be funded under that program will be identified and agreed during the 2012-13 financial year by the respective governments. Accordingly, significant planning and business case development is required to ensure that priorities are well-established in readiness for commencement of the new program.
- Main Roads continues to coordinate and monitor the progress towards State road safety goals. With Cabinet approving an increase in the proportion of speed and red light camera inflows that are allocated to the Road Trauma Trust Account, the focus in 2012-13 will be on ensuring that the additional funds are invested in priority, evidence based programs that reduce deaths and serious injuries on Western Australian roads. Priorities for implementation are safe system treatments to reduce run-off-road crashes in regional areas and multiple vehicle crashes at intersections in urban areas, enhanced speed, drink and drug driving enforcement and initiatives to improve vehicle safety and the protection of occupants and other road users. These priority interventions will continue to be informed and supported by data collection and analysis, research, development, monitoring and reporting and school and community education.
- Main Roads has an ongoing role, in consultation with the Department of Transport and key stakeholders, for the planning, design and delivery of a road network to meet the ever-increasing demands generated by the resource sector and population growth generally. This includes:
 - maintaining and improving major regional transport routes for freight and passenger vehicles;
 - addressing increasing congestion on the urban road network as the State's vehicle fleet continues to grow at the fastest rate in Australia coupled with a 30.0% increase in kilometres travelled in less than a decade;
 - providing the community with a greater ability to make real time informed travel decisions with a focus on achieving better integration of transport modes to improve productivity, efficiency and safety;
 - securing long-term sustainable funding arrangements to address necessary maintenance works aimed at achieving minimum whole of life cycle cost for the road asset;
 - achieving timeframes associated with implementation of regulatory reform aimed at achieving a seamless transport system including heavy vehicle productivity, regulation and possible future road pricing mechanisms as determined by the Council of Australian Governments (COAG); and
 - attracting and retaining an appropriate skilled workforce in the face of an ageing workforce and increasing demand and competition for similar skills from the resources sector.
- The safety of our school children and the observance of 40 km/h school zones by drivers is an important issue for the community. To address this, the Government is accelerating the implementation of solar powered electronic school zone signs. This will increase the number of school zone sites from the existing 76 schools to over 130 schools by the end of 2012-13.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: A safe road environment:					
Community satisfaction with road safety.....	90%	90%	95%	90%	
Blackspot location indicator	10.6	11.0	11.0	11.0	
Outcome: Reliable and efficient movement of people and goods:					
Community satisfaction.....	97%	90%	95%	90%	
Road network permitted for use by heavy freight vehicles:					
- B-Doubles 27.5m.....	96%	98%	96%	96%	
- Double road trains 27.5m	96%	98%	96%	96%	
- Double road trains 36.5m	78%	79%	78%	78%	
- Triple road trains 53.5m	44%	44%	44%	44%	
Network configuration - roads	89%	90%	90%	90%	
Network configuration - bridges:					
- Strength	95%	95%	95%	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.....	85	70	70	70	
Community satisfaction with cycleways and pedestrian facilities	90%	90%	90%	90%	
Outcome: A well maintained road network:					
Smooth travel exposure	98%	97%	97%	97%	
Community satisfaction with road maintenance	94%	90%	90%	90%	
Preventative maintenance indicator	85%	84%	85%	85%	
Performance of traffic signals, road lighting and emergency phones:					
- Availability of traffic signals	99%	99%	99%	99%	
- Availability of lighting	97%	99%	99%	99%	
- Availability of emergency telephones.....	100%	99%	99%	99%	
Outcome: Facilitate economic and regional development:					
Return on construction expenditure.....	2.7	2.0	2.1	2.5	
Outcome: Improve coordination and community awareness of road safety in Western Australia:					
Effectiveness of road safety awareness campaigns.....	100%	80%	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: 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 102,135	\$'000 85,796	\$'000 116,782	\$'000 92,066	1
Less Income	14,294	6,485	14,290	6,485	
Net Cost of Service.....	87,841	79,311	102,492	85,581	
Employees (Full Time Equivalents).....	48	48	48	48	
Efficiency Indicators					
Percentage of Projects Completed on Time	61%	90%	55%	90%	
Percentage of Projects Completed on Budget	88%	90%	90%	90%	

Explanation of Significant Movements

(Notes)

1. The increase between the 2011-12 Budget and the 2011-12 Estimated Actual is mainly due to an injection of Black Spot and Rail Crossing funding partly due to the carry over of works from the previous year.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 85,855	\$'000 81,685	\$'000 119,223	\$'000 152,436	1
Less Income	965	-	-	-	
Net Cost of Service.....	84,890	81,685	119,223	152,436	
Employees (Full Time Equivalents).....	551	551	551	551	
Efficiency Indicators					
Average Cost of Network Management per Million Vehicle Kilometres Travelled.....	\$3,518	\$3,509	\$3,486	\$3,743	

Explanation of Significant Movements

(Notes)

1. With the completion of the move from Term Network Contracts to Integrated Service Arrangements, Main Roads now retains a greater role in metropolitan and regional road asset management. Coupled with the increased activity in the area of Managed Motorways, this program has increased in anticipated funding from the 2011-12 Budget position.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	225,445	461,108	441,332	389,499	1, 2
Less Income	104,196	195,711	221,776	158,043	
Net Cost of Service.....	121,249	265,397	219,556	231,456	
Employees (Full Time Equivalents).....	89	89	87	93	
Efficiency Indicators					
Percentage of Projects Completed on Time	57%	90%	55%	90%	
Percentage of Projects Completed on Budget	86%	90%	90%	90%	

Explanation of Significant Movements

(Notes)

- The reduction between the 2011-12 Budget and 2011-12 Estimated Actual is mainly due to delays in expected works on the following:
 - \$7.0 million on Great Eastern Highway, Roe Highway Interchange;
 - \$8.1 million on Great Eastern Highway, Kooyong Road to Tonkin Highway; and
 - \$6.9 million on Kwinana Freeway, third lane from Leach Highway to Roe Highway.
- The anticipated reduction in Capital works between the 2011-12 Estimated Actual and the 2012-13 Budget Target is mainly due to the following:
 - \$37.8 million reduction on Kwinana Freeway, third lane from Leach Highway to Roe Highway; and
 - \$32.6 million reduction on Great Eastern Highway, Roe Highway Interchange.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 40,730	\$'000 29,027	\$'000 35,285	\$'000 16,219	1
Less Income	15,327	-	-	-	
Net Cost of Service.....	25,403	29,027	35,285	16,219	
Employees (Full Time Equivalents).....	28	28	28	28	
Efficiency Indicators					
Percentage of Projects Completed on Time	50%	90%	75%	90%	
Percentage of Projects Completed on Budget	100%	90%	90%	90%	

Explanation of Significant Movements

(Notes)

1. The reduction between the 2011-12 Estimated Actual and the 2012-13 Budget Target is mainly due to the anticipated finalisation of the works on the Fitzgerald River National Park Road Upgrade and Walk Trail.

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 Intergrated Service Arrangements.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 581,707	\$'000 584,066	\$'000 613,707	\$'000 598,806	1
Less Income	91,083	81,952	134,373	88,811	
Net Cost of Service.....	490,624	502,114	479,334	509,995	
Employees (Full Time Equivalents).....	153	146	140	146	
Efficiency Indicators					
Average Cost of Road Network Maintenance per Lane Kilometre of Network	\$6,083	\$6,700	\$8,000	\$7,400	

Explanation of Significant Movements

(Notes)

1. The increase between the 2011-12 Budget and the 2011-12 Estimated Actual is mainly due to additional funding received via the Western Australian Natural Disaster Relief and Recovery Arrangements from the Fire and Emergency Services Authority of Western Australia.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	114,526	199,748	167,483	386,095	1
Less Income	10,798	94,734	74,504	228,095	
Net Cost of Service.....	103,728	105,014	92,979	158,000	
Employees (Full Time Equivalents).....	126	124	124	124	
Efficiency Indicators					
Percentage of Projects Completed on Time	71%	90%	75%	90%	
Percentage of Projects Completed on Budget	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

- The increase between the 2011-12 Estimated Actual and the 2012-13 Budget Target is mainly due to an anticipated increase in works to be undertaken on the following projects:
 - \$118.7 million on the Great Northern Highway, Port Hedland upgrade;
 - \$77.6 million on Coolgardie Esperance Road, Esperance Port Access; and
 - \$34.0 million on the works on the Graham Farmer Freeway Tunnel and Mitchell Freeway.

7: Office of Road Safety

The objective of this program is to improve coordination and community awareness of road safety in Western Australia.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	25,085	29,419	31,790	89,015	
Less Income	17,836	53,838	60,390	89,316	1
Net Cost of Service.....	7,249	(24,419)	(28,600)	(301)	
Employees (Full Time Equivalents).....	23	28	22	28	
Efficiency Indicators					
Percentage of Office of Road Safety Projects Completed on Time.....	90%	90%	90%	90%	
Percentage of Office of Road Safety Projects Completed on Budget.....	88%	90%	90%	90%	

Explanation of Significant Movements

(Notes)

- The increase between the 2011-12 Estimated Actual and the 2012-13 Budget Target is mainly due to the Government decision in 2011 to pay 100% of speed and red light camera fines into the Road Trauma Trust Account from 2012-13.

ASSET INVESTMENT PROGRAM

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

- safety, minimising crashes and injuries associated with road use;
- travel demand management, ensuring efficient freight and commuter traffic movement;
- level of service management, 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 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Coalfields Highway							
Wellington Dam Turnoff to Collie Stage 1	25,000	14,400	6,663	10,600	-	-	-
Coolgardie - Esperance Highway - Esperance Port Access ...	120,018	18,550	16,433	94,000	7,468	-	-
Dampier Highway - Balmoral Road to Burrup Peninsula Road (Stages 2-6) Construct Second Carriageway.....	102,144	66,805	54,996	30,589	4,750	-	-
Eyre Highway							
Caiguna East to Balladonia - Stage 2	301	21	20	280	-	-	-
Heartbreak Ridge - Reconstruct.....	33,404	33,164	-	240	-	-	-
Gateway WA							
Perth Airport and Freight Access	387,581	20,142	11,801	27,688	220,669	119,082	-
Tonkin Highway - Abernethy Road On-ramps	16,349	5,050	4,728	11,299	-	-	-
Gibb River Road - Derby - Gibb River - Wyndham - Improve Formation and Gravel.....	55,805	33,711	2,856	2,461	5,635	4,289	4,503
Graham Farmer Freeway Tunnel and Mitchell Freeway.....	57,000	1,000	1,000	35,000	21,000	-	-
Grain Freight Network - Stage 1.....	43,770	17,044	17,044	24,260	2,466	-	-
Great Eastern Highway							
Kooyong Road to Tonkin Highway Stage 1- Construct Dual Carriageway	267,283	163,724	74,765	83,252	20,307	-	-
Roe Highway - Construct Interchange	112,619	91,246	53,949	21,373	-	-	-
Great Northern Highway							
Fitzroy Crossing to Gogo - Planning and Design.....	4,727	4,327	389	200	200	-	-
Great Northern Highway Enhancement Program - Project Development.....	8,000	1,000	1,000	3,000	4,000	-	-
Port Hedland Upgrade	225,507	26,330	22,425	141,097	58,080	-	-
Kwinana Freeway							
Freight Management System	47,241	5,364	1,679	23,300	18,577	-	-
Intelligent Transport System (ITS)	16,922	5,529	522	8,178	3,215	-	-
Leach Highway to Roe Highway - Widening - Addition of 3rd Lane.....	57,859	49,945	45,749	7,914	-	-	-
Leach Highway - High Street Improvements.....	67,986	200	126	2,486	65,300	-	-
Mandurah Entrance Road - Construct.....	148,456	145,456	4,170	1,000	2,000	-	-
Marble Bar Road							
Coongan Gorge - Construct Re-alignment.....	22,874	667	-	-	-	-	1,209
Mitchell Freeway - Hepburn Avenue to Hodges Drive.....	30,000	825	637	29,175	-	-	-
Perth-Bunbury Highway							
Bunbury Outer Ring Road Stage One - Construct.....	91,085	42,655	28,589	43,968	2,842	1,620	-
Bunbury Port Access Road Stage Two - Construct and Seal Including Bridges	40,527	16,894	10,401	22,684	949	-	-
Eelup Rotary Upgrade	16,000	14,600	14,197	900	500	-	-
Reid Highway - Mirrabooka Avenue Interchange	30,000	29,500	19,872	500	-	-	-
Safer Roads and Bridges Program	210,000	70,000	35,000	35,000	35,000	35,000	35,000
South Street - Murdoch Drive Intersection Upgrade.....	15,000	2,500	1,965	10,000	2,500	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Albany-Lake Grace Road							
Chester Pass Road - Construction	7,280	7,280	879	-	-	-	-
Brookton Highway - Corrigin to Hyden – Widen	25,750	25,750	2	-	-	-	-
Buildings and Equipment 2011-12	7,410	7,410	7,410	-	-	-	-
Capitalised Operational Costs 2011-12	37,437	37,437	37,437	-	-	-	-
Geraldton-Mt Magnet Road - Geraldton Southern Transport Corridor Stage 2 - Construct North West Coastal Highway to Geraldton Airport	41,313	41,313	1,381	-	-	-	-
Great Northern Highway							
Muchea to Wubin - Reconstruct and Widen Various Sections and Construct Passing Lanes	125,259	125,259	198	-	-	-	-
Roe Highway to Muchea - Reconstruct and Widen Various Sections and Construct Passing Lanes	91,587	91,587	3,038	-	-	-	-
Greenlands Road - New Perth Bunbury Highway to South Western Highway – Reconstruct	12,789	12,789	375	-	-	-	-
Indian Ocean Drive							
Lancelin to Cervantes Stage 2 - Construct	98,412	98,412	6,618	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor Works) 2011-12	77,964	77,964	77,964	-	-	-	-
Onslow Road							
Widen, Reconstruct and Construct Passing Lanes	16,000	16,000	16,000	-	-	-	-
Perth-Bunbury Highway - Bunbury Port Access Stage 1 - Construct and Seal Including Bridges	39,782	39,782	2,327	-	-	-	-
Queen Victoria Street - Fremantle Traffic Bridge Replacement - Planning, Design and Preliminary Works ...	4,277	4,277	2,711	-	-	-	-
Reid Highway							
Alexander Drive Interchange	40,618	40,618	7,546	-	-	-	-
Extension - West Swan Road to Great Northern Highway	94,745	94,745	1,398	-	-	-	-
Roe Highway							
Midland / Kewdale to Fremantle Port	14,359	14,359	10,635	-	-	-	-
Roe Highway Extension - Project Development	20,501	20,501	3,832	-	-	-	-
Tonkin Highway - Mills Road West to Thomas Road	159,324	159,324	1,444	-	-	-	-
Various Roads							
High-Wide Loads - Six Bridge Improvements	6,100	6,100	3,843	-	-	-	-
Victoria Highway							
Kununurra Heavy Haulage Route - Planning and Design ...	7,001	7,001	2,066	-	-	-	-
Wanneroo Road - Wallawa Street to Joondalup Drive - Construct Dual Carriageway	14,778	14,778	1,315	-	-	-	-
NEW WORKS							
Buildings and Equipment							
2012-13 Program	8,863	-	-	8,863	-	-	-
2013-14 Program	6,863	-	-	-	6,863	-	-
2014-15 Program	7,069	-	-	-	-	7,069	-
2015-16 Program	7,281	-	-	-	-	-	7,281
Capitalised Operational Costs							
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	-
2015-16 Capitalised Operational Costs	36,300	-	-	-	-	-	36,300
Minor Works (includes Black Spot and Urgent Minor Works)							
2012-13 Program	45,855	-	-	45,855	-	-	-
2013-14 Program	31,749	-	-	-	31,749	-	-
2014-15 Program	40,993	-	-	-	-	40,993	-
2015-16 Program	40,993	-	-	-	-	-	40,993
Nation Building Program 1	32,000	-	-	-	32,000	-	-
Road Safety							
Electronic School Zone Sign Project	7,500	-	-	2,500	2,500	2,500	-
Run-off Crashes on Regional Roads	6,800	-	-	6,800	-	-	-
Urban Intersection Crash Sites	7,310	-	-	7,310	-	-	-
South Western Highway - Donnybrook to Greenbushes	25,780	-	-	-	-	20	600

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Total Cost of Asset Investment Program	3,606,500	1,823,335	619,395	776,772	583,570	245,573	125,886
Loan and Other Repayments.....			5,000	5,000	5,000	5,000	5,000
Total.....	3,606,500	1,823,335	624,395	781,772	588,570	250,573	130,886
FUNDED BY							
Capital Appropriation			257,636	307,931	322,264	138,110	67,103
Asset Sales			2,000	2,000	2,000	2,000	2,000
Commonwealth Grants			286,730	396,324	210,452	60,000	6,485
Drawdowns from the Holding Account			46,907	46,907	46,907	46,907	46,907
Internal Funds and Balances			31,122	28,610	6,947	3,556	8,391
Total Funding			624,395	781,772	588,570	250,573	130,886

FINANCIAL STATEMENTS

Income Statement

Expenses

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, Expense and Cash Assets table and the Services Summary table.

The estimated Total Cost of Services in the 2012-13 Budget Estimate shows a significant increase from the 2011-12 Estimated Actual. The majority of this increase is attributable to an increase in Services and Contracts expense arising from an increase in asset investment expenditure on projects such as Esperance Port Access, the Port Hedland Upgrade project and Gateway WA. Main Roads capitalised expenditure is transferred to the Balance Sheet via Extraordinary Items in the Income Statement.

Income

Income has risen in line with the increase in expenditure. This includes an increase in Commonwealth income for asset investment.

The Government announced in 2011 that two thirds of speed and red light camera infringement fine revenue will be paid into the Road Trauma Trust Account (RTTA) in 2011-12, up from the previous one third allocation. From 2012-13 onwards, all speed and red light camera infringement fine revenue will be paid into the RTTA.

Statement of Financial Position

The increase in cash in the forward estimates is mainly due to the increase in speed and red light camera infringement revenue expected to be paid into the RTTA. These additional funds will be allocated to projects, subject to the approval of business cases by the Road Safety Council and State Government.

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

As the Main Roads asset investment program is represented in the Income Statement and transferred to the Balance Sheet via extraordinary items, the Cashflow Statement generally reflect movements as per the income statement with timing of actual payments being the major difference.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	116,351	118,309	119,857	122,675	123,745	125,484	131,858
Grants and subsidies ^(c)	141,125	170,396	202,520	200,392	220,984	212,431	222,935
Supplies and services	641,020	919,357	940,439	1,129,043	924,373	601,720	490,315
Accommodation	13,906	16,391	16,391	16,685	17,043	19,043	19,225
Depreciation and amortisation	218,448	205,208	205,208	214,120	215,941	217,331	217,331
Efficiency dividend	-	-	-	(753)	(1,802)	(1,074)	(1,364)
Other expenses	66,401	61,391	65,361	64,715	65,198	69,655	69,788
TOTAL COST OF SERVICES	1,197,251	1,491,052	1,549,776	1,746,877	1,565,482	1,244,590	1,150,088
Income							
Sale of goods and services	14,080	9,075	34,075	9,075	9,075	9,075	9,075
Grants and subsidies	209,818	361,930	385,901	467,659	280,842	115,909	60,394
Other revenue	70,021	109,615	133,257	94,016	101,735	101,735	101,735
Total Income	293,919	480,620	553,233	570,750	391,652	226,719	171,204
NET COST OF SERVICES	903,332	1,010,432	996,543	1,176,127	1,173,830	1,017,871	978,884
INCOME FROM STATE GOVERNMENT							
Service appropriations	555,191	661,656	669,475	726,342	754,095	801,162	839,448
Resources received free of charge	1,079	2,400	2,400	2,500	2,600	2,700	2,700
Royalties for Regions Fund ^(d)	393	2,500	1,810	1,360	1,416	1,462	1,509
TOTAL INCOME FROM STATE GOVERNMENT	556,663	666,556	673,685	730,202	758,111	805,324	843,657
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(346,669)	(343,876)	(322,858)	(445,925)	(415,719)	(212,547)	(135,227)
Extraordinary items ^(e)	383,235	639,675	640,093	767,909	576,707	238,504	118,264
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	36,566	295,799	317,235	321,984	160,988	25,957	(16,963)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 1,018, 1,000 and 1,018 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$2.5 million (2011-12), \$0.5 million (2011-12 Estimated Out Turn). Regional Community Services Fund - \$0.4 million (2010-11), \$0 million (2011-12), \$1.3 million (2011-12 Estimated Out Turn), \$1.4 million (2012-13), \$1.4 million (2013-14), \$1.5 million (2014-15) and \$1.5 million (2015-16).

(e) Extraordinary Items is the total value of road works to be capitalised.

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Non-State Government Organisations (Austroads, University Research)	3,270	-	-	-	-	-	-
Office of Road Safety	10,235	18,190	16,190	28,365	24,252	22,941	23,460
State Road Funds Applied to Roadworks on the Local Government Road Network	127,620	152,206	186,330	172,027	196,732	189,490	199,475
TOTAL	141,125	170,396	202,520	200,392	220,984	212,431	222,935

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	221,628	256,645	225,004	201,274	177,127	169,805	166,211
Restricted cash.....	3,576	31,009	31,665	32,706	98,062	165,405	234,780
Holding account receivables	46,907	46,884	46,907	46,907	46,907	46,907	46,907
Receivables	22,331	58,993	20,370	19,687	18,998	18,309	17,620
Other.....	12,959	3,993	12,959	12,959	12,959	12,959	12,959
Assets held for sale	8,335	-	8,335	8,335	8,335	8,335	8,335
Total current assets	315,736	397,524	345,240	321,868	362,388	421,720	486,812
NON-CURRENT ASSETS							
Holding account receivables	1,139,790	1,244,788	1,244,765	1,358,652	1,474,360	1,591,458	1,708,556
Property, plant and equipment	39,248,628	39,582,607	40,785,511	42,474,669	43,951,445	45,088,834	46,106,536
Intangibles	4,803	3,625	5,500	5,530	5,560	5,590	5,620
Other.....	102,510	101,295	100,710	98,910	97,110	95,310	93,510
Total non-current assets.....	40,495,731	40,932,315	42,136,486	43,937,761	45,528,475	46,781,192	47,914,222
TOTAL ASSETS	40,811,467	41,329,839	42,481,726	44,259,629	45,890,863	47,202,912	48,401,034
CURRENT LIABILITIES							
Employee provisions.....	36,401	32,958	36,401	36,401	36,401	36,401	36,401
Payables	22,480	72,347	22,771	23,830	24,883	25,936	26,989
Other.....	161,367	148,667	161,797	163,696	165,595	167,494	165,159
Total current liabilities.....	220,248	253,972	220,969	223,927	226,879	229,831	228,549
NON-CURRENT LIABILITIES							
Employee provisions.....	3,110	4,627	3,110	3,110	3,110	3,110	3,110
Borrowings	20,766	15,766	15,766	10,766	5,766	766	-
Other.....	1,052	919	1,052	1,052	1,052	1,052	1,052
Total non-current liabilities	24,928	21,312	19,928	14,928	9,928	4,928	4,162
TOTAL LIABILITIES.....	245,176	275,284	240,897	238,855	236,807	234,759	232,711
EQUITY							
Contributed equity	2,865,852	3,230,182	3,123,488	3,431,419	3,753,683	3,891,793	3,958,896
Accumulated surplus/(deficit).....	10,976,320	11,301,824	11,293,555	11,615,539	11,776,527	11,802,484	11,785,521
Reserves.....	26,724,119	26,522,549	27,823,786	28,973,816	30,123,846	31,273,876	32,423,906
Total equity	40,566,291	41,054,555	42,240,829	44,020,774	45,654,056	46,968,153	48,168,323
TOTAL LIABILITIES AND EQUITY.....	40,811,467	41,329,839	42,481,726	44,259,629	45,890,863	47,202,912	48,401,034

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	410,451	509,774	517,593	565,548	591,480	637,157	675,443
Capital appropriation	233,175	310,985	257,636	307,931	322,264	138,110	67,103
Holding account drawdowns	42,979	46,907	46,907	46,907	46,907	46,907	46,907
Royalties for Regions Fund ^(b)	393	2,500	1,810	1,360	1,416	1,462	1,509
Net cash provided by State Government.....	686,998	870,166	823,946	921,746	962,067	823,636	790,962
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(68,726)	(58,682)	(60,230)	(63,463)	(65,294)	(67,911)	(74,285)
Grants and subsidies	(136,133)	(170,396)	(202,520)	(200,392)	(220,984)	(212,431)	(222,935)
Supplies and services	(314,351)	(359,020)	(379,657)	(438,151)	(406,819)	(419,674)	(428,509)
Accommodation.....	(11,580)	(11,755)	(11,755)	(12,049)	(12,407)	(14,407)	(14,589)
Efficiency dividend.....	-	-	-	753	1,802	1,074	1,364
Other payments.....	(125,208)	(125,617)	(125,644)	(127,053)	(127,280)	(133,554)	(133,687)
Receipts							
Grants and subsidies	209,818	361,930	385,901	467,659	280,842	115,909	60,394
Sale of goods and services	16,385	11,181	36,181	10,017	10,017	10,017	10,017
GST receipts	81,870	100,081	100,081	101,700	101,700	101,700	101,700
Other receipts.....	32,062	63,915	87,557	96,316	104,135	104,235	104,235
Net cash from operating activities	(315,863)	(188,363)	(170,086)	(164,663)	(334,288)	(515,042)	(596,295)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(409,573)	(646,318)	(619,395)	(776,772)	(583,570)	(245,573)	(125,886)
Proceeds from sale of non-current assets	3,053	2,000	2,000	2,000	2,000	2,000	2,000
Net cash from investing activities	(406,520)	(644,318)	(617,395)	(774,772)	(581,570)	(243,573)	(123,886)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Net cash from financing activities.....	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
NET INCREASE/(DECREASE) IN CASH HELD	(40,385)	32,485	31,465	(22,689)	41,209	60,021	65,781
Cash assets at the beginning of the reporting period.....	265,589	255,169	225,204	256,669	233,980	275,189	335,210
Cash assets at the end of the reporting period.....	225,204	287,654	256,669	233,980	275,189	335,210	400,991

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

(b) Regional Infrastructure and Headworks Fund - \$2.5 million (2011-12), \$0.5 million (2011-12 Estimated Out Turn). Regional Community Services Fund - \$0.4 million (2010-11), \$0 million (2011-12), \$1.3 million (2011-12 Estimated Out Turn), \$1.4 million (2012-13), \$1.4 million (2013-14), \$1.5 million (2014-15) and \$1.5 million (2015-16).

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Taxation							
Permits - Oversize Vehicles and Loads	5,699	5,230	5,230	5,400	5,600	5,800	6,000
TOTAL INCOME	5,699	5,230	5,230	5,400	5,600	5,800	6,000
EXPENSES							
Grants To Charitable and Other Public Bodies							
Receipts Paid into Consolidated Fund	5,699	5,230	5,230	5,400	5,600	5,800	6,000
TOTAL EXPENSES.....	5,699	5,230	5,230	5,400	5,600	5,800	6,000

PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA

PART 13 - MINISTER FOR TRANSPORT; HOUSING; EMERGENCY SERVICES

DIVISION 55

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual ^(a) \$'000	2011-12 Budget ^(a) \$'000	2011-12 Estimated Actual ^(a) \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	323	326	326	337	348	359	359
Total appropriations provided to deliver services	323	326	326	337	348	359	359
CAPITAL							
Item 153 Capital Appropriation	88,721	216,904	201,814	269,807	95,435	83,447	84,794
TOTAL APPROPRIATIONS.....	89,044	217,230	202,140	270,144	95,783	83,806	85,153
EXPENSES							
Total Cost of Services.....	1,002,516	1,097,519	1,074,583	1,151,698	1,207,721	1,278,484	1,342,242
Net Cost of Services ^(b)	771,412	897,577	854,900	914,482	948,236	1,006,275	1,042,929
CASH ASSETS ^(c)	94,847	67,592	85,279	85,279	58,440	58,039	54,596

- (a) The net amount appropriated to deliver services is nil, reflecting the decision to fund the Public Transport Authority through an operating subsidy from 2012-13 to move towards greater transparency and consistency with agencies such as Synergy, Horizon Power and Water Corporation. The 2010-11 Actual, 2011-12 Budget and 2011-12 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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Grain Freight Network Tier 3	3,300	-	-	-	-
Inner City Congestion; CAT Improvements	-	2,000	1,500	1,600	1,600
Net Savings from New Rail Car Maintenance Arrangement	(1,276)	(5,530)	(7,724)	(1,773)	2,000
Public Transport Services for Year 7s in Secondary School Setting.....	-	-	-	3,188	5,826
2011-12 Efficiency Dividend.....	(6,383)	(6,868)	(7,116)	(7,288)	(7,288)
2012-13 Efficiency Dividend.....	-	(13,603)	(21,958)	(31,340)	(41,307)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Metropolitan and Regional Passenger Services.....	749,866	821,790	800,146	883,400	941,244	1,011,028	1,077,933
2. Country Passenger Rail and Road Coach Services.....	46,224	48,593	50,129	50,158	51,076	56,683	58,425
3. Regional School Bus Services	106,080	116,285	109,564	114,080	119,366	125,694	130,801
4. Rail Corridor and Residual Freight Issues Management.....	100,346	110,851	114,744	117,663	117,993	116,419	116,390
5. Contribution to Responsible Financial Management.....	-	-	-	(13,603)	(21,958)	(31,340)	(41,307)
Total Cost of Services	1,002,516	1,097,519	1,074,583	1,151,698	1,207,721	1,278,484	1,342,242

Significant Issues Impacting the Agency

- A draft 'Public Transport for Perth in 2031' plan was released by government for comment on 14 July 2011. Some 142 written submissions and 882 online survey responses have been received and are currently being considered. 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.
- Perth's public transport system is regarded as one of the best, newest and most efficient in the nation. However growth in population and significantly higher public transport usage growth is placing demands on the system. To ensure that the network will be able to cope with the projected increase in public transport and growth of the city, the Authority is undertaking three major planning studies to extend the urban rail passenger network and looking at the serviceability of the existing network as well as investing in infrastructure to maintain service capacity.
- Perth's electric urban train system ranges from five to 22 years in age with some station related infrastructure on the Armadale, Fremantle and Midland lines older. The Authority is upgrading asset management systems and practices to ensure its extensive assets are properly maintained.

- In addition to the Government having provided 3,168 car bays at train stations across Perth, the Authority is increasing parking availability where possible and improving bus feeder services to train stations to encourage greater use of buses to commute to train stations.
- 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 to ensure accessibility for these people.
- 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, and seeks 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 intermodal 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.
- The Authority continues to stay at the forefront of the Australian transport industry by embracing greener technology. In 2012-13, the Authority will commence a \$1.0 million Hybrid Bus Trial. The trial will involve the purchase of a new hybrid bus which will be substituted into the existing Transperth fleet to operate a number of routes within the Transperth network. The vehicle will be trialled under a number of conditions, focusing on inner city stop-start traffic conditions, to determine its long-term viability for potential adoption as a new generation of replacement bus. The one year trial will commence in February 2013 and will be independently assessed.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Accessible, reliable and safe public transport system:					
Use of public transport - passengers per service kilometre:					
Metropolitan Bus Services	1.43	1.38	1.39	1.38	
Metropolitan Train Services.....	4.11	4.09	4.19	4.41	
Metropolitan Ferry Services.....	13.64	13.88	14.08	13.82	
Regional Bus Services	0.850	0.852	0.833	0.833	
Country Passenger Rail Services	0.235	0.23	0.235	0.238	
Country Passenger Road Coach Services.....	0.066	0.07	0.067	0.067	
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.....	83.8%	83.5%	85%	85%	
Metropolitan and regional passenger services reliability:					
Bus services within four minutes of scheduled time	85.1%	85%	82%	82%	
Train arriving within four minutes of scheduled time	95.7%	95%	95%	95%	
Ferries arriving within three minutes of scheduled time	99.2%	98%	97.5%	98%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time	75%	90%	75%	90%	1
Australind arriving within 10 minutes of scheduled time.....	95%	90%	86%	90%	

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
MerredinLink arriving within 10 minutes of scheduled time	92%	95%	94%	95%	
AvonLink arriving within 10 minutes of scheduled time	98%	95%	98%	95%	
Road Coaches arriving within 10 minutes of scheduled time.....	98%	95%	97%	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.....	99%	97%	98%	97%	
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan Bus Services	82%	83%	81%	81%	
Metropolitan Train Services.....	88%	92%	90%	90%	
Metropolitan Ferry Services.....	96%	98%	98%	98%	
Country Passenger Rail and Road Coach Services.....	90%	92%	92%	92%	
Customer perception of safety - independent external surveys:					
Train station - Daytime	99%	96%	96%	96%	
On-board train - Daytime.....	98%	97%	97%	97%	
Train station - Night-time	72%	65%	69%	69%	
On-board train - Night-time	76%	75%	75%	75%	
Bus station - Daytime	97%	96%	96%	96%	
On-board bus - Daytime.....	99%	98%	98%	98%	
Bus station - Night-time.....	73%	70%	70%	70%	
On-board bus - Night-time.....	82%	82%	82%	82%	
Level of notifiable safety occurrences - notifiable occurrences:					
Category A Occurrences per million passenger boardings	0.19	0.25	0.23	0.23	
Category A Occurrences per million train kilometres	0.69	0.90	0.88	0.88	
Category B Occurrences per million passenger boardings	6.63	8.10	7.2	7.2	
Category B Occurrences per million train kilometres	24.69	29.52	27.2	27.2	
Regional school bus services: notifiable occurrences (accidents) reported each school year.....	19	13	12	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 2012-13 Budget (90.0%) is higher than the 2011-12 Estimated Actual (75.0%) due to speed restrictions, delays at crossings and track repairs in 2011-12.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	749,866	821,790	800,146	883,400	1
Less Income	199,329	168,477	183,756	204,179	
Net Cost of Service.....	550,537	653,313	616,390	679,221	
Employees (Full Time Equivalents).....	1,242	1,280	1,264	1,323	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
Transperth Bus Operations.....	\$0.83	\$0.88	\$0.83	\$0.89	
Transperth Train Operations	\$0.40	\$0.43	\$0.42	\$0.44	
Transperth Ferry Operations	\$1.15	\$1.11	\$1.14	\$1.19	
Average Cost per 1,000 Place Kilometres:					
Regional Bus Services	\$80.91	\$79.23	\$85.18	\$76.54	

Explanation of Significant Movements

(Notes)

- The increase in total cost of the service of \$83.3 million in 2012-13 is attributable to increased costs for:
 - interest (\$20.9 million);
 - upgrades to Western Power infrastructure (\$14.5 million);
 - payments to bus contractors (\$13.6 million);
 - additional bus service kilometres (\$12.8 million);
 - depreciation (\$6.3 million);
 - contractors escalation (\$5.7 million);
 - labour (\$3.2 million);
 - Carbon Tax (\$2.1 million); and
 - CAT bus improvements (\$2.0 million).

2: Country Passenger Rail and Road Coach Services

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	46,224	48,593	50,129	50,158	
Less Income	10,518	10,068	10,911	11,105	
Net Cost of Service.....	35,706	38,525	39,218	39,053	
Employees (Full Time Equivalents).....	134	139	142	142	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
Transwa Rail.....	\$0.43	\$0.46	\$0.45	\$0.46	
Transwa Road Coaches.....	\$0.22	\$0.22	\$0.22	\$0.23	

3: Regional School Bus Services

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 106,080	\$'000 116,285	\$'000 109,564	\$'000 114,080	
Less Income	4,400	3,980	4,535	4,551	
Net Cost of Service.....	101,680	112,305	105,029	109,529	
Employees (Full Time Equivalents).....	45	46	42	42	
Efficiency Indicators					
Average Cost per Contracted Kilometre: School Bus Services.....	\$3.39	\$3.80	\$3.64	\$3.60	

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 100,346	\$'000 110,851	\$'000 114,744	\$'000 117,663	
Less Income	16,857	17,417	20,481	17,381	
Net Cost of Service.....	83,489	93,434	94,263	100,282	
Employees (Full Time Equivalents).....	16	16	14	14	
Efficiency Indicators					
Total Cost of Managing the Rail Freight Corridor and Residual Freight Issues	\$100,346,000	\$110,851,000	\$114,744,000	\$117,663,000	

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

ASSET INVESTMENT PROGRAM

Key projects for the Authority's asset investment program include:

- Perth City Link:
 - The \$609.3 million Perth City Link project involves sinking part of the Perth to Fremantle railway line west of Perth Station and significant track, infrastructure and passenger amenity improvements. The project also includes development of a new underground bus station to replace the existing Wellington Street Bus Station. During 2012-13, the project will undertake significant civil, infrastructure and building works for the Rail Project budgeted at \$173.8 million.
- Extension of the Joondalup Railway Line to Butler:
 - Extension of the Joondalup railway line to Butler continues to progress well with an estimated \$92.7 million to be spent in 2012-13. Major works to be undertaken during 2012-13 include the completion of earthworks, construction of railway infrastructure, completion of road bridges and the start of construction of the Butler Station.
- Freight Program:
 - In 2012-13, approximately \$81.2 million will be expended from the \$171.4 million allocated to improving the State's Grain Freight Network.

- Purchase of Railcars:
 - \$164.0 million has been provided to purchase 15 three-car train sets with a total capacity to carry an additional 8,400 passengers each trip – an order has now been placed and the first of these train sets will be delivered in the second half of 2013. In 2012-13, progress payments amounting to approximately \$42 million will be made.
- Bus Replacement Program:
 - In 2012-13, \$39.1 million will be expended from an approved 10 year program, which will see the replacement of approximately 640 old buses, the introduction of 158 new buses for additional Transperth services and seven new buses for CAT bus services.
- Rail Infrastructure Program:
 - In addition to the \$39.6 million to be expended in 2012-13 on the Rail Infrastructure Program, the 2012-13 Budget provides over the forward estimates a further \$26.9 million to upgrade the traction power capacity of the Authority's urban passenger network and to provide additional stowage lines at the Authority's Claisebrook Depot, and a further \$8.8 million to allow pier protection to be constructed at the Fremantle rail bridge.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Bus Infrastructure Program.....	37,540	17,564	5,964	9,075	5,997	904	4,000
Bus Replacement Program	571,761	79,638	55,445	36,540	47,102	49,639	52,300
Common Infrastructure Program	32,750	14,366	4,065	5,244	2,170	2,180	2,190
Freight Program.....	171,420	51,872	34,396	81,236	38,312	-	-
Extension of the Northern Suburbs Railway to Butler.....	240,730	67,219	52,000	92,674	46,309	34,528	-
Perth City Link	609,269	124,861	95,228	173,804	83,383	119,011	108,210
Operational Business Support Systems Program	50,003	6,768	2,620	8,581	4,417	3,977	7,580
Parking Facilities Program	58,367	48,052	13,393	7,970	2,345	-	-
Rail Infrastructure Program	340,615	102,105	34,136	39,567	15,187	9,563	18,501
Rail Stations Program.....	75,597	18,192	9,284	22,665	22,495	7,067	2,994
Railcar Program.....	164,619	16,789	16,789	41,830	49,000	30,000	27,000
COMPLETED WORKS							
Bus Infrastructure Program.....	24,201	24,201	817	-	-	-	-
Bus Replacement Program	421,771	421,771	10,308	-	-	-	-
Common Infrastructure Program	9,274	9,274	1,627	-	-	-	-
Freight Program.....	20,818	20,818	1,788	-	-	-	-
Rail Infrastructure Program	11,796	11,796	3,862	-	-	-	-
NEW WORKS							
Bus Infrastructure Program.....	7,000	-	-	7,000	-	-	-
Bus Replacement Program	54,772	-	-	2,600	2,600	24,304	7,600
Common Infrastructure Program	950	-	-	-	-	950	-
Freight Program.....	1,089	-	-	-	-	1,089	-
Operational Business Support Systems Program	11,861	-	-	4,733	4,908	2,078	142
Rail Infrastructure Program	37,213	-	-	14,141	21,872	1,200	-
Rail Stations Program.....	1,120	-	-	-	220	900	-
Total Cost of Asset Investment Program	2,954,536	1,035,286	341,722	547,660	346,317	287,390	230,517
Loan and Other Repayments.....			80,032	69,451	80,041	83,447	84,794
Total.....	2,954,536	1,035,286	421,754	617,111	426,358	370,837	315,311
FUNDED BY							
Capital Appropriation.....			201,814	269,807	95,435	83,447	84,794
Borrowings			163,394	319,868	232,579	251,312	104,828
Drawdowns from the Holding Account			39,958	24,836	56,241	34,989	46,238
Internal Funds and Balances			16,425	-	39,503	1,089	1,851
Other.....			163	2,600	2,600	-	77,600
Total Funding			421,754	617,111	426,358	370,837	315,311

FINANCIAL STATEMENTS

Income Statement

Expenses

Total Cost of Services decreased by \$22.9 million from the 2011-12 Budget to the 2011-12 Estimated Actual, due mainly to savings on interest costs.

The Total Cost of Services in 2012-13 shows a 7.2% or \$77.1 million increase from 2011-12 Estimated Actual. The net increase is mainly due to:

- increased interest costs on increased borrowings for asset investment (\$20.9 million);
- upgrades to Western Power infrastructure (\$14.5 million);
- increases in grants (\$13.6 million);
- the provision of additional bus service kilometres (\$12.8 million);
- increased depreciation cost (\$7.5 million);
- increases contractors cost (\$5.7 million);
- increases in labour cost (\$5.2 million); and
- increases in power costs resulting from the Carbon Tax (\$2.1 million).

Income

Total income is estimated to be \$237.2 million for the 2012-13 Budget. This represents an increase of \$17.5 million compared to the 2011-12 Estimated Actual. This increase is mainly attributable to increased fare revenue and income from the Perth Parking Fund for the improved CAT bus services.

Statement of Financial Position

The Authority's Total Equity is expected to increase by \$22.9 million between the 2011-12 Estimated Actual and the 2012-13 Budget. This reflects a projected increase in total assets of \$267.9 million and an increase in total liabilities of \$245.0 million.

The expected increase in assets is mainly attributable to:

- an increase in intangibles (\$11.4 million);
- an increase in property, plant and equipment (\$281.0 million); offset by
- a reduction in the holding account receivables for future asset replacement (of \$24.8 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 Authority's assets. 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 these assets, and funding previously allocated for the Authority's assets 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 reviewing the use of holding accounts from a whole-of-government perspective.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual ^(b)	2011-12 Budget ^(b)	2011-12 Estimated Actual ^(b)	2012-13 Budget Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate	2015-16 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	125,936	140,850	143,441	145,317	150,832	155,343	164,493
Grants and subsidies ^(d)	345,647	391,451	387,487	415,341	452,001	489,152	512,159
Supplies and services	184,053	180,696	182,264	206,915	209,185	220,902	226,922
Accommodation	21,212	28,747	26,386	29,126	29,276	33,393	35,787
Depreciation and amortisation	242,957	255,474	247,440	254,953	263,966	273,708	286,113
Efficiency dividend	-	-	-	(13,603)	(21,958)	(31,340)	(41,307)
Other expenses	82,711	100,301	87,565	113,649	124,419	137,326	158,075
TOTAL COST OF SERVICES	1,002,516	1,097,519	1,074,583	1,151,698	1,207,721	1,278,484	1,342,242
Income							
Sale of goods and services	151,742	149,838	161,718	180,458	190,670	214,563	241,330
Regulatory fees and fines	2,690	-	2,690	2,690	2,690	2,690	2,690
Grants and subsidies	43,754	17,370	17,925	19,770	31,746	19,878	19,896
Other revenue	32,918	32,734	37,350	34,298	34,379	35,078	35,397
Total Income	231,104	199,942	219,683	237,216	259,485	272,209	299,313
NET COST OF SERVICES	771,412	897,577	854,900	914,482	948,236	1,006,275	1,042,929
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(b)	323	326	326	337	348	359	359
Operating subsidy ^(b)	730,863	810,804	775,863	662,378	698,688	736,654	761,916
Resources received free of charge	361	-	-	-	-	-	-
Royalties for Regions Fund ^(e)	1,900	2,619	3,009	2,280	2,700	1,021	8
TOTAL INCOME FROM STATE GOVERNMENT	733,447	813,749	779,198	664,995	701,736	738,034	762,283
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(37,965)	(83,828)	(75,702)	(249,487)	(246,500)	(268,241)	(280,646)

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

(b) The Authority will be funded through an operating subsidy from 2012-13 to move towards greater transparency and consistency with agencies such as Synergy, Horizon Power and Water Corporation. The 2010-11 Actual, 2011-12 Budget and 2011-12 Estimated Actual financial data has been backcast for comparability purposes.

(c) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 1,437, 1,462 and 1,521 respectively. In some cases the figures for 2010-11 and 2011-12 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 Community Services Fund - \$1.9 million (2010-11), \$2.6 million (2011-12), \$3.0 million (2011-12 Estimated Out Turn), \$2.3 million (2012-13), \$2.7 million (2013-14) and \$1.0 million (2014-15).

Details of Controlled Grants and Subsidies

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate	2015-16 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Local Government	1,566	250	250	-	-	-	-
Metropolitan Services:							
Bus Operators	229,023	262,055	262,310	289,967	321,271	352,392	370,158
Ferry Services	701	741	724	747	771	796	822
Rail corridor and freight issues management	-	-	3,300	-	-	-	-
Regional Bus Services	12,913	17,233	16,692	15,778	16,291	16,821	17,367
Regional School Bus Services:							
School Bus Services	98,010	105,515	100,679	105,205	109,898	115,257	119,670
Student Fare Concessions	2,834	5,657	3,532	3,644	3,770	3,886	4,142
Special Grants: Capital purposes	600	-	-	-	-	-	-
TOTAL	345,647	391,451	387,487	415,341	452,001	489,152	512,159

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	66,608	67,592	56,426	56,426	56,426	55,337	53,486
Restricted cash.....	28,239	-	28,853	28,853	2,014	2,702	1,110
Holding account receivables	47,692	-	47,692	47,692	47,692	47,692	47,692
Receivables	19,116	17,124	19,116	19,116	19,116	19,116	19,116
Other.....	15,275	15,142	15,275	15,275	15,275	15,275	15,275
Assets held for sale	15,885	12,591	15,885	15,885	15,885	15,885	15,885
Total current assets	192,815	112,449	183,247	183,247	156,408	156,007	152,564
NON-CURRENT ASSETS							
Holding account receivables	855,537	1,022,796	980,445	955,609	899,368	864,379	818,141
Property, plant and equipment	5,137,089	5,160,855	5,210,256	5,491,572	5,565,175	5,580,826	5,523,185
Intangibles	3,014	4,618	5,592	16,983	25,731	23,764	25,810
Total non-current assets.....	5,995,640	6,188,269	6,196,293	6,464,164	6,490,274	6,468,969	6,367,136
TOTAL ASSETS	6,188,455	6,300,718	6,379,540	6,647,411	6,646,682	6,624,976	6,519,700
CURRENT LIABILITIES							
Employee provisions.....	25,530	20,362	25,530	25,530	25,530	25,530	25,530
Payables.....	74,800	53,072	61,263	61,263	61,263	61,263	61,263
Other.....	125,363	119,024	125,363	125,363	125,363	125,363	125,363
Total current liabilities.....	225,693	192,458	212,156	212,156	212,156	212,156	212,156
NON-CURRENT LIABILITIES							
Employee provisions.....	6,017	6,429	6,017	6,017	6,017	6,017	6,017
Borrowings	1,156,826	1,247,576	1,240,188	1,490,605	1,643,143	1,811,009	1,831,043
Other.....	211,741	204,565	206,889	201,423	196,621	191,843	184,785
Total non-current liabilities	1,374,584	1,458,570	1,453,094	1,698,045	1,845,781	2,008,869	2,021,845
TOTAL LIABILITIES.....	1,600,277	1,651,028	1,665,250	1,910,201	2,057,937	2,221,025	2,234,001
EQUITY							
Contributed equity	2,557,003	2,720,058	2,758,817	3,031,224	3,129,259	3,212,706	3,375,100
Accumulated surplus/(deficit).....	72,862	(22,138)	(2,840)	(252,327)	(498,827)	(767,068)	(1,047,714)
Reserves.....	1,958,313	1,951,770	1,958,313	1,958,313	1,958,313	1,958,313	1,958,313
Total equity	4,588,178	4,649,690	4,714,290	4,737,210	4,588,745	4,403,951	4,285,699
TOTAL LIABILITIES AND EQUITY.....	6,188,455	6,300,718	6,379,540	6,647,411	6,646,682	6,624,976	6,519,700

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual ^(b) \$'000	2011-12 Budget ^(b) \$'000	2011-12 Estimated Actual ^(b) \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations ^(b)	323	326	326	337	348	359	359
Operating subsidy ^(b)	568,734	643,545	610,997	662,378	698,688	736,654	761,916
Capital appropriation	88,721	216,904	201,814	269,807	95,435	83,447	84,794
Holding account drawdowns	-	47,692	39,958	24,836	56,241	34,989	46,238
Royalties for Regions Fund ^(c)	1,900	2,619	3,009	2,280	2,700	1,021	8
Net cash provided by State Government.....	659,678	911,086	856,104	959,638	853,412	856,470	893,315
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(119,018)	(140,850)	(143,577)	(145,317)	(150,168)	(154,655)	(166,085)
Grants and subsidies	(336,878)	(391,451)	(387,487)	(415,341)	(452,001)	(489,153)	(512,160)
Supplies and services	(186,250)	(180,270)	(181,838)	(206,486)	(208,756)	(220,473)	(226,501)
Accommodation.....	(20,197)	(29,194)	(26,833)	(29,576)	(29,726)	(33,843)	(36,229)
Efficiency dividend.....	-	-	-	13,603	21,958	31,340	41,307
Other payments.....	(148,734)	(160,139)	(178,172)	(220,507)	(217,535)	(229,945)	(255,591)
Receipts							
Regulatory fees and fines.....	2,763	-	2,690	2,690	2,690	2,690	2,690
Grants and subsidies	43,006	17,370	17,925	19,770	31,746	19,878	19,896
Sale of goods and services	151,963	149,838	161,718	180,458	190,670	214,563	241,330
GST receipts	70,285	59,859	91,378	106,879	93,137	92,640	97,537
Other receipts.....	28,659	27,268	31,884	28,832	28,913	29,612	29,931
Net cash from operating activities	(514,401)	(647,569)	(612,312)	(664,995)	(689,072)	(737,346)	(763,875)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(179,133)	(345,856)	(341,722)	(547,660)	(346,317)	(287,390)	(230,517)
Proceeds from sale of non-current assets	390	5,000	5,000	-	-	-	-
Net cash from investing activities	(178,743)	(340,856)	(336,722)	(547,660)	(346,317)	(287,390)	(230,517)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(50,742)	(82,595)	(80,032)	(69,451)	(80,041)	(83,447)	(84,794)
Proceeds from borrowings	125,000	155,735	163,394	319,868	232,579	251,312	104,828
Net cash from financing activities.....	74,258	73,140	83,362	250,417	152,538	167,865	20,034
NET INCREASE/(DECREASE) IN CASH HELD	40,792	(4,199)	(9,568)	(2,600)	(29,439)	(401)	(81,043)
Cash assets at the beginning of the reporting period.....	54,055	71,791	94,847	85,279	85,279	58,440	58,039
Net cash transferred to/from other agencies.....	-	-	-	2,600	2,600	-	77,600
Cash assets at the end of the reporting period.....	94,847	67,592	85,279	85,279	58,440	58,039	54,596

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

(b) The Authority will be funded through an operating subsidy from 2012-13 to move towards greater transparency and consistency with agencies such as Synergy, Horizon Power and Water Corporation. The 2010-11 Actual, 2011-12 Budget and 2011-12 Estimated Actual financial data has been backcast for comparability purposes.

(c) Regional Community Services Fund - \$1.9 million (2010-11), \$2.6 million (2011-12), \$3.0 million (2011-12 Estimated Out Turn), \$2.3 million (2012-13), \$2.7 million (2013-14) and \$1.0 million (2014-15).

ALBANY PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2012-13 asset investment program includes \$750,000 for minor works and \$250,000 for the replacement of motor vehicles. In addition \$3.8 million has been allocated to the realignment of the Princess Royal Drive.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Minor Works - 2011-12 Program	750	750	750	-	-	-	-
Motor Vehicle Replacement - 2011-12 Program	250	250	250	-	-	-	-
Pilot Boat	1,800	1,800	1,800	-	-	-	-
NEW WORKS							
Minor Works							
2012-13 Program	750	-	-	750	-	-	-
2013-14 Program	750	-	-	-	750	-	-
2014-15 Program	750	-	-	-	-	750	-
2015-16 Program	750	-	-	-	-	-	750
Motor Vehicle Replacement							
2012-13 Program	250	-	-	250	-	-	-
2013-14 Program	250	-	-	-	250	-	-
2014-15 Program	250	-	-	-	-	250	-
2015-16 Program	250	-	-	-	-	-	250
Rail Enhancement							
Realignment of Princess Royal Drive	3,785	-	-	3,785	-	-	-
Total Cost of Asset Investment Program	10,585	2,800	2,800	4,785	1,000	1,000	1,000
FUNDED BY							
Borrowings			1,800	-	-	-	-
Internal Funds and Balances			1,000	4,785	1,000	1,000	1,000
Total Funding			2,800	4,785	1,000	1,000	1,000

BROOME PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2012-13 asset investment program of \$3.7 million includes \$679,000 for minor works, \$1.3 million for occupational health and safety enhancement works within the Port and \$1.8 million for the purchase of a 100 tonne crane.

The occupational health and safety works includes essential wharf works and upgrades to navigational and security facilities. The 100 tonne crane will be purchased in 2012-13 as a cost effective method to meet increased demand.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Property Development - Occupational Health and Safety.....	4,550	3,295	3,295	1,255	-	-	-
COMPLETED WORKS							
Minor Works - 2011-12 Program	651	651	651	-	-	-	-
NEW WORKS							
Minor Works							
2012-13 Program	679	-	-	679	-	-	-
2013-14 Program	679	-	-	-	679	-	-
2014-15 Program	1,575	-	-	-	-	1,575	-
2015-16 Program	1,575	-	-	-	-	-	1,575
Plant and Equipment - 100 Tonne Crane	1,800	-	-	1,800	-	-	-
Total Cost of Asset Investment Program	11,509	3,946	3,946	3,734	679	1,575	1,575
FUNDED BY							
Borrowings			2,750	3,055	-	-	-
Internal Funds and Balances			1,196	679	679	1,575	1,575
Total Funding			3,946	3,734	679	1,575	1,575

BUNBURY PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2012-13 asset investment program of \$3.1 million will be applied to the following two projects:

- \$1.6 million 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; and
- \$1.6 million for the purchase of two lots in the Glen Iris industrial area, essential for the future expansion of the port in accordance with the Inner Harbour Structure Plan.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Minor Works - 2011-12.....	1,500	1,500	1,500	-	-	-	-
Land							
Purchase of Freehold Land Glen Iris 2 of 4 lots 2011-12....	1,955	1,955	1,955	-	-	-	-
NEW WORKS							
Asset Replacement							
Minor Works - 2012-13	1,550	-	-	1,550	-	-	-
Minor Works - 2013-14	2,400	-	-	-	2,400	-	-
Minor Works - 2014-15	3,000	-	-	-	-	3,000	-
Minor Works - 2015-16	3,000	-	-	-	-	-	3,000
Land							
Purchase of Freehold Land Glen Iris 2 of 4 lots 2012-13....	1,587	-	-	1,587	-	-	-
Total Cost of Asset Investment Program	14,992	3,455	3,455	3,137	2,400	3,000	3,000
FUNDED BY							
Internal Funds and Balances			3,455	3,137	2,400	3,000	3,000
Total Funding			3,455	3,137	2,400	3,000	3,000

DAMPIER PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's asset investment program in 2012-13 will consist of various minor works, including replacement of mobile plant and office equipment, and upgrades to the Port's infrastructure.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Minor Works	32,451	12,451	4,400	5,000	5,000	5,000	5,000
Total Cost of Asset Investment Program	32,451	12,451	4,400	5,000	5,000	5,000	5,000
FUNDED BY							
Internal Funds and Balances			4,400	5,000	5,000	5,000	5,000
Total Funding			4,400	5,000	5,000	5,000	5,000

ESPERANCE PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority is continuing its minor works program into 2012-13 focusing on maintenance and improvements in Port infrastructure.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Minor Works - 2011-12 Program	3,000	3,000	3,000	-	-	-	-
NEW WORKS							
Minor Works							
2012-13 Program	3,000	-	-	3,000	-	-	-
2013-14 Program	3,000	-	-	-	3,000	-	-
2014-15 Program	3,000	-	-	-	-	3,000	-
2015-16 Program	3,000	-	-	-	-	-	3,000
Total Cost of Asset Investment Program	15,000	3,000	3,000	3,000	3,000	3,000	3,000
FUNDED BY							
Internal Funds and Balances			3,000	3,000	3,000	3,000	3,000
Total Funding			3,000	3,000	3,000	3,000	3,000

FREMANTLE PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's approved asset investment program for 2012-13 to 2015-16 totals \$390.7 million. Major approved projects planned or underway include:

- Dredging and upgrade of Fremantle Inner Harbour Berths and Channels
 - The deepening of the Fremantle Inner Harbour to accommodate the larger new generation container ships increasingly expected to call at Fremantle has been completed. Remaining projects include berth upgrades to accommodate larger vessels and to allow for heavy duty use.
- 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 in future years. The final phase of the project involving the provision of services, roads and other infrastructure totalling \$17.0 million will be completed in 2012-13.
- 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 project includes upgrades to the infrastructure to improve product handling rates including upgrades to conveyors and existing loader/unloaders. As well as meeting customer needs, environmental improvements have been given a high priority. A total of \$28.1 million will be spent on this project in 2012-13. 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. \$7.7 million will be spent on this project in 2012-13. Additional lease rental revenue is expected as a result of this project.
- Kwinana Bulk Jetty (KBJ) – Export-Import Infrastructure and Bulk Handling Equipment
 - The projected growth of the export and import of dry bulk commodities at KBJ requires improved product handling infrastructure including a 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, as well as commercial and retail uses. The development will be delivered largely by the private sector, the Authority will, however, need to undertake asset investment to prepare the site and provide relevant services.
- 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 \$20.0 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 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Inner and Outer Harbour - Security Upgrades	3,548	3,348	1,206	100	100	-	-
Fremantle Waterfront Project - Commercial Precinct Access and Services.....	4,279	1,879	550	2,400	-	-	-
Inner Harbour							
Deepening of the Inner Harbour Stage 1	107,655	97,415	-	-	-	-	10,240
Overseas Passenger Terminal	4,000	1,300	66	700	-	2,000	-
Replacement of Trucks	806	286	90	-	200	-	250
North Quay							
Berth Upgrades - Western Stage	80,256	69,522	-	-	-	-	10,734
Environmental Improvement Program	4,347	1,847	1,070	2,000	100	-	-
Replacement of Medium Voltage Cabling	2,595	1,095	-	1,500	-	-	-
Sewerage Upgrades.....	948	148	-	400	400	-	-
Upgrade of Main Substation and Victoria Quay - New Fibre Optic Network	2,450	1,450	1,450	1,000	-	-	-
Outer Harbour							
Kwinana Bulk Terminal							
Dust Control and Roadworks	2,079	579	-	1,500	-	-	-
Infrastructure and Equipment Replacement and Upgrade.....	53,114	7,433	4,670	28,050	5,500	-	12,131
Civil and Mechanical Assets Upgrade	4,127	2,027	1,400	1,700	-	-	400
Upgrade Rail Infrastructure and Replacement of Other Plant.....	7,814	214	20	400	-	-	7,200
Kwinana Bulk Jetty							
Fire Fighting Foam System	3,843	1,043	700	2,800	-	-	-
Replace Plant	570	70	70	-	-	-	500
Plant and Equipment							
Mobile Truck Mounted Capstans.....	450	200	-	-	-	250	-
Replace Specialised Plant	385	285	-	-	100	-	-
Replacement of Special Purpose Trucks	1,140	670	-	-	470	-	-
Rous Head							
New Rous Head Marina.....	15,655	66	66	14,831	758	-	-
Seawall Construction and Rous Head Extension - 2nd Stage.....	46,141	29,135	3,001	17,006	-	-	-
Victoria Quay - Fremantle Waterfront Implementation Plan	15,700	4,710	4,316	5,290	5,700	-	-
COMPLETED WORKS							
Inner and Outer Harbour							
Upgrade of Electrical Metering System	275	275	275	-	-	-	-
Vessel Traffic Service Voice Communication System.....	650	650	650	-	-	-	-
Minor Works - 2011-12 Program	1,068	1,068	1,068	-	-	-	-
North Quay							
Land Acquisitions.....	319	319	168	-	-	-	-
Berth No. 2 - Upgrade/New Fendering	5,900	5,900	5,900	-	-	-	-
Outer Harbour							
Kwinana Bulk Jetty							
Modifications to a Pipeline Manifold Area	500	500	500	-	-	-	-
Unloader No. 2 Emergency Unloading Boom Brake	250	250	250	-	-	-	-
Fibre Optic Cabling.....	250	250	250	-	-	-	-
Kwinana Bulk Terminal - Upgrade of Conveyor EC03	5,838	5,838	570	-	-	-	-
Rous Head - Purchase of Seabed	200	200	200	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
NEW WORKS							
Container Double Stacking on Rail	2,725	-	-	2,725	-	-	-
Inner and Outer Harbour - Security Upgrades Stage 2	3,000	-	-	-	-	-	1,500
Inner Harbour - Replacement of Mechanical Plant	970	-	-	-	-	490	480
Minor Works							
2012-13 Program	2,460	-	-	2,460	-	-	-
2013-14 Program	1,428	-	-	-	1,428	-	-
2014-15 Program	2,000	-	-	-	-	2,000	-
2015-16 Program	2,000	-	-	-	-	-	2,000
North Quay							
Land Acquisition	3,729	-	-	729	3,000	-	-
Land Acquisitions North Quay	10,000	-	-	-	-	10,000	-
Upgrade of High Voltage Substations Rous 1, 2, 3 and 4	3,500	-	-	1,250	2,250	-	-
Berth - Heavy Duty Pad	7,400	-	-	-	-	7,400	-
Rail Terminal Stage 2	20,000	-	-	5,000	15,000	-	-
Upgrade of High Voltage Substations Rous SW1, 8, 9, 11A, 11 and 12	4,500	-	-	-	1,500	1,500	1,500
Outer Harbour							
Kwinana Bulk Terminal							
Undercover Storage	13,429	-	-	367	3,000	10,062	-
Upgrade of Export Infrastructure	25,000	-	-	-	15,000	10,000	-
Kwinana Bulk Jetty							
Bulk Handling Equipment	32,807	-	-	-	2,592	23,176	7,039
Export-Import Infrastructure	60,661	-	-	518	2,000	11,504	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	-
Replace/Upgrade Transformer and Switchgear	550	-	-	-	-	-	550
Land Acquisition Lot 13	13,000	-	-	-	-	-	13,000
New Rail Link (Second Spur Line)	500	-	-	500	-	-	-
Plant and Equipment - Replace Floating Plant	14,500	-	-	3,500	4,000	7,000	-
Transport Interchange Facilities	10,000	-	-	5,000	5,000	-	-
Victoria Quay							
D Berth - 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	6,000	-	-	6,000	-	-	-
Construction of a Tug Pen	300	-	-	-	-	-	300
Motor Vehicle Decking Stage 2	3,900	-	-	-	-	3,900	-
Total Cost of Asset Investment Program	656,587	239,972	28,506	110,008	79,492	110,682	90,552
FUNDED BY							
Capital Appropriation			-	19,100	15,000	-	-
Borrowings			17,438	92,562	53,896	94,876	73,283
Internal Funds and Balances			10,618	(6,059)	10,596	15,806	17,269
Other			450	4,405	-	-	-
Total Funding			28,506	110,008	79,492	110,682	90,552

GERALDTON PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority is progressing with Oakajee Stage 1 and for 2012-13 includes planned expenditure of \$2.9 million for further development of the Port's masterplan, due diligence, detail design, land use planning, port simulation studies and security planning.

An amount of \$2.5 million will be spent to upgrade the Information Technology (IT) software to facilitate ship navigation in the harbour and an additional \$2.5 million will be spent to purchase a Pilot Boat to meet the demand of expected increased ship arrivals due to expected increase in throughput.

Funding of \$2.5 million has been allocated to minor works which in 2012-13 will be applied to upgrading the Port's services and civil infrastructure, security, environmental systems and equipment replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
New Initiative - Oakajee Project.....	11,011	4,326	2,717	2,901	3,784	-	-
COMPLETED WORKS							
Miscellaneous Works - 2011-12 Program.....	2,500	2,500	2,500	-	-	-	-
Waste Water Treatment Plant.....	2,000	2,000	2,000	-	-	-	-
NEW WORKS							
IT Software Upgrade	2,500	-	-	1,000	1,500	-	-
Miscellaneous Works							
2012-13 Program	2,500	-	-	2,500	-	-	-
2013-14 Program	2,500	-	-	-	2,500	-	-
2014-15 Program	2,500	-	-	-	-	2,500	-
2015-16 Program	2,500	-	-	-	-	-	2,500
Additional 2012-13 Program	2,500	-	-	2,500	-	-	-
Additional 2013-14 Program	2,500	-	-	-	2,500	-	-
Additional 2014-15 Program	2,500	-	-	-	-	2,500	-
Additional 2015-16 Program	2,500	-	-	-	-	-	2,500
Pilot Boat.....	2,500	-	-	2,500	-	-	-
Total Cost of Asset Investment Program	40,511	8,826	7,217	11,401	10,284	5,000	5,000
FUNDED BY							
Borrowings			1,866	2,492	3,174	-	-
Internal Funds and Balances			5,351	8,909	7,110	5,000	5,000
Total Funding			7,217	11,401	10,284	5,000	5,000

PORT HEDLAND PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2012-13 asset investment program totals \$7.5 million for minor works and the Main Street Jetty project.

The minor works program provides for safety upgrades, environmental upgrades, computers, conveyor minor works, office equipment, electrical upgrades, upgrade of the maintenance workshop, works on the laydown areas, housing and security upgrades, all of which is necessary to meet the operational requirements of the Port.

The Main Street Jetty project is funded predominately from the Royalties for Regions program together with a portion from proponent funding and a small portion from internal funds and balances.

Note that \$1.0 million from the original 2012-13 minor works asset investment program of \$7.0 million has been brought forward to 2011-12 to cover urgent capital requirements for the Port.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Minor Works - 2011-12 Program	8,000	8,000	8,000	-	-	-	-
Utah Point Berth - Multi User Panamax Berth.....	295,908	295,908	5,346	-	-	-	-
NEW WORKS							
Minor Works							
2012-13 Program	6,000	-	-	6,000	-	-	-
2013-14 Program	7,000	-	-	-	7,000	-	-
2014-15 Program	7,000	-	-	-	-	7,000	-
2015-16 Program	7,000	-	-	-	-	-	7,000
Wharves							
Main Street Jetty - Stage 2	1,500	-	-	1,500	-	-	-
Main Street Jetty - Stage 3 ^(a)	6,000	-	-	-	6,000	-	-
Total Cost of Asset Investment Program	338,408	303,908	13,346	7,500	13,000	7,000	7,000
FUNDED BY							
Internal Funds and Balances ^(b)			13,346	7,500	13,000	7,000	7,000
Total Funding			13,346	7,500	13,000	7,000	7,000

(a) Funded from the Royalties for Regions Fund.

(b) Includes drawdown of \$6.0 million from Royalties for Regions Regional Infrastructure and Headworks Fund.

HOUSING AUTHORITY

PART 13 - MINISTER FOR TRANSPORT; HOUSING; EMERGENCY SERVICES

DIVISION 56

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 87 Net amount appropriated to deliver services.....	16,976	103,131	95,057	57,660	62,444	56,947	56,180
Total appropriations provided to deliver services	16,976	103,131	95,057	57,660	62,444	56,947	56,180
CAPITAL							
Item 154 Capital Appropriation	374,574	169,521	174,881	106,303	86,183	3,360	-
TOTAL APPROPRIATIONS.....	391,550	272,652	269,938	163,963	148,627	60,307	56,180
EXPENSES							
Total Cost of Services.....	1,399,400	1,306,044	1,546,599	1,553,162	1,515,730	1,553,729	1,528,337
Net Cost of Services ^(a)	386,776	122,305	396,729	255,018	103,253	57,465	64,855
CASH ASSETS ^(b)	86,790	36,219	47,222	97,691	120,588	210,709	226,974

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Decontamination of the Bindi Bindi Waste Treatment Ponds.....	-	1,000	-	-	-
Disruptive Behaviour Management and Tenancy Support.....	-	3,000	3,000	3,000	3,000
Remote Area Essential Services Program.....	-	30,000	30,000	30,000	30,000
Swimming Pool Maintenance and Operation in Remote Indigenous Communities.....	-	1,500	1,500	1,500	1,500

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 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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Rental Housing	877,254	628,231	965,724	825,625	871,808	893,600	873,403
2. Home Loans	222,787	318,007	246,040	301,477	268,249	274,954	268,740
3. Land.....	144,214	200,760	167,433	256,022	201,187	206,215	201,555
4. Government Regional Officers' Housing	155,145	159,046	167,402	170,038	174,486	178,960	184,639
Total Cost of Services	1,399,400	1,306,044	1,546,599	1,553,162	1,515,730	1,553,729	1,528,337

Significant Issues Impacting the Agency

- Despite the softening of the general housing market from the 2006-07 peaks, rental vacancy rates have decreased to 2008 levels, and Perth's average weekly rent has increased by 8.0% from last year to \$400 per week. As a result, securing affordable housing is challenging for many Western Australians.
- In support of this, the Government is providing a much needed boost to social housing stock through the injection of \$130.0 million over two years, over the period 2012-13 to 2013-14. This will fund the construction of an additional 433 homes and help ensure the State maintains a safety net for Western Australians who cannot secure housing in the private market. The boost will have the additional benefit of maintaining a level of activity for the residential construction industry and limit the movement of skills to other sectors.
- The Authority, through its 'Affordable Housing Strategy 2010-2020: Opening Doors to Affordable Housing', is working with the private and not-for-profit sectors to increase the diversity and supply of affordable housing options and take pressure off the social housing system. Innovative partnerships, procurement and construction methods are key to achieving the minimum target of 20,000 new affordable housing opportunities by 2020.
- Under the Affordable Housing Expression of Interest Program, the Authority is securing a range of affordable, entry-level properties across the State. Up to 2,000 new properties are being built for low to moderate income earners, including regional key workers, through the 'SharedStart' shared equity loan program. This will increase housing supply where it is most needed at the low end of the market.

- The Authority will receive additional funding of \$8.7 million over three years from 2012-13 to 2014-15 to provide an additional 16 homes for Mental Health Commission clients who are unable to secure appropriate housing in the private market. This is in addition to the \$150.7 million over three years provided in last year's budget, which will see the commencement or delivery of 284 homes provided to Disability Services Commission (169 homes), Mental Health (100 homes) and Drug and Alcohol Office clients (15 homes).
- The Authority continues to increase the supply of affordable private rental properties through its strong participation in the National Rental Affordability Scheme (NRAS), in conjunction with the Commonwealth Government. In Western Australia, 6,000 new affordable rentals will be built by June 2016, with 435 homes completed by 31 March 2012 and 5,000 expected to be completed by 30 June 2014. These properties will provide a significant rent discount of at least 20.0% for people on low-moderate incomes, including in the State's North West.
- The provision of essential services to remote Indigenous communities presents a number of challenges for the Authority and its contracted service providers, with much of the infrastructure in remote communities ageing and becoming increasingly expensive to maintain and repair. The Authority will receive additional funding of \$120.0 million over four years from 2012-13 to 2015-16 to continue the provision of water, wastewater, power and other essential services under the Remote Area Essential Services Program.
- In addition, \$6.0 million over four years from 2012-13 to 2015-16 will be provided towards the cost of operating and maintaining swimming pools in Fitzroy Crossing and five remote Indigenous communities, Bidadanga, Burringurra, Jigalong, Warmun and Yandeyarra. Provision of public swimming pools leads to improved health, educational and other social outcomes for community residents.
- The Government is investing \$12.0 million over four years from 2012-13 to 2015-16 to support the implementation of its Disruptive Behaviour Management Policy, targeting unacceptable behaviour by public housing tenants. The funding will bolster resources dedicated to managing and investigating complaints from the public and ensure tenants are held to account for their behaviour.
- The Government continues to strengthen the role of the community housing sector in delivering social and affordable housing including through the transfer and head lease of housing stock to community housing 'Growth Providers', which will enable large non-government organisations to borrow funds to build additional homes. Growth Providers have already contracted to deliver 448 homes from the 'Stage 1' head leases and ownership transfers.
- The Authority continues to pursue critical partnerships with the private sector to deliver mixed tenure developments that break new ground in delivering real affordability within commercially profitable transactions. For example, from an initial investment of \$6.4 million in land value, a \$72.0 million affordable housing development will be delivered in the Central Business District (CBD), incorporating social housing, NRAS, shared equity, concessional purchase opportunities and ordinary market sales with a total return on equity for government of around 30.0%. Another project, Stella Orion in Success, won the Medium Density Development and Rising Star Awards at the 2011 Urban Development Institute of Australia Western Australia Awards for Excellence.
- The Royalties for Regions (RfR) Housing for Workers Program will commit an additional \$355.5 million, taking the total spend over five years for this program from 2011-12 to 2015-16 to \$389.4 million. This investment will provide affordable, available and appropriate housing solutions to key workers across Western Australia and create an additional 712 houses, with at least 1,175 new households moving to the regions.
- Part of the RfR program is the provision of a key workers village in the Osprey subdivision at South Hedland where a 10-hectare site will house up to 300 key workers. This will complement the existing Osprey subdivision and help meet the high demand for residential housing associated with development projects in the Pilbara. Importantly, it will provide housing options consistent with the State Government's 'Affordable Housing Strategy 2010-2020: Opening Doors to Affordable Housing'.
- Construction will commence in 2012-13 on a much needed acute homeless shelter within the Perth CBD that will house 10 men per night.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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)	0.69	0.88	0.81	0.84	1
Waiting times for accommodation - applicants housed.....	113 weeks	108 weeks	121 weeks	134 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).....	96%	94%	95%	95%	

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

Explanation of Significant Movements

(Notes)

1. The decrease in the 2011-12 Estimated Actual compared to the 2011-12 Budget is due to a tightening of the vacancy rate in the private rental market decreasing the demand for bond assistance loans. There is also subdued demand for home loans from low income clients due to economic uncertainties and a more cautious approach to debt.
2. The increase in the 2011-12 Estimated Actual and 2012-13 Budget Target compared to the 2011-12 Budget is due to prioritisation of longer-term applicants being housed and continuing high demand for social housing.

Services and Key Efficiency Indicators**1: Rental Housing**

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	877,254	628,231	965,724	825,625	
Less Income	385,586	394,187	451,771	434,289	
Net Cost of Service.....	491,668	234,044	513,953	391,336	
Efficiency Indicators					
Operating Cost per Rental Property	\$12,539	\$12,457	\$13,997	\$14,397	1

Explanation of Significant Movements

(Notes)

1. The 2011-12 Budget included properties to be transferred to community housing organisations to grow the community housing sector (a key requirement of Commonwealth Economic Stimulus funding), while the 2011-12 Estimated Actual and 2012-13 Budget Target excludes these properties. The treatment of the asset transfers for this indicator was clarified after the 2011-12 Budget Papers.

2: Home Loans

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	222,787	318,007	246,040	301,477	
Less Income	261,285	332,970	249,557	309,665	
Net Cost of Service	(38,498)	(14,963)	(3,517)	(8,188)	
Efficiency Indicators					
Operating Cost per Current Loan Account	\$1,575	\$1,259	\$1,315	\$1,367	1

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Estimated Actual compared to the 2011-12 Budget is due to a greater than anticipated reduction in the number of active loans. The lower number of active loans resulted from decreased borrower activity in the market due to first home buyers saving rather than taking on debt and higher discharges due to changes in Keystart policy to a transitional scheme.

The increase in the 2012-13 Budget Target compared to the 2011-12 Estimated Actual and the 2011-12 Budget was due to Keystart increasing debt provisions to accommodate deteriorating market conditions.

3: Land

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	144,214	200,760	167,433	256,022	
Less Income	202,460	297,431	266,460	368,188	
Net Cost of Service	(58,246)	(96,671)	(99,027)	(112,166)	
Efficiency Indicators					
Operating Cost per Lot Developed	\$12,857	\$10,417	\$20,932	\$14,066	1

Explanation of Significant Movements

(Notes)

1. The 2012-13 Budget Target and 2011-12 Estimated Actual are higher than the 2011-12 Budget due to a change in the accounting treatment of Joint Venture project operating costs. These costs were previously excluded as being a Cost of Sale.

The 2011-12 Estimated Actual is also higher than the 2011-12 Budget due to lower than expected market conditions, resulting in reduced lot production.

The 2012-13 Budget Target is lower than the 2011-12 Estimated Actual based on an expected return to average market conditions, resulting in an increase in lot production.

4: Government Regional Officers' Housing

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	155,145	159,046	167,402	170,038	
Less Income	163,293	159,151	182,082	186,002	
Net Cost of Service	(8,148)	(105)	(14,680)	(15,964)	
Efficiency Indicators					
Operating Cost per Property	\$26,522	\$27,781	\$29,169	\$29,398	1

Explanation of Significant Movements

(Notes)

1. The 2011-12 Estimated Actual and 2012-13 Budget Target are higher than the 2011-12 Budget mainly due to the escalating costs of leased properties, particularly in high demand areas such as the Pilbara and Kimberley regions.

ASSET INVESTMENT PROGRAM

The Authority's asset investment program for 2012-13 is approximately \$971.1 million. Significant programs in 2012-13 include:

- securing a range of affordable, entry-level properties across the State. Up to 2,000 new properties to be built for low to moderate income earners, including regional key workers, through the 'SharedStart' shared equity loan program;
- \$110.6 million Construction and Spot Purchase Program including \$65.0 million funding boost from the State Government for social housing;
- the continuation of the Disability Services Commission program will see 62 of the 169 dwellings delivered in 2012-13;
- the provision of 100 dwellings for the high needs clients of the Mental Health Commission;
- the provision of 15 dwellings for the high needs clients of the Drug and Alcohol Office;
- the development of 3,130 affordable housing lots, including 1,666 lots developed with Joint Venture partners; and
- the provision of a key workers village in the Osprey subdivision at South Hedland where a 10-hectare site will house up to 300 key workers. This is part of the RfR Housing for Workers program that will complement the existing Osprey subdivision and help meet the high demand for residential housing associated with development projects in the Pilbara.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Community Housing - 2011-12 Program	2,833	2,833	2,833	-	-	-	-
Computer Hardware and Software - 2011-12 Program	4,933	4,933	4,933	-	-	-	-
Construction and Purchase of Houses							
2011-12 Program	99,157	99,157	99,157	-	-	-	-
A Place to Call Home - Commonwealth Election Commitment - Homelessness Capital - 2011-12 Program	8,302	8,302	8,302	-	-	-	-
Commonwealth National Partnership Payments for Social Housing - 2011-12 Program	313	313	313	-	-	-	-
Commonwealth Stimulus Package for Social Housing - 2011-12 Program	90,556	90,556	90,556	-	-	-	-
Crisis Accommodation - 2011-12 Program	10,077	10,077	10,077	-	-	-	-
Social Housing - Disability Services - 2011-12 Program	42,532	42,532	42,532	-	-	-	-
Social Housing - Drug and Alcohol Office - 2011-12 Program	8,500	8,500	8,500	-	-	-	-
Social Housing - Dwellings Mental Health - 2011-12 Program	45,338	45,338	45,338	-	-	-	-
Social Housing - Mental Health Care Units - 2011-12 Program	3,714	3,714	3,714	-	-	-	-
East Kimberley Development Project							
2011-12 Program	19,661	19,661	19,661	-	-	-	-
RfR - Indigenous Visitor Hostels - 2011-12 Program	2,234	2,234	2,234	-	-	-	-
RfR - Non-Government Organisation Housing - 2011-12 Program	35,000	35,000	35,000	-	-	-	-
RfR - Housing for Workers - 2011-12 Program	96,897	96,897	96,897	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Affordable Housing including SharedStart Project							
2011-12 Program	200,000	200,000	200,000	-	-	-	-
Construction and Purchase of Regional Officers Housing							
2011-12 Program	41,590	41,590	41,590	-	-	-	-
Accommodation for Department of Corrective Services							
Derby - 2011-12 Program	24,450	24,450	24,450	-	-	-	-
RfR Election Commitment - Housing for Workers							
2011-12 Program	33,960	33,960	33,960	-	-	-	-
Estate Improvement Land Redevelopment - 2011-12							
Program	27,183	27,183	27,183	-	-	-	-
Land							
Acquisition - 2011-12 Program	40,000	40,000	40,000	-	-	-	-
GROH Land Acquisition - 2011-12 Program	6,328	6,238	6,238	-	-	-	-
Development - 2011-12 Program	86,186	86,186	86,186	-	-	-	-
Land Buildout Building Costs - 2011-12 Program	1,500	1,500	1,500	-	-	-	-
Holding Costs - 2011-12 Program	430	430	430	-	-	-	-
Redevelopment - 2011-12 Program	2,758	2,758	2,758	-	-	-	-
Shared Equity Program - 2011-12 Program	21,000	21,000	21,000	-	-	-	-
Minor Works - 2011-12 Program	400	400	400	-	-	-	-
Offices and Shops - 2011-12 Program	2,952	2,952	2,952	-	-	-	-
Other - Covers Regional Area - 2011-12 Program	308	308	308	-	-	-	-
NEW WORKS							
Community Housing							
2012-13 Program	2,580	-	-	2,580	-	-	-
2013-14 Program	2,684	-	-	-	2,684	-	-
2014-15 Program	2,791	-	-	-	-	2,791	-
2015-16 Program	2,902	-	-	-	-	-	2,902
Computer Hardware and Software							
2012-13 Program	8,066	-	-	8,066	-	-	-
2013-14 Program	8,066	-	-	-	8,066	-	-
2014-15 Program	8,066	-	-	-	-	8,066	-
2015-16 Program	8,066	-	-	-	-	-	8,066
Construction and Purchase of Houses							
2012-13 Program	110,578	-	-	110,578	-	-	-
2013-14 Program	83,203	-	-	-	83,203	-	-
A Place to Call Home - Commonwealth Election							
Commitment - Homelessness Capital - 2012-13							
Program	5,783	-	-	5,783	-	-	-
Commonwealth Stimulus package for Social Housing							
2012-13 Program	6,150	-	-	6,150	-	-	-
Crisis Accommodation							
2012-13 Program	10,580	-	-	10,580	-	-	-
2013-14 Program	8,924	-	-	-	8,924	-	-
2014-15 Program	9,281	-	-	-	-	9,281	-
2015-16 Program	9,651	-	-	-	-	-	9,651
Social Housing - Disability Services Commission							
2012-13 Program	36,695	-	-	36,695	-	-	-
2013-14 Program	14,375	-	-	-	14,375	-	-
Social Housing - Mental Health Care Units							
2012-13 Program	8,788	-	-	8,788	-	-	-
Social Housing - Mental Health Commission							
2012-13 Program	1,527	-	-	1,527	-	-	-
2013-14 Program	3,808	-	-	-	3,808	-	-
2014-15 Program	3,360	-	-	-	-	3,360	-
RfR - Indigenous Visitor Hostels							
2012-13 Program	10,396	-	-	10,396	-	-	-
2013 -14 Program	370	-	-	-	370	-	-
RfR - Housing for Workers							
2012-13 Program	99,370	-	-	99,370	-	-	-
2013-14 Program	48,096	-	-	-	48,096	-	-
2014-15 Program	55,500	-	-	-	-	55,500	-
2015-16 Program	51,904	-	-	-	-	-	51,904
Affordable Housing including SharedStart Project							
2012-13 Program	450,000	-	-	450,000	-	-	-
Construction and Purchase of Regional Officers Housing							
2012-13 Program	21,784	-	-	21,784	-	-	-
2013-14 Program	39,266	-	-	-	39,266	-	-
2014-15 Program	23,081	-	-	-	-	23,081	-
2015-16 Program	24,970	-	-	-	-	-	24,970

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Estate Improvement Land Redevelopment							
2012-13 Program	30,729	-	-	30,729	-	-	-
2013-14 Program	22,251	-	-	-	22,251	-	-
2014-15 Program	24,232	-	-	-	-	24,232	-
2015-16 Program	1,682	-	-	-	-	-	1,682
Land							
Acquisition							
2012-13 Program	5,000	-	-	5,000	-	-	-
2013-14 Program	45,000	-	-	-	45,000	-	-
2014-15 Program	65,000	-	-	-	-	65,000	-
2015-16 Program	65,000	-	-	-	-	-	65,000
GROH Land Acquisition - 2013-14 Program	3,000	-	-	-	3,000	-	-
Development							
2012-13 Program	120,499	-	-	120,499	-	-	-
2013-14 Program	151,810	-	-	-	151,810	-	-
2014-15 Program	164,326	-	-	-	-	164,326	-
2015-16 Program	154,318	-	-	-	-	-	154,318
Land Buildout Costs							
2012-13 Program	10,400	-	-	10,400	-	-	-
2013-14 Program	7,905	-	-	-	7,905	-	-
2014-15 Program	3,210	-	-	-	-	3,210	-
2015-16 Program	21,138	-	-	-	-	-	21,138
Holding Costs							
2012-13 Program	443	-	-	443	-	-	-
2013-14 Program	457	-	-	-	457	-	-
2014-15 Program	470	-	-	-	-	470	-
2015-16 Program	484	-	-	-	-	-	484
Redevelopment							
2012-13 Program	9,112	-	-	9,112	-	-	-
2013-14 Program	4,545	-	-	-	4,545	-	-
2014-15 Program	4,545	-	-	-	-	4,545	-
2015-16 Program	4,545	-	-	-	-	-	4,545
Shared Equity Program							
2012-13 Program	19,000	-	-	19,000	-	-	-
2013-14 Program	20,000	-	-	-	20,000	-	-
2014-15 Program	21,000	-	-	-	-	21,000	-
2015-16 Program	22,000	-	-	-	-	-	22,000
Minor Works							
2012-13 Program	1,000	-	-	1,000	-	-	-
2013-14 Program	1,033	-	-	-	1,033	-	-
2014-15 Program	1,146	-	-	-	-	1,146	-
2015-16 Program	1,181	-	-	-	-	-	1,181
Offices and Shops							
2012-13 Program	2,322	-	-	2,322	-	-	-
2013-14 Program	1,193	-	-	-	1,193	-	-
2014-15 Program	1,196	-	-	-	-	1,196	-
2015-16 Program	1,163	-	-	-	-	-	1,163
Other							
2012-13 Program	316	-	-	316	-	-	-
2013-14 Program	316	-	-	-	316	-	-
2014-15 Program	316	-	-	-	-	316	-
2015-16 Program	316	-	-	-	-	-	316
Total Cost of Asset Investment Program	3,153,262	959,002	959,002	971,118	466,302	387,520	369,320
FUNDED BY							
Capital Appropriation			174,881	106,303	86,183	3,360	-
Asset Sales			595,347	907,893	491,006	529,621	448,312
Borrowings			20,000	50,000	18,400	-	-
Commonwealth Funds			7,106	10,186	-	-	-
Internal Funds and Balances			(46,858)	(225,796)	(194,853)	(213,079)	(141,663)
Other			46,945	12,766	17,100	12,118	10,767
Drawdowns from Royalties for Regions Fund ^(a)			161,581	109,766	48,466	55,500	51,904
Total Funding			959,002	971,118	466,302	387,520	369,320

(a) Funded from the RfR Fund - Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS

Income Statement

Expenses

Total Cost of Services is projected to increase by \$6.6 million (0.4%) in 2012-13 compared to the 2011-12 Estimated Actual. The increase in expenses are mainly due to:

- \$117.9 million increase in cost of land sold relative to increased land sale projections in 2012-13 as a result of an increase in expected lot production and forecast improvement in market conditions;
- \$48.6 million increase in interest expense for Keystart loans reflecting forecast growth in loans;
- \$4.6 million increase in Government Regional Officers' Housing (GROH) Operating Lease Rental expense; and
- \$165.6 million decrease in 2012-13 in transfers of housing assets to the Community Housing Sector, these transfers arose in 2010-11 as a requirement of the Commonwealth Stimulus program.

Income

Total income is forecast to increase by \$148.3 million (12.9%) in 2012-13 compared to the 2011-12 Estimated Actual and is primarily due to:

- \$130.5 million projected increase in land sales revenue due to an overall increase in lot production and steady market conditions;
- \$48.6 million increase from interest earnings from increased Keystart activity;
- \$31.8 million increase in Commonwealth Grants and Subsidies mostly under the Commonwealth National Partnerships Agreement Program;
- \$50.2 million reduction of State grants due to the completion of the Warmun rebuild project;
- \$7.9 million in higher rent revenue proceeds from social housing and GROH; and
- \$7.8 million reduced revenue from developers' contributions from community housing joint ventures.

Statement of Financial Position

The Authority's total assets are projected to increase by \$518.0 million (2.8%) in comparison to the 2011-12 Estimated Actual. The movement is attributable to revaluations of rental properties, increased cash at bank and an increase in non-current assets with increased Keystart lending. There is an offsetting increase in Keystart liabilities for non-current borrowings.

Statement of Cashflows

The 2012-13 net cash holdings for the Authority of \$97.7 million is an increase of 106.9% compared to the 2011-12 Estimated Actual of \$47.2 million. The forecast increase is the result of an increase in proceeds from land sales with increased lot production and increased borrowing from Western Australian Treasury Corporation (WATC) for strategic land purchases. Partly offsetting this is the finalisation of the Commonwealth Stimulus funding.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits	91,976	104,400	109,892	126,146	133,257	140,381	141,673
Grants and subsidies ^(b)	3,295	4,914	811	342	256	327	461
Supplies and services	256,899	282,303	355,583	343,780	355,742	331,643	365,527
Accommodation	132,407	116,401	141,385	137,757	140,939	158,128	162,396
Depreciation and amortisation	111,506	112,452	120,209	123,955	124,372	124,802	125,244
Finance costs	257,048	351,811	267,808	316,153	321,047	316,709	324,529
Cost of land sold	117,253	171,614	137,895	255,858	259,714	306,693	256,138
Loss of disposal of non-current assets	8,452	-	7,396	3,873	1,481	2,499	2,982
Net assets transferred out	270,957	-	246,720	81,160	-	-	-
Other expenses	149,607	162,149	158,900	164,138	178,922	172,547	149,387
TOTAL COST OF SERVICES.....	1,399,400	1,306,044	1,546,599	1,553,162	1,515,730	1,553,729	1,528,337
Income							
Sale of goods and services	174,254	249,204	234,514	365,017	395,508	461,422	401,735
Grants and subsidies	215,654	224,489	278,164	250,189	305,259	282,711	282,711
Interest revenue	206,815	293,645	209,319	255,255	261,032	263,160	275,493
Rent	352,057	355,531	374,893	382,815	391,110	401,501	412,483
Developers contribution	3,070	1,500	8,069	218	-	-	-
Dividend/Statutory contribution	53,470	39,030	39,000	40,869	55,784	83,683	87,268
Other revenue	7,304	20,340	5,911	3,781	3,784	3,787	3,792
Total Income.....	1,012,624	1,183,739	1,149,870	1,298,144	1,412,477	1,496,264	1,463,482
NET COST OF SERVICES.....	386,776	122,305	396,729	255,018	103,253	57,465	64,855
INCOME FROM STATE GOVERNMENT							
Service appropriations	16,976	103,131	95,057	57,660	62,444	56,947	56,180
Royalties for Regions Fund ^(c)	480	2,400	9,773	6,512	2,623	1,082	1,117
TOTAL INCOME FROM STATE GOVERNMENT.....	17,456	105,531	104,830	64,172	65,067	58,029	57,297
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(369,320)	(16,774)	(291,899)	(190,846)	(38,186)	564	(7,558)
Extraordinary items.....	96,887	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS.....	(272,433)	(16,774)	(291,899)	(190,846)	(38,186)	564	(7,558)

(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.

(c) Regional Infrastructure and Headworks Fund - \$2.4 million (2011-12 Budget), \$8.8 million (2011-12 Estimated Out Turn), \$5.5 million (2012-13 Budget Estimate), \$1.6 million (2013-14), Regional Community Services Fund - \$0.5 million (2010-11 Actual), \$1.0 million (2011-12 Estimated Out Turn), \$1.0 million (2012-13 Budget Estimate), \$1.0 million (2013-14), \$1.1 million (2014-15) and \$1.1 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Community Support Schemes	3,295	4,914	811	342	256	327	461
TOTAL.....	3,295	4,914	811	342	256	327	461

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	41,774	1,780	11,965	62,434	85,331	175,452	191,717
Restricted cash.....	45,016	34,439	35,257	35,257	35,257	35,257	35,257
Receivables.....	138,155	87,298	138,836	139,517	139,616	140,243	140,939
Other.....	1,009,223	1,396,980	865,539	865,539	865,539	865,539	865,539
Assets held for sale	11,797	2,820	11,797	11,797	11,797	11,797	11,797
Total current assets	1,245,965	1,523,317	1,063,394	1,114,544	1,137,540	1,228,288	1,245,249
NON-CURRENT ASSETS							
Property, plant and equipment	13,133,396	12,568,781	13,182,226	13,149,286	13,091,826	12,952,067	12,846,102
Intangibles	3,470	3,320	3,470	3,470	3,470	3,470	3,470
Other.....	3,640,192	4,364,809	4,365,192	4,865,192	4,865,192	4,865,192	4,865,192
Total non-current assets.....	16,777,058	16,936,910	17,550,888	18,017,948	17,960,488	17,820,729	17,714,764
TOTAL ASSETS.....	18,023,023	18,460,227	18,614,282	19,132,492	19,098,028	19,049,017	18,960,013
CURRENT LIABILITIES							
Employee provisions.....	15,005	14,363	15,559	16,113	16,657	15,983	15,983
Payables.....	51,467	40,345	51,726	51,923	51,467	51,467	51,467
Other.....	92,848	107,006	75,619	78,541	66,528	66,084	66,640
Total current liabilities.....	159,320	161,714	142,904	146,577	134,652	133,534	134,090
NON-CURRENT LIABILITIES							
Employee provisions.....	31,495	30,049	29,251	27,230	23,847	21,572	21,141
Borrowings	5,102,215	6,180,031	5,683,427	6,178,599	6,112,819	6,040,243	5,961,981
Other.....	11,788	4,805	11,586	10,859	9,588	7,764	5,400
Total non-current liabilities	5,145,498	6,214,885	5,724,264	6,216,688	6,146,254	6,069,579	5,988,522
TOTAL LIABILITIES.....	5,304,818	6,376,599	5,867,168	6,363,265	6,280,906	6,203,113	6,122,612
EQUITY							
Contributed equity	1,504,575	1,843,056	1,841,037	2,057,106	2,191,755	2,250,615	2,302,519
Accumulated surplus/(deficit).....	2,633,959	2,568,553	2,342,060	2,151,214	2,113,028	2,113,592	2,106,034
Reserves.....	8,579,671	7,672,019	8,564,017	8,560,907	8,512,339	8,481,697	8,428,848
Total equity	12,718,205	12,083,628	12,747,114	12,769,227	12,817,122	12,845,904	12,837,401
TOTAL LIABILITIES AND EQUITY.....	18,023,023	18,460,227	18,614,282	19,132,492	19,098,028	19,049,017	18,960,013

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	16,976	103,131	95,057	57,660	62,444	56,947	56,180
Capital appropriation	374,574	169,521	174,881	106,303	86,183	3,360	-
Royalties for Regions Fund ^(b)	64,030	135,850	171,354	116,278	51,089	56,582	53,021
Net cash provided by State Government.....	455,580	408,502	441,292	280,241	199,716	116,889	109,201
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(92,756)	(107,046)	(112,080)	(128,142)	(136,649)	(143,917)	(145,358)
Grants and subsidies	(3,295)	(4,914)	(811)	(342)	(256)	(327)	(461)
Supplies and services	(378,215)	(389,979)	(437,692)	(428,035)	(494,256)	(494,061)	(510,339)
Accommodation.....	(132,003)	(115,448)	(141,219)	(138,204)	(141,502)	(158,809)	(163,203)
Finance costs.....	(247,101)	(349,474)	(285,219)	(313,938)	(334,315)	(318,967)	(326,337)
Other payments.....	(290,536)	(245,780)	(251,554)	(261,400)	(277,659)	(274,099)	(254,617)
Receipts							
Grants and subsidies	215,654	224,489	278,164	250,189	305,259	282,711	282,711
Sale of goods and services	138,387	213,670	229,534	330,458	355,212	422,467	367,030
GST receipts	52,944	21,762	-	-	-	-	-
Interest received	197,772	293,907	228,003	255,255	261,026	263,160	275,493
Rent receipts	353,554	355,739	373,194	381,108	389,064	399,785	411,272
Dividend/State contributions received	25,000	39,030	39,000	40,869	55,784	83,683	87,268
Other receipts.....	30,175	16,078	40,664	3,039	2,793	2,766	2,738
Net cash from operating activities	(130,420)	(47,966)	(40,016)	(9,143)	(15,499)	64,392	26,197
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(607,196)	(458,881)	(787,869)	(793,236)	(231,334)	(125,737)	(122,153)
Other payments.....	(16,030)	(9,000)	-	-	-	-	-
Proceeds from sale of non-current assets	78,136	117,130	365,813	577,435	135,794	107,154	81,282
Other receipts.....	21	-	-	-	-	-	-
Net cash from investing activities	(545,069)	(350,751)	(422,056)	(215,801)	(95,540)	(18,583)	(40,871)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(7,888,027)	(14,803,575)	(4,828,788)	(6,639,828)	(5,144,180)	(5,252,577)	(4,758,262)
Other payments.....	(7,755,000)	(15,258,992)	(5,390,000)	(7,085,000)	(5,060,000)	(5,180,001)	(4,680,000)
Proceeds from borrowings	7,755,000	15,278,992	5,410,000	7,135,000	5,078,400	5,180,001	4,680,000
Other proceeds.....	7,835,000	14,760,000	4,790,000	6,585,000	5,060,000	5,180,000	4,680,000
Net cash from financing activities.....	(53,027)	(23,575)	(18,788)	(4,828)	(65,780)	(72,577)	(78,262)
NET INCREASE/(DECREASE) IN CASH HELD	(272,936)	(13,790)	(39,568)	50,469	22,897	90,121	16,265
Cash assets at the beginning of the reporting period.....	359,726	50,009	86,790	47,222	97,691	120,588	210,709
Cash assets at the end of the reporting period.....	86,790	36,219	47,222	97,691	120,588	210,709	226,974

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

(b) Regional Infrastructure and Headworks Fund - \$63.6 million (2010-11 Actual), \$135.9 million (2011-12 Budget), \$170.4 million (2011-12 Estimated Out Turn), \$115.3 million (2012-13 Budget Estimate), \$50.0 million (2013-14), \$55.5 million (2014-15), \$51.9 million (2015-16), Regional Community Services Fund - \$0.5 million (2010-11 Actual), \$1.0 million (2011-12 Estimated Out Turn), \$1.0 million (2012-13 Budget Estimate), \$1.0 million (2013-14), \$1.1 million (2014-15) and \$1.1 million (2015-16).

KEYSTART HOUSING SCHEME TRUST

ASSET INVESTMENT PROGRAM

Keystart's asset investment program for 2012-13 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 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
IT Systems.....	8,756	4,556	1,050	1,050	1,050	1,050	1,050
Total Cost of Asset Investment Program	8,756	4,556	1,050	1,050	1,050	1,050	1,050
FUNDED BY							
Internal Funds and Balances			1,050	1,050	1,050	1,050	1,050
Total Funding			1,050	1,050	1,050	1,050	1,050

FIRE AND EMERGENCY SERVICES AUTHORITY OF WESTERN AUSTRALIA

PART 13 - MINISTER FOR TRANSPORT; HOUSING; EMERGENCY SERVICES

DIVISION 57

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 88 Net amount appropriated to deliver services.....	154,181	21,561	23,144	36,099	31,594	31,635	31,756
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	-	490	490	738	758	783	801
Total appropriations provided to deliver services	154,181	22,051	23,634	36,837	32,352	32,418	32,557
CAPITAL							
Item 155 Capital Appropriation	62	-	-	2,810	-	-	-
TOTAL APPROPRIATIONS.....	154,243	22,051	23,634	39,647	32,352	32,418	32,557
EXPENSES							
Total Cost of Services ^(a)	310,502	290,084	398,286	309,972	325,708	334,303	346,571
Net Cost of Services ^(b)	69,379	30,382	140,097	36,654	36,700	36,378	39,939
CASH ASSETS^(c)	168,436	39,335	40,967	22,094	22,679	22,275	16,895

- (a) 2011-12 Estimated Actual includes outlays of \$100.0 million under the Western Australian Natural Disaster Relief and Recovery Arrangements (WANDRRA).
- (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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Crisis Incident Management System.....	-	1,804	494	512	530
Helicopter Aerial Fire Suppression.....	3,838	-	-	-	-
Response to the 2011 Margaret River Bushfire	-	5,000	5,000	5,000	5,000
Response to the 2011 Roleystone-Kelmscott Bushfire	-	5,000	5,000	5,000	5,000
Surf Life Saving Western Australia.....	-	563	579	596	634
Western Australian Fire Service - Enterprise Bargaining Agreement 2011	789	1,656	2,592	2,592	2,592
Western Australian Natural Disaster Relief and Recovery Arrangements	100,000	-	-	-	-
Efficiency Dividend.....	-	(431)	(555)	(750)	(962)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Prevention and Mitigation Services	31,279	34,399	34,033	35,795	37,574	38,560	39,957
2. Emergency Services ^(a)	279,223	255,685	364,253	274,608	288,689	296,493	307,576
3. Contribution to Responsible Financial Management.....	-	-	-	(431)	(555)	(750)	(962)
Total Cost of Services	310,502	290,084	398,286	309,972	325,708	334,303	346,571

(a) 2011-12 Estimated Actual includes outlays of \$100.0 million under WANDRRA.

Significant Issues Impacting the Agency

- Implementation of FESA's reform program in-line with the Keelty recommendations will see FESA restructured as a State Government Department. The new Department's structure will be more operationally focused, functionally based and underpinned by resilient and transparent governance and supported by increased community awareness. The Keelty Review made 55 recommendations, of which FESA is the lead agency for 25. Of those, 16 have been implemented and nine are still being progressed.
- Residential growth on the rural interface is increasing the vulnerability of people and property. The establishment of an Office of Bushfire Risk Management will ensure appropriate risk assessment is undertaken prior to scheduling prescribed burning in areas that may impact residential areas. The extension of gazetted fire areas to match urban growth in the South West and Metropolitan regions will support improved emergency response, and targeted community engagement programs will raise awareness of emergency risk responsibility and preparedness planning.

- FESA will focus on improved preparedness for predicted increases in service delivery demands. A priority is to improve interoperability and information sharing with emergency management partners to ensure effective incident response regardless of the concurrency of large scale events. The restructure will support increased capacity for operational preparedness and capability planning, including establishment of a fourth Metropolitan region. The implementation of technology and increased technical support during incidents will improve intelligence and management planning. Evaluation of capacity to meet training demands, resulting from increased operational capacity and structural reform, will include a focus on development of agreed training standards to support improved interoperability.
- The frequency and severity of natural hazard events including large scale bushfires, cyclones and floods is anticipated to increase. The development of a State Risk Register to assess the community's vulnerability based on hazard risks and resilience levels will support the prioritisation of mitigation strategies.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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)	71.1	70	67	70	
Proportion of structural fires confined to object/room of origin.....	76.3%	70%	76%	72%	
Percentage of special risk plans for hazardous material sites reviewed within specified timeframes ^(c)	95.8%	90%	92%	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)	96.9%	95%	98%	95%	
Percentage of metropolitan responses by Career Fire and Rescue Services within target timeframes ^(e)	89.7%	90%	89%	90%	
Percentage of volunteer Fire and Rescue Service turnouts within target timeframes – Hazard Management Agency roles only ^(f)	95.6%	90%	95%	90%	
Percentage of required operational personnel trained in level 2 and level 3 incident management ^(g)	106%	90%	144%	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 to 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 90.0% within 12 minutes.

(f) Target timeframe for Volunteer Fire and Rescue turnouts from brigade notification to brigade on route to incident, is 90.0% within 14 minutes.

(g) The actual number of operational personnel trained in level 2 incident management (69) exceeds the required number by 44.0%. Of these, 22 officers are also competent to manage level 3 incidents, which is 183.0% 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost Of Service	31,279	34,399	34,033	35,795	
Less Income	26,958	29,606	28,995	30,697	
Net Cost Of Service.....	4,321	4,793	5,038	5,098	
Employees (Full Time Equivalents) ^(a)	150	187	183	192	
Efficiency Indicators					
Cost of Prevention and Mitigation Services per Capita (Western Australia)	\$13.17	\$14.92	\$14.38	\$15.12	

(a) The increase in Full Time Equivalents (FTEs) in 2012-13 mainly reflects the appointment of additional career firefighters, together with delays in the appointment of new staff approved in 2011-12.

2: Emergency Services

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

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost Of Service ^(a)	279,223	255,685	364,253	274,608	
Less Income	214,165	230,096	229,194	242,621	
Net Cost Of Service.....	65,058	25,589	135,059	31,987	
Employees (Full Time Equivalents) ^(b)	1,192	1,235	1,202	1,284	
Efficiency Indicators					
Cost of Emergency Services per Capita (Western Australia) ^(c)	\$103.96	\$110.87	\$111.65	\$116.02	

(a) 2011-12 Estimated Actual includes outlays of \$100.0 million under the WANDRRA.

(b) The increase in Full Time Equivalents (FTE's) in 2012-13 mainly reflects the appointment of additional Community Emergency Services Officers and career firefighters, together with delays in the appointment of new staff approved in 2011-12.

(c) 2011-12 Estimated Actual excludes outlays of \$100.0 million under the WANDRRA.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Fire and Emergency Vehicles							
CFRS General Purpose Appliance (GPA) Replacement Program ^(a)	827	367	-	-	-	460	-
CFRS Light Tanker Replacement 2006-13 Program.....	4,450	3,600	276	850	-	-	-
CFRS Medium Pump Replacement 2010-18 Program.....	23,218	10,775	2,946	-	725	2,950	3,150
VES Unit Fleet Replacement 2007-17 Program ^(b)	10,307	3,735	1,283	1,265	904	1,335	931
VFRS GPA Replacement Program ^(c)	7,215	3,782	-	-	1,033	1,400	1,000
VFRS Light Tanker Replacement 2006-13 Program	8,030	6,930	1,803	1,100	-	-	-
Land and Building Works							
CFRS Australind Fire Station	5,630	30	-	-	-	1,000	4,600
CFRS Bassendean/Kiara Fire Station	6,736	2,409	2,343	4,327	-	-	-
CFRS Geraldton Fire Station	6,279	7	-	2,578	3,694	-	-
FESA Emergency Services Complex - Cockburn	40,001	38,717	17,908	1,284	-	-	-
FESA Training Centre - Modifications	1,254	1,244	147	10	-	-	-
Strategic Land Acquisition Program	8,510	1,500	1,500	7,010	-	-	-
Urgent Minor Works.....	7,500	3,500	3,500	4,000	-	-	-
VFRS Geraldton Fire Station	3,085	229	-	1,401	1,455	-	-
VFRS Kambalda Fire Station	2,610	1,266	1,228	1,344	-	-	-
Plant and Equipment Works							
Breathing Apparatus Replacement 2009-14 Program	4,000	2,400	1,150	800	800	-	-
Emergency Rescue Equipment Program	13,002	6,092	1,887	600	600	800	800
VMRS Communication Network 2003-11 Program ^(d)	805	188	-	617	-	-	-
COMPLETED WORKS							
Fire and Emergency Vehicles							
Additional High Fire Season Appliances	2,150	2,150	2,150	-	-	-	-
CFRS Appliances Australind	920	920	569	-	-	-	-
CFRS Combined Ladder Platform Half Life Refurbishment.....	600	600	600	-	-	-	-
VFRS Appliances Lancelin.....	440	440	440	-	-	-	-
Land and Building Works							
VFRS Albany Fire Station	2,587	2,587	573	-	-	-	-
Plant and Equipment Works							
Community Safety Network	1,644	1,644	1,644	-	-	-	-
Western Australian Emergency Radio Network	472	472	225	-	-	-	-
NEW WORKS							
Fire and Emergency Vehicles							
CFRS Aerial Appliance Replacement Program	2,990	-	-	-	1,460	1,530	-
Light Tanker Replacement 2013-17 Program	12,850	-	-	-	2,300	2,250	2,200
VFRS Appliance Geraldton	141	-	-	141	-	-	-
Land and Building Works							
CFRS Butler Fire Station	4,750	-	-	4,750	-	-	-
CFRS Wangara Fire Station Modifications.....	2,303	-	-	2,303	-	-	-
Plant and Equipment Works							
CFRS Protective Suits Replacement Program	900	-	-	900	-	-	-
Crisis Incident Management System	660	-	-	660	-	-	-
Total Cost of Asset Investment Program	186,866	95,584	42,172	35,940	12,971	11,725	12,681
FUNDED BY							
Capital Appropriation			-	2,810	-	-	-
Borrowings			31,887	11,963	11,699	8,735	8,081
Drawdowns from the Holding Account			-	-	5,000	5,000	-
Internal Funds and Balances			8,641	21,167	(3,728)	(2,010)	4,600
Other.....			1,644	-	-	-	-
Total Funding			42,172	35,940	12,971	11,725	12,681

- (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*

After excluding outlays of \$100.0 million under grants and subsidies relating to the WANDRRA and other non-recurring expenses of \$12.2 million including: Western Australia Emergency Radio Network (\$4.3 million), Community Safety Network (\$3.1 million), voluntary separation offers (\$0.5 million), and the lease of the Aircrane Helicopter (\$3.8 million) in 2011-12, the Total Cost of Services in 2012-13 is expected to increase by \$23.9 million, to \$310.0 million compared to the 2011-12 Estimated Actual. This increase is mainly attributable to a \$10.0 million boost in emergency service funding to continue the implementation of recommendations emanating from the Keelty Reviews into the Roleystone and Margaret River bushfires, the establishment of a web-based Crisis Incident Management System (\$1.8 million), the recurrent impact of new projects under the asset investment program (\$0.5 million), together with provisions for award increases, cost escalation and the flow-on impact of previous policy decisions.

Income

Operating and State Government Income totalling \$311.4 million for 2012-13 represents an increase of \$28.3 million compared to the 2011-12 Estimated Actual. After adjusting for the recoup of \$3.8 million for the lease of the Aircrane Helicopter, the adjusted increase of \$24.5 million mainly reflects the increase in services detailed above.

Statement of Financial Position

Total Assets are expected to increase by a net \$10.6 million in 2012-13, as a result of a \$26.2 million increase in Property, Plant and Equipment, partially offset by a reduction in cash assets.

Total Liabilities are expected to increase by \$10.8 million in 2012-13, 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 2012-13 closing Cash Assets balance of \$22.1 million represents a decrease of \$18.9 million in comparison to the 2011-12 Estimated Actual. The decrease is mainly attributable to the cash outlays associated with the asset investment program.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	152,275	160,970	167,692	180,731	192,295	198,695	205,144
Grants and subsidies ^{(c) (d)}	49,044	35,778	135,778	30,968	35,908	36,127	36,786
Supplies and services	46,051	47,465	37,925	44,713	43,097	46,079	47,242
Accommodation.....	8,977	7,542	8,572	8,803	9,026	9,231	10,325
Depreciation and amortisation	10,886	12,410	12,410	13,171	13,471	13,671	13,671
Efficiency dividend.....	-	-	-	(431)	(555)	(750)	(962)
Other expenses.....	43,269	25,919	35,909	32,017	32,466	31,250	34,365
TOTAL COST OF SERVICES	310,502	290,084	398,286	309,972	325,708	334,303	346,571
Income							
Sale of goods and services	4,982	6,826	5,926	6,001	6,159	6,324	6,074
Regulatory fees and fines.....	218,803	234,141	234,141	249,877	267,576	276,308	284,796
Grants and subsidies	8,445	9,233	9,233	9,363	9,493	9,623	9,623
Other revenue	8,893	9,502	8,889	8,077	5,780	5,670	6,139
Total Income	241,123	259,702	258,189	273,318	289,008	297,925	306,632
NET COST OF SERVICES.....	69,379	30,382	140,097	36,654	36,700	36,378	39,939
INCOME FROM STATE GOVERNMENT							
Service appropriations	154,181	22,051	23,634	36,837	32,352	32,418	32,557
Resources received free of charge.....	489	2,745	745	745	745	745	745
Royalties for Regions Fund ^(e)	128	128	464	481	499	515	527
TOTAL INCOME FROM STATE GOVERNMENT.....	154,798	24,924	24,843	38,063	33,596	33,678	33,829
SURPLUS/(DEFICIENCY) FOR THE PERIOD	85,419	(5,458)	(115,254)	1,409	(3,104)	(2,700)	(6,110)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Budget Estimate are 1,342, 1,385 and 1,476 respectively. In some cases the figures for 2010-11 and 2011-12 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) 2011-12 Estimated Actual includes outlays of \$100.0 million under the WANDRRA.

(e) 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), \$0.1 million (2015-16), Regional Community Services Fund - \$0.1 million (2010-11), \$0.3 million (2011-12), \$0.3 million (2012-13), \$0.4 million (2013-14), \$0.4 million (2014-15) and \$0.4 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Local Government Emergency Services							
Grants	21,068	28,969	28,969	24,469	29,100	29,400	30,615
Other.....	3,837	3,560	3,560	3,229	3,319	3,151	2,263
Surf Life Saving Western Australia.....	599	620	620	1,203	1,239	1,276	1,314
Volunteer Marine Rescue Service	2,781	2,629	2,629	2,067	2,250	2,300	2,594
Western Australian Natural Disaster Relief and Recovery Arrangements	20,759	-	100,000	-	-	-	-
TOTAL.....	49,044	35,778	135,778	30,968	35,908	36,127	36,786

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	167,588	38,111	40,067	21,294	21,479	20,675	14,695
Restricted cash.....	348	324	-	-	-	-	-
Holding account receivables	-	-	-	5,000	5,000	-	-
Receivables	7,273	7,460	8,155	8,235	8,320	8,410	8,410
Other.....	13,650	9,476	18,900	17,900	17,900	17,900	17,900
Total current assets	188,859	55,371	67,122	52,429	52,699	46,985	41,005
NON-CURRENT ASSETS							
Holding account receivables	13,630	17,355	17,355	16,605	15,880	20,155	24,255
Property, plant and equipment	268,124	315,912	301,164	327,349	298,184	299,893	302,457
Intangibles	362	541	362	362	362	362	362
Other.....	500	900	900	800	1,200	1,600	2,200
Total non-current assets.....	282,616	334,708	319,781	345,116	315,626	322,010	329,274
TOTAL ASSETS.....	471,475	390,079	386,903	397,545	368,325	368,995	370,279
CURRENT LIABILITIES							
Employee provisions.....	18,715	14,994	19,347	20,392	21,862	23,770	23,770
Payables.....	9,277	3,868	8,523	8,603	8,688	8,778	8,778
Other.....	2,992	12,682	3,739	36,487	5,393	6,446	7,046
Total current liabilities.....	30,984	31,544	31,609	65,482	35,943	38,994	39,594
NON-CURRENT LIABILITIES							
Employee provisions.....	8,380	12,656	9,517	10,451	11,750	13,422	13,422
Borrowings	44,773	70,803	73,080	49,115	56,320	59,908	63,148
Total non-current liabilities	53,153	83,459	82,597	59,566	68,070	73,330	76,570
TOTAL LIABILITIES.....	84,137	115,003	114,206	125,048	104,013	112,324	116,164
EQUITY							
Contributed equity	120,846	115,006	118,181	113,156	104,640	96,044	96,044
Accumulated surplus/(deficit).....	186,647	90,112	71,393	72,802	69,698	66,998	60,888
Reserves.....	79,845	69,958	83,123	86,539	89,974	93,629	97,183
Total equity	387,338	275,076	272,697	272,497	264,312	256,671	254,115
TOTAL LIABILITIES AND EQUITY.....	471,475	390,079	386,903	397,545	368,325	368,995	370,279

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	150,536	18,326	19,909	32,587	28,077	28,143	28,457
Capital appropriation	62	-	-	2,810	-	-	-
Holding account drawdowns	-	-	-	-	5,000	5,000	-
Royalties for Regions Fund ^(b)	128	128	464	481	499	515	527
Net cash provided by State Government.....	150,726	18,454	20,373	35,878	33,576	33,658	28,984
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(152,239)	(158,960)	(165,682)	(178,471)	(189,245)	(194,834)	(204,040)
Grants and subsidies	(53,071)	(35,778)	(140,778)	(29,968)	(35,908)	(36,127)	(36,786)
Supplies and services	(47,728)	(51,116)	(43,576)	(49,432)	(47,402)	(50,370)	(51,041)
Accommodation.....	(8,048)	(8,647)	(9,677)	(9,908)	(10,131)	(10,336)	(10,325)
Efficiency dividend.....	-	-	-	431	555	750	962
Other payments.....	(45,688)	(37,036)	(47,026)	(43,144)	(43,602)	(42,589)	(43,613)
Receipts							
Regulatory fees and fines.....	219,099	234,141	234,141	249,877	267,576	276,308	289,290
Grants and subsidies	8,446	9,233	8,333	8,463	8,593	8,723	8,723
Sale of goods and services	4,676	6,576	6,576	6,651	6,809	6,974	6,974
GST receipts	14,752	8,600	8,600	8,600	8,600	8,794	8,794
Other receipts.....	8,396	10,581	9,968	9,707	6,324	6,129	6,139
Net cash from operating activities	(51,405)	(22,406)	(139,121)	(27,194)	(27,831)	(26,578)	(24,923)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(35,219)	(48,261)	(42,172)	(35,940)	(12,971)	(11,725)	(12,681)
Proceeds from sale of non-current assets	-	-	-	-	32,100	-	-
Other receipts.....	-	1,644	-	-	-	-	-
Net cash from investing activities	(35,219)	(46,617)	(42,172)	(35,940)	19,129	(11,725)	(12,681)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	-	(3,193)	(3,193)	(3,580)	(35,988)	(4,494)	(4,841)
Proceeds from borrowings	47,129	30,387	31,887	11,963	11,699	8,735	8,081
Net cash from financing activities.....	47,129	27,194	28,694	8,383	(24,289)	4,241	3,240
NET INCREASE/(DECREASE) IN CASH HELD	111,231	(23,375)	(132,226)	(18,873)	585	(404)	(5,380)
Cash assets at the beginning of the reporting period.....	57,205	62,710	168,436	40,967	22,094	22,679	22,275
Net cash transferred to/from other agencies.....	-	-	4,757	-	-	-	-
Cash assets at the end of the reporting period.....	168,436	39,335	40,967	22,094	22,679	22,275	16,895

(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), \$0.1 million (2015-16), Regional Community Services Fund - \$0.1 million (2010-11), \$0.3 million (2011-12), \$0.3 million (2012-13), \$0.4 million (2013-14), \$0.4 million (2014-15) and \$0.4 million (2015-16).

GATEWAY WA

ASSET INVESTMENT PROGRAM

The Gateway WA will address the future transport needs of the Kewdale and Forrestfield industrial and freight transport areas and improve access to the Perth airport. The estimated total cost of the program is approximately \$1.0 billion, comprising \$317.5 million of State and \$686.4 million of Commonwealth funding. An amount of \$404.0 million of this \$1.0 billion is held within the Main Roads asset investment program.

Given the size, scale and complexity of this infrastructure program, the work will be progressively undertaken in packages to minimise disruption to road users, residents and industry.

Main Roads WA has invited proposals from industry interested in being part of an alliance contract to deliver the detailed design and construction of this project. Construction of the first package of works is expected to commence in 2013 and the project is expected to be completed in 2017 prior to the consolidation of the domestic and international airport terminals.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
NEW WORKS							
Gateway WA - Perth Airport and Freight Access	600,000	-	-	53,300	118,700	73,000	237,600
Total Cost of Asset Investment Program	600,000	-	-	53,300	118,700	73,000	237,600
FUNDED BY							
Capital Appropriations			-	-	-	45,000	48,000
Commonwealth Grants			-	53,300	118,700	28,000	189,600
Total Funding			-	53,300	118,700	73,000	237,600

Part 14

Minister for Child Protection; Community Services; Seniors and Volunteering; Women's Interests; Youth

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
699	Child Protection			
	- Delivery of Services.....	440,405	457,276	483,475
	- Capital Appropriation.....	11,810	9,243	-
	Total	452,215	466,519	483,475
711	Communities			
	- Delivery of Services.....	108,334	130,695	99,021
	- Capital Appropriation.....	1,690	1,690	-
	Total	110,024	132,385	99,021
	GRAND TOTAL			
	- Delivery of Services.....	548,739	587,971	582,496
	- Capital Appropriation.....	13,500	10,933	-
	Total.....	562,239	598,904	582,496

CHILD PROTECTION

PART 14 - MINISTER FOR CHILD PROTECTION; COMMUNITY SERVICES; SENIORS AND VOLUNTEERING; WOMEN'S INTEREST; YOUTH

DIVISION 58

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 89 Net amount appropriated to deliver services.....	401,623	439,983	456,854	483,040	483,161	493,703	503,090
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	389	422	422	435	449	464	479
Total appropriations provided to deliver services	402,012	440,405	457,276	483,475	483,610	494,167	503,569
CAPITAL							
Capital Appropriation.....	23,623	11,810	9,243	-	-	-	-
TOTAL APPROPRIATIONS.....	425,635	452,215	466,519	483,475	483,610	494,167	503,569
EXPENSES							
Total Cost of Services.....	464,607	487,077	518,376	536,348	539,468	552,000	551,987
Net Cost of Services ^(a)	420,656	446,824	464,833	496,866	499,187	510,831	510,291
CASH ASSETS ^(b)	30,703	17,987	26,768	27,694	27,618	27,618	19,006

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Additional Indexation to the Non-Government Human Services Sector.....	-	-	-	-	4,583
Continuation of Emergency Management Services	2,500	2,588	2,679	2,773	2,870
Growth in Demand for Child Protection Services.....	-	15,000	15,525	16,030	16,551
Hardship Utility Grant Scheme (HUGS)	-	7,640	-	-	-
Sustainable Funding and Contracting with the Not-For-Profit Sector ^(a)	8,610	8,976	9,358	9,755	9,755
Sustainable Funding and Contracting with the Not-For-Profit Sector - Homelessness.....	4,056	4,231	-	-	-
Efficiency Dividend.....	-	(7,607)	(11,793)	(16,175)	(20,651)

(a) These amounts are reflective of funding allocated in the 2011-12 Budget to Treasury Administered Item 36 – Sustainable Funding and Contracting with the Not-For-Profit Sector, which has now been transferred to the agency's Budget based on eligible service delivery contracts with Not-For-Profit organisations.

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 Chief Executive Officer'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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Supporting Children and Young People in the Chief Executive Officer's Care	220,385	233,451	243,151	259,095	268,450	276,063	282,446
2. Protecting Children and Young People from Abuse and Harm	107,962	113,251	114,588	121,880	127,334	131,968	135,619
3. Supporting Individuals/Families at Risk or in Crisis	136,260	140,375	160,637	162,980	155,477	160,144	154,573
4. Contribution to Responsible Financial Management	-	-	-	(7,607)	(11,793)	(16,175)	(20,651)
Total Cost of Services	464,607	487,077	518,376	536,348	539,468	552,000	551,987

Significant Issues Impacting the Agency

- The major drivers of child protection issues are domestic violence, drug and alcohol abuse, and mental health, as well as family and community issues among Indigenous people. Mandatory reporting of child sexual abuse, joint initiatives with Western Australia Police, improved assessment and investigation processes, and an increased level of community awareness of child abuse and neglect have contributed to increases in child protection activity.
- A 91.0% increase in child safety and wellbeing assessments has been managed by increasing intensive family support cases by 53.0% and family support cases by 184.0% in the last year, limiting growth in the number of children in the Chief Executive Officer's (CEO's) care to between 4.0-6.0% annually over the last three years, with applications for court orders reducing by 18.0% in 2010-11. Nevertheless, some 3,750 children are in the CEO's care.

- The 'Signs of Safety' approach to child protection, developed in Western Australia and being increasingly implemented internationally, provides the basis for building safety with families, enabling more children to remain in the home rather than entering care. The approach underpins the large increases in family support activity relative to children in care.
- The Department has tripled funding to community sector organisations for intensive family support services in the last four years.
- Some 40.0% of children in the CEO's care live in general foster care arrangements (and 50.0% with extended family). Recruiting general foster carers continues to be a priority and a challenge. A mass media campaign will be launched in 2012-13.
- Out-of-home care placements for children in community sector organisations have doubled in the last four years to the current capacity of around 600 placements.
- The Department has initiated delegation of case management to community sector organisations for children in the CEO's care who are on a permanent order and in stable and long-term placements with these organisations.
- There are almost 270 children on special guardianship orders providing long-term stability and improved outcomes for children who are unable to return to their families, a 40.0% increase from January 2011, when these orders replaced enduring parental responsibility orders.
- A new inter-agency program has commenced for young people with exceptionally complex needs who require longer term specialised placements. The Disability Services Commission and the Mental Health Commission have partnered with the Department to establish the program, and the Departments of Corrective Services, Housing and Education are key participants.
- Transition from care for young people, and after care assistance, have been strengthened. Planning now commences from 15 years of age, with assistance more readily available to 25 years of age. Priority areas include housing, education and vocational training, and assisting young people to obtain a motor vehicle licence.
- A Family Support Network innovations site, developed in partnership with the community sector, has been established in Armadale and is managed by Parkerville Children and Youth Care Inc. This provides a common entry point for families to an expanded and more integrated alliance of family support services. The primary aim is to reduce child protection cases by connecting families to appropriate family support at an earlier stage.
- The expansion of Responsible Parenting Services through Royalties for Regions has progressed with services being delivered in all regional areas as they have been in Perth, targeting criminal, anti-social and truanting behaviours, and involving co-location with Department of Corrective Services - Youth Justice Teams.
- Incidents of family and domestic violence reported to police have increased from 34,000 to approximately 44,000 annually. Approximately 80.0% of these cases involve children and are referred to the Department's child protection staff co-located with police. Family and Domestic Violence Case Management and Coordination Services are part of a State-wide integrated response.
- Limited options for low cost and rental accommodation throughout Western Australia have placed significant demand pressure on the Department's frontline and contracted homelessness services. Regional homeless plans across the State identify local issues and key priorities for the community sector services that have been substantially expanded to address homelessness.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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:					
Proportion of children in the CEO's care with comprehensive care planning undertaken within set timeframes ^(b)	n/a	n/a	70%	85%	
Average number of placements per child in the CEO's care per year.....	1.5	1.4	1.4	1.4	
Proportion of Indigenous children in the CEO's care placed in accordance with the Aboriginal and Torres Strait Islander Child Placement Principle ^(c) ...	73%	85%	71%	80%	1
Outcome: Children and young people needing protection are safe from abuse and harm:					
Improved safety - proportion of children not subject to a subsequent substantiation of harm within 12 months of a previous substantiation of harm ^(d)	93%	95%	96%	95%	
Improved safety - proportion of children not subject to a substantiation of harm 12 months after an assessment of harm that was unsubstantiated ^(e)	94%	95%	96%	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	92%	95%	94%	95%	
Percentage of customers who report confidence to manage as a result of receiving services.....	88%	95%	91%	95%	
Percentage of customers who report that their needs were met as a result of using services.....	96%	97%	97%	97%	

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

(b) This is the first time this effectiveness indicator has been reported in the budget statements.

(c) The indicator shows the proportion of Indigenous children in placements that met the first three of the four placement options under the Principle, which is outlined in section 12 of the *Children and Community Services Act 2004*. These include placements with the child's extended family, members of their community or other Indigenous people or services as a proportion of all Indigenous children in the CEO's care.

(d) This indicator is the proportion of children who were the subject of a substantiation of harm during the previous 12 months and who were not the subject of a subsequent substantiated harm assessment 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 an assessment of harm that was unsubstantiated during the previous 12 months and were not the subject of a substantiation of harm within the next 12 months. The indicator shows the appropriateness of child safety and wellbeing assessment outcomes in identifying risks to children.

Explanation of Significant Movements

(Notes)

1. The number and proportion of Indigenous 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	220,385	233,451	243,151	259,095	1
Less Income	1,329	550	346	324	
Net Cost of Service.....	219,056	232,901	242,805	258,771	
Employees (Full Time Equivalents).....	1,086	1,086	1,087	1,087	
Efficiency Indicators					
Average Cost per Child per Day in the CEO's Care ^(a)	\$177	\$183	\$186	\$184	

(a) The number of placement days provided for the 2010-11 Actual, 2011-12 Budget, 2011-12 Estimated Actual and 2012-13 Budget Target are 1,243,623, 1,278,769, 1,306,548, and 1,406,368 respectively.

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.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	107,962	113,251	114,588	121,880	1
Less Income	4,424	3,776	3,288	3,752	
Net Cost of Service ^(a)	103,538	109,475	111,300	118,128	
Employees (Full Time Equivalents) ^(a)	741	741	744	744	
Efficiency Indicators					
Proportion of Child Safety and Wellbeing Assessments and an Outcome Recorded within 30 Days	47%	40%	47%	50%	
Average Cost per Child Involved in Child Protection Cases ^(b)	\$6,935	\$7,505	\$6,704	\$6,632	2
Average Cost per Working with Children Check Activity ^{(c) (d)}	n/a	n/a	\$53	\$55	

(a) The Working with Children Screening function has been realigned from service three to service two. The 2010-11 Actual and 2011-12 Budget have been restated for comparability purposes.

(b) The number of children involved in child protection cases for the 2010-11 Actual, 2011-12 Budget, 2011-12 Estimated Actual and 2012-13 Budget Target are 14,172, 13,826, 15,651, and 16,841 respectively.

(c) 'Average cost per Working with Children Application' has been renamed to 'Average cost per Working with Children Check Activity' and has been enhanced to include screening activity, in addition to the previously reported number of applications processed. As a result, the 2010-11 Actual and 2011-12 Budget are not comparable.

(d) The number of Working with Children Check activities for the 2011-12 Estimated Actual and 2012-13 Budget Target are 181,536, and 186,786 respectively. The number of Working with Children activity for 2010-11 Actual and 2011-12 Budget do not include the screening activities and therefore are not comparable to the 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. The lower average cost for the 2011-12 Estimated Actual compared to the 2011-12 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	136,260	140,375	160,637	162,980	1
Less Income	38,198	35,927	49,909	35,406	2
Net Cost of Service ^(a)	98,062	104,448	110,728	127,574	
Employees (Full Time Equivalents) ^{(a) (b)}	371	389	385	399	
Efficiency Indicators					
Average Cost per Client ^{(c) (d) (e)}	\$1,909	\$1,837	\$2,123	\$2,077	3

- (a) The Working with Children Screening function has been realigned from service three to service two. The 2010-11 Actual and 2011-12 Budget have been restated for comparability purposes.
- (b) The increase in Full Time Equivalents (FTEs) in the 2012-13 Budget Target is due the further expansion of the Responsible Parenting Service.
- (c) The calculation of this indicator excludes expenditure on services that do not have quantifiable clients.
- (d) The efficiency indicator 'Average cost per Responsible Parenting Service - Parent Support Cases' has been removed and the associated expenditure and clients have been incorporated into the Average Cost per Client efficiency indicator. The 2010-11 Actual and 2011-12 Budget have been restated for comparability purposes.
- (e) The number of clients for the 2010-11 Actual, 2011-12 Budget, 2011-12 Estimated Actual and 2012-13 Budget Target are 70,348, 75,383, 74,788, and 77,548 respectively.

Explanation of Significant Movements

(Notes)

1. The increase from the 2011-12 Budget to 2011-12 Estimated Actual is a result of the additional funding provided for the continuation of the Emergency Management Services, as well as the increased funding for the Sustainable Funding and Contracting with the Not-For-Profit Sector Initiative which was provided to eligible Not-For-Profit contracts.
2. The increased Income for the 2011-12 Estimated Actual is primarily due to the Fire and Emergency Services Authority grants that have been provided under the Western Australian Natural Disaster Relief and Recovery Arrangement for the reimbursement of expenditure associated with the provision of welfare services to communities affected by natural disasters in 2010-11 and 2011-12.
3. The increase in average cost from the 2011-12 Budget is predominately due to the higher than anticipated expenditure on the provision of welfare services to communities affected by natural disasters as well as the 15.0% funding increase for Not-For-Profit contracts that were eligible for the Sustainable Funding and Contracting with the Not-for-Profit Sector Initiative.

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 2011-12, 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 Albany, Manjimup, Kalgoorlie, Geraldton and Moora offices. In 2012-13, the Department will relocate the Midland and Armadale offices to larger premises and expand the Roebourne office capacity to accommodate additional staff.

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 and has also purchased residential care facilities in Kalgoorlie and Karratha. The Department's construction and expansion of residential care services in Kununurra, Wyndham, Newman, Kalgoorlie and South Hedland will continue into 2012-13.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Accommodation - Service Delivery Accommodation.....	23,743	19,143	5,953	3,000	1,600	-	-
COMPLETED WORKS							
Buildings Minor Works - Heritage Buildings	75	75	75	-	-	-	-
Hostels - Hostels and Group Homes - Reform and Expansion of Residential Care	17,135	17,135	11,318	-	-	-	-
Reform of Residential Care (Tier 3)	2,643	2,643	551	-	-	-	-
Total Cost of Asset Investment Program	43,596	38,996	17,897	3,000	1,600	-	-
FUNDED BY							
Capital Appropriation			9,243	-	-	-	-
Drawdowns from the Holding Account			-	3,000	1,600	-	-
Internal Funds and Balances			8,654	-	-	-	-
Total Funding			17,897	3,000	1,600	-	-

FINANCIAL STATEMENTS

Income Statement

Expenses

The Total Cost of Services is budgeted to increase by \$18.0 million (3.5%) in 2012-13 compared to the 2011-12 Estimated Actual. This is mainly attributable to:

- \$15.0 million to address cost and demand pressures associated with delivery of statutory services; and
- \$2.7 million increase to further expand the Responsible Parenting Services in regional areas funded by the Royalties for Regions Fund.

Income

Total income for 2012-13 is \$39.5 million compared to \$53.5 million in 2011-12. The reduction of \$14.1 million (26.0%) is mainly due to:

- additional Fire and Emergency Services Authority grants in 2011-12 which have been provided under the Western Australian Natural Disaster Relief and Recovery arrangement for the reimbursement of expenditure associated with the provision of welfare services to communities affected by natural disasters in 2010-11 and 2011-12; and
- conclusion of the Commonwealth funded East Kimberley Family and Domestic Violence Hub project in 2011-12.

Statement of Financial Position

The Department's Total Equity is expected to increase by \$0.8 million (0.5%) in 2012-13 compared to the 2011-12 Estimated Actual. This reflects an anticipated increase in total assets of \$2.3 million (1.1%) and offset by higher liabilities of \$1.5 million (2.4%) over the same period.

The expected increase in assets is primarily attributable to the \$3.0 million investment in office accommodation.

The increase in liabilities is due to the projected increases in employee provisions as a result of salary and wages increase and employment to fill vacancies.

Statement of Cashflows

The 2011-12 Estimated Actual cash assets balance of \$26.8 million represents a decrease of \$3.9 million in comparison to the 2010-11 Actual. The reduction in cash assets is predominantly due to the carryover of cash resources from 2010-11 to 2011-12 for approved asset investment projects. These projects primarily relate to the Department's reform and expansion of residential care facilities.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	206,296	222,418	231,166	244,639	255,058	263,083	261,311
Grants and subsidies ^(c)	76,297	67,687	75,376	79,402	73,120	75,021	76,461
Supplies and services ^(d)	153,542	175,088	188,375	194,558	197,301	203,187	208,370
Accommodation.....	10,774	8,413	9,765	9,076	9,404	10,343	9,823
Depreciation and amortisation	5,899	7,616	7,616	10,196	10,105	10,105	10,105
Efficiency dividend.....	-	-	-	(7,607)	(11,793)	(16,175)	(20,651)
Other expenses.....	11,799	5,855	6,078	6,084	6,273	6,436	6,568
TOTAL COST OF SERVICES	464,607	487,077	518,376	536,348	539,468	552,000	551,987
Income							
Sale of goods and services	3,754	3,585	3,182	3,664	3,664	3,664	3,665
Grants and subsidies	37,332	35,288	49,148	34,768	35,557	36,435	36,951
Other revenue	2,865	1,380	1,213	1,050	1,060	1,070	1,080
Total Income	43,951	40,253	53,543	39,482	40,281	41,169	41,696
NET COST OF SERVICES.....	420,656	446,824	464,833	496,866	499,187	510,831	510,291
INCOME FROM STATE GOVERNMENT							
Service appropriations	402,012	440,405	457,276	483,475	483,610	494,167	503,569
Resources received free of charge.....	1,699	1,100	1,836	1,683	1,651	1,651	1,651
Royalties for Regions Fund ^(e)	2,388	6,461	9,715	12,519	12,937	13,290	3,189
TOTAL INCOME FROM STATE GOVERNMENT.....	406,099	447,966	468,827	497,677	498,198	509,108	508,409
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(14,557)	1,142	3,994	811	(989)	(1,723)	(1,882)

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

(b) The FTEs for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 2,198, 2,216 and 2,230 respectively. In some cases the figures for 2010-11 and 2011-12 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 3.95% in 2010-11, 4.0% in 2011-12 and 4.25% in 2012-13, 2013-14, 2014-15 and 2015-16.

(e) Regional Community Services Fund - \$2.4 million (2010-11), \$6.5 million (2011-12), \$9.7 million (2011-12 Estimated Out Turn), \$12.5 million (2012-13), \$12.9 million (2013-14), \$13.3 million (2014-15) and \$3.2 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Capital - East Kimberley Family and Domestic Violence Hub.....	276	-	-	-	-	-	-
Children in Care and Family Support	62,968	59,802	62,202	67,254	67,772	69,673	71,113
Family Crisis Program.....	8,445	2,010	7,299	2,010	2,010	2,010	2,010
HUGS ^(a)	4,217	5,115	5,115	9,360	3,248	3,248	3,248
Other.....	391	760	760	778	90	90	90
TOTAL.....	76,297	67,687	75,376	79,402	73,120	75,021	76,461

(a) Lower funding in the Forward Estimates for the HUGS reflects base provisions which are reviewed on an annual basis to take account of change in demand and electricity tariffs.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	20,069	7,022	16,350	16,350	15,657	14,471	12,562
Restricted cash.....	7,131	7,590	6,444	6,444	6,444	6,444	6,444
Holding account receivables	-	-	3,000	-	-	-	-
Receivables	2,593	2,242	2,593	2,593	2,593	2,593	2,593
Other.....	1,987	2,369	1,987	1,987	1,987	1,987	1,987
Total current assets	31,780	19,223	30,374	27,374	26,681	25,495	23,586
NON-CURRENT ASSETS							
Holding account receivables	21,276	30,241	27,241	38,786	48,641	60,096	71,551
Property, plant and equipment	100,977	115,228	113,855	111,239	104,432	98,027	92,313
Intangibles	21,489	19,919	19,919	18,349	16,779	15,209	13,639
Restricted cash.....	3,503	3,375	3,974	4,900	5,517	6,703	-
Other.....	9,116	11,234	8,089	5,079	4,951	2,821	-
Total non-current assets.....	156,361	179,997	173,078	178,353	180,320	182,856	177,503
TOTAL ASSETS	188,141	199,220	203,452	205,727	207,001	208,351	201,089
CURRENT LIABILITIES							
Employee provisions.....	29,494	27,978	30,318	31,142	31,967	32,792	33,617
Payables	2,586	4,447	2,586	2,586	2,586	2,586	2,586
Other.....	13,723	5,862	14,448	14,563	15,476	17,199	10,469
Total current liabilities.....	45,803	38,287	47,352	48,291	50,029	52,577	46,672
NON-CURRENT LIABILITIES							
Employee provisions.....	13,291	9,075	13,816	14,341	14,866	15,391	15,916
Other.....	142	124	142	142	142	142	142
Total non-current liabilities	13,433	9,199	13,958	14,483	15,008	15,533	16,058
TOTAL LIABILITIES.....	59,236	47,486	61,310	62,774	65,037	68,110	62,730
EQUITY							
Contributed equity	81,153	97,680	90,396	90,396	90,396	90,396	90,396
Accumulated surplus/(deficit).....	(24,175)	(11,135)	(20,181)	(19,370)	(20,359)	(22,082)	(23,964)
Reserves.....	71,927	65,189	71,927	71,927	71,927	71,927	71,927
Total equity	128,905	151,734	142,142	142,953	141,964	140,241	138,359
TOTAL LIABILITIES AND EQUITY.....	188,141	199,220	203,452	205,727	207,001	208,351	201,089

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	394,013	431,440	448,311	471,930	472,155	482,712	492,114
Capital appropriation	23,623	11,810	9,243	-	-	-	-
Holding account drawdowns	-	-	-	3,000	1,600	-	-
Royalties for Regions Fund ^(b)	2,388	6,461	9,715	12,519	12,937	13,290	3,189
Net cash provided by State Government.....	420,024	449,711	467,269	487,449	486,692	496,002	495,303
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(198,767)	(220,345)	(229,093)	(243,175)	(252,795)	(260,010)	(266,691)
Grants and subsidies	(71,103)	(67,687)	(75,376)	(79,402)	(73,120)	(75,021)	(76,461)
Supplies and services	(140,526)	(159,485)	(172,767)	(178,288)	(180,573)	(186,025)	(190,909)
Accommodation.....	(9,981)	(8,413)	(8,944)	(8,408)	(8,768)	(9,707)	(9,187)
Efficiency dividend.....	-	-	-	7,607	11,793	16,175	20,651
Other payments.....	(44,759)	(39,517)	(44,874)	(42,710)	(43,912)	(45,048)	(45,270)
Receipts							
Grants and subsidies	37,343	35,288	49,148	34,768	35,557	36,435	36,951
Sale of goods and services	3,755	3,585	3,182	3,664	3,664	3,664	3,665
GST receipts	23,783	19,160	24,204	21,371	21,926	22,465	22,256
Other receipts.....	2,604	1,380	1,213	1,050	1,060	1,070	1,080
Net cash from operating activities	(397,651)	(436,034)	(453,307)	(483,523)	(485,168)	(496,002)	(503,915)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(23,232)	(11,810)	(17,897)	(3,000)	(1,600)	-	-
Net cash from investing activities	(23,232)	(11,810)	(17,897)	(3,000)	(1,600)	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(859)	1,867	(3,935)	926	(76)	-	(8,612)
Cash assets at the beginning of the reporting period.....	31,562	16,120	30,703	26,768	27,694	27,618	27,618
Cash assets at the end of the reporting period.....	30,703	17,987	26,768	27,694	27,618	27,618	19,006

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

(b) Regional Community Services Fund - \$2.4 million (2010-11), \$6.5 million (2011-12), \$9.7 million (2011-12 Estimated Out Turn), \$12.5 million (2012-13), \$12.9 million (2013-14), \$13.3 million (2014-15) and \$3.2 million (2015-16).

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Departmental Services	8,845	4,964	18,257	4,714	4,724	4,734	4,745
East Kimberley Family And Domestic Violence Hub	2,000	1,000	1,000	-	-	-	-
GST Input Credits.....	2,993	487	508	499	499	501	501
GST Receipts On Sales.....	20,790	18,673	23,696	20,872	21,427	21,964	21,755
National Affordable Housing Agreement – Homelessness.....	19,466	20,221	20,230	20,704	21,196	21,769	22,032
National Partnership Agreement – Homelessness ^(a)	13,113	13,752	13,752	13,752	14,041	14,336	14,580
Provision of Services to the Commonwealth in Respect of Indian Ocean Territories	231	276	264	272	280	290	299
Unattached Refugee Children	47	40	40	40	40	40	40
TOTAL.....	67,485	59,413	77,747	60,853	62,207	63,634	63,952

(a) The Commonwealth funding in the forward estimates is subject to a new Commonwealth-State Agreement.

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 INTEREST; YOUTH

DIVISION 59

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget ^(a) \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 90 Net amount appropriated to deliver services.....	152,581	107,659	130,020	98,462	100,245	99,243	98,434
Item 91 Contribution to the Western Australian Family Foundation Trust Account.....	376	376	376	250	250	250	250
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	243	299	299	309	321	332	343
Total appropriations provided to deliver services	153,200	108,334	130,695	99,021	100,816	99,825	99,027
CAPITAL							
Capital Appropriation.....	-	1,690	1,690	-	-	-	-
TOTAL APPROPRIATIONS.....	153,200	110,024	132,385	99,021	100,816	99,825	99,027
EXPENSES							
Total Cost of Services.....	155,714	118,429	144,217	112,129	112,170	107,331	104,158
Net Cost of Services ^(b)	153,783	116,919	140,038	109,355	109,979	105,704	102,446
CASH ASSETS ^(c)	18,594	10,403	12,856	7,578	4,021	3,445	3,680

- (a) The 2011-12 Budget figures have been adjusted for comparability to account for the transfer of the Social Enterprise Fund from the Department of the Premier and Cabinet 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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Beyond Gambling Grants	2,500	500	500	500	500
Cadets WA (River Rangers)	-	338	447	506	526
Early Childhood Regulatory Unit	-	1,508	1,607	-	-
Redress WA Scheme	30,000	-	-	-	-
Royalties for Regions - Regional Community Child Care Development Fund ...	636	2,261	2,947	2,559	907
Seniors Cost of Living Rebate	-	2,427	2,562	746	-
Seniors Safety and Security Rebate	-	2,750	-	-	-
Social Enterprise Fund	530	3,850	4,100	2,000	-
Sustainable Funding and Contracting with the Not-For-Profit Sector ^(a)	2,227	2,321	2,420	2,523	2,523
Upgrades to Child Care, Family and Neighbourhood Centres	-	1,000	1,000	1,000	1,000
Agency Specific Savings Measures	-	(1,126)	(1,126)	(1,126)	(1,126)
Efficiency Dividend	-	(838)	(1,172)	(1,438)	(1,775)

- (a) These amounts are reflective of funding allocated in the 2011-12 Budget to Treasury Administered Item 36 – Sustainable Funding and Contracting with the Not-For-Profit Sector, which has now been transferred to agency Budget's based on eligible service delivery contracts with Not-For-Profit organisations.

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	Service
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. Community Information, Programs and Strategy 3. Redress WA Scheme

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Child and Family Services	33,410	39,907	43,692	48,555	47,937	45,155	43,050
2. Community Information, Programs and Strategy	41,450	66,874	58,897	64,412	65,405	63,614	62,883
3. Redress WA Scheme	80,854	11,648	41,628	-	-	-	-
4. Contribution to Responsible Financial Management	-	-	-	(838)	(1,172)	(1,438)	(1,775)
Total Cost of Services	155,714	118,429	144,217	112,129	112,170	107,331	104,158

Significant Issues Impacting the Agency

- The Department has service agreements with over 140 community sector organisations to deliver important community services, of which 40.0% are regionally-based. As part of the State Government's Sustainable Funding and Contracting Services initiative, the Department will continue to work closely with its community sector partners to ensure fair and appropriate prices are paid for purchased services and to roll-out associated procurement reforms, including outcome-based deliverables, longer-term service agreements and streamlined reporting requirements.
- The State Government's focus on building innovation and enterprise within the not-for-profit sector will continue to be advanced through the Department's administration of the Social Innovation Grants program and development and implementation of the new Social Enterprise Fund.
- The proportion of the Western Australian community aged 60 years and over will increase by more than 150.0% by 2050. The Department's Seniors Strategic Framework will help guide the government's and community's response to the changing needs of seniors. This includes payment of the Cost of Living Rebate to over 290,000 Seniors Card holders, along with up to \$400 in Safety and Security Rebates, and the production of the Seniors Discount Directory 2012-2014.
- With the total value of volunteering to the Western Australian community estimated to have reached \$9.4 billion in 2011, the Department's funding for key volunteering service infrastructure such as volunteer resource centres and reduced fee volunteer police checks contributes to sector sustainability.
- Women play a significant role in building strong and vibrant communities across the State, yet remain under-represented in many areas of leadership and decision-making. The completion of the Women's Report Card 2012 will provide a summary picture of the current state of play for Western Australian women across key indicators while the Department will undertake a series of awareness raising and information programs to assist women make informed decisions and increase their economic participation.
- Over 310,000 carers play a vital role in supporting family members and friends with a disability, or who are frail aged, to live in the community. The Department recognises carers through support for the Carers Advisory Council and funding to the community sector to provide support and information for carers.
- Children face a number of critical developmental issues during their middle years (8-14 years). There is growing evidence that well targeted programs engaging children in structured and supervised activities during this time help them develop confidence, team work and leadership skills, thereby reducing the likelihood of engagement in anti-social behaviours. Building on the success of a two year pilot program, a new and expanded River Rangers junior cadet program will be introduced, catering for an estimated 500 children.
- In recognition of the role of mentoring in keeping young people healthy, safe and connected with their communities, the Department will support mentoring agencies to reach national benchmarks through funding demonstration projects, providing training, sponsoring research and developing sustainable funding models.
- Quality child care is important to support children's early learning and development. A new legislated regulatory and quality assurance system for Western Australia's early education and care sector will be introduced, along with workforce planning, information and support to assist child care services transition to the requirements under the National Quality Framework for Early Childhood Education and Care.
- The Engaging Families research under the National Childhood Development Strategy confirms the need to deliver consistent and evidence-based messages to parents and carers regarding early brain development and its practical implications for parenting. The Department, through Parenting Western Australia, will provide practical parenting strategies consistent with these messages to inform and support families.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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.....	98%	90%	90%	95%	
Extent to which stakeholders report that policies/projects have an impact on strengthening the community.....	94%	90%	90%	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: Child and Family Services**

The regulation and quality assurance of early education and care services and the provision of information, services and programs to support children, parents, families and communities.

	2010-11 Actual ^(a)	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 33,410	\$'000 39,907	\$'000 43,692	\$'000 48,555	
Less Income	1,034	784	1,147	1,579	
Net Cost of Service.....	32,376	39,123	42,545	46,976	
Employees (Full Time Equivalents).....	138	139	139	145	
Efficiency Indicators					
Average Cost per Child and Family Service	\$133,425	\$142,220	\$162,191	\$165,643	1
Average Cost per Licensed Child Care Service	\$6,994	\$7,085	\$6,383	\$7,775	2

(a) A revised service structure with effectiveness and efficiency indicators have been adopted to better report on the Department's performance. Data from 2010-11 Actual has been recast to reflect the new structure.

Explanation of Significant Movements

(Notes)

1. The 2011-12 Estimated Actual is higher than the 2011-12 Budget mainly due to the impact of the administration of a number of significant new government programs, the addition of sustainable funding for the not-for-profit sector and a reduction of the number of funded occasional care services that have become incorporated into other child care services.
2. The 2012-13 Budget Target average cost is higher than the 2011-2012 Estimated Actual mainly due to the commencement of operation of the Early Childhood Regulatory Unit with expanded functions under the National Quality Framework.

2: Community Information, Programs and Strategy

Development, planning and provision of information, programs and support for seniors, volunteers, women, carers and youth to build and promote strong and vibrant communities, along with program development to support services for children and families.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	41,450	66,874	58,897	64,412	1
Less Income	897	726	3,032	1,195	2
Net Cost of Service.....	40,553	66,148	55,865	63,217	
Employees (Full Time Equivalents).....	61	63	66	60	
Efficiency Indicators					
Average Cost per Strategic Policy/Coordination Project for Children and Families	\$89,907	\$55,339	\$75,731	\$43,269	3,4
Average Cost per Strategic Policy/Coordination Project for Youth.....	\$187,661	\$165,897	\$174,024	\$193,146	5
Average Cost per Strategic Policy/Coordination Project for Seniors	\$61,277	\$76,092	\$73,780	\$75,830	
Average Cost per Strategic Policy/Coordination Project for Carers	\$114,902	\$134,970	\$129,033	\$131,971	
Average Cost to Administer a Seniors Card	\$2.35	\$4.20	\$3.73	\$4.41	6,7
Average Cost to Administer each Seniors Cost of Living Rebate Processed	\$5.17	\$5.00	\$5.48	\$7.35	8
Average Cost per Strategic Policy/Coordination Project for Volunteers.....	\$55,410	\$63,098	\$67,580	\$74,032	
Average Cost per Strategic Policy/Coordination Project for Women	\$63,051	\$66,814	\$60,417	\$62,709	

- (a) A revised service structure with effectiveness and efficiency indicators have been adopted to better report on the Department's performance. Data from 2010-11 Actual has been recast to reflect the new structure.

Explanation of Significant Movements

(Notes)

- The 2011-12 Budget amount has been adjusted for comparability to account for the transfer of the Social Enterprise Fund from the Department of the Premier and Cabinet.
- The 2011-12 Estimated Actual is higher than the 2011-12 Budget due to the transfer of Beyond Gambling Grants from the Department of Racing, Gaming and Liquor.
- The 2011-12 Estimated Actual is higher than the 2011-12 Budget mainly due to ongoing activity required to complete the planning and preparation for implementation of the National Quality Framework for child care in 2012-13 and the impact of the administration of a number of significant new government programs including the Social Enterprise Fund.
- The 2012-13 Budget Target is less than the 2011-12 Estimated Actual mainly due to the expected completion of the majority of developmental work in relation to the introduction of the National Quality Framework.
- The 2012-13 Budget Target is higher than the 2011-12 Estimated Actual mainly due to the significant expansion of the River Rangers Cadets program.
- The 2011-12 Estimated Actual is less than the 2011-12 Budget because a higher number of people became Seniors Card holders than forecast in the 2011-12 Budget and due to the extension of the redevelopment of the Seniors Card business processing systems into 2012-13.
- The 2012-13 Budget Target is higher than the 2011-12 Estimated Actual mainly due to the impact of the redevelopment of the Seniors Card business processing systems into 2012-13.
- The 2012-13 Budget Target is higher than the 2011-12 Estimated Actual mainly due to the impact of the redevelopment of a new Seniors Card business processing systems in 2012-13 and addition of funds to make up for a shortfall in administration.

3: Redress WA Scheme

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 80,854	\$'000 11,648	\$'000 41,628	\$'000 -	1
Less Income	-	-	-	-	
Net Cost of Service	80,854	11,648	41,628	-	
Employees (Full Time Equivalents).....	39	20	20	0	
Efficiency Indicators					
Average Administrative Cost per Claim	\$1,536	\$162	\$369	\$0	2

Explanation of Significant Movements

(Notes)

1. The 2011-12 Estimated Actual is higher than the 2011-12 Budget Target mainly due to additional ex-gratia payments to eligible applicants to finalise the Scheme.
2. The 2011-12 Estimated Actual is higher than the 2011-12 Budget Target due to the provision of counselling services for longer than originally forecast, additional work to finalise outstanding claims and on the recommendation of the Office of the Auditor General, the number of active claims are counted rather than total received claims during the reporting period.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Child Care and Family Centres							
Refurbishment - Child Care and Family Centres							
2011-12 Program	1,040	1,040	1,040	-	-	-	-
Community Centres/Houses							
Refurbishment Community Houses - 2011-12 Program	650	650	650	-	-	-	-
Total Cost of Asset Investment Program	1,690	1,690	1,690	-	-	-	-
FUNDED BY							
Capital Appropriation			1,690	-	-	-	-
Total Funding			1,690	-	-	-	-

FINANCIAL STATEMENTS**Income Statement***Expenses*

The reduction in Total Cost of Services by \$32.2 million or 22.0%, when compared to the 2011-12 Estimated Actual, is mainly attributable to cessation in 2012-13 of expenditure associated with the Redress WA Scheme.

Income

As with the expenditure, the reduction in Total Income from State Government of \$30.3 million or 22.0%, when compared to the 2011-12 Estimated Actual, largely reflects the cessation of the Redress WA Scheme from 2012-13 onwards.

Statement of Financial Position

The reduction in Total Current Assets by \$5.3 million or 41.0% compared to the 2011-12 Estimated Actual is mainly attributable to the draw down on the Department's cash reserves to meet additional expenditures associated with the Seniors Cost of Living Rebate and the extension of the Seniors Safety and Security Rebate. These cash reserves are also utilised in 2013-14 to meet additional Seniors Cost of Living Rebate expenses.

Statement of Cashflows

The reduction in the Department's cash balances is largely attributable to additional expenditures associated with the Seniors Safety and Security Rebate and the Seniors Cost of Living Rebate, being funded from cash reserves.

As noted above, the reduction in the Net Cash provided by State Government in 2012-13, reflects the cessation of the Redress WA Scheme in 2011-12 and the associated expenditure with that Scheme.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	22,207	18,047	21,696	20,554	20,891	20,745	21,660
Grants and subsidies ^(c)	99,087	53,693	85,253	54,848	52,685	49,908	46,562
Supplies and services	27,190	30,825	32,254	33,904	36,317	35,219	34,751
Accommodation.....	2,068	2,580	2,580	1,429	1,583	1,459	1,549
Depreciation and amortisation	1,933	2,153	1,533	1,320	923	526	497
Efficiency dividend.....	-	-	-	(838)	(1,172)	(1,438)	(1,775)
Other expenses.....	3,229	901	901	912	943	912	914
TOTAL COST OF SERVICES	155,714	108,199	144,217	112,129	112,170	107,331	104,158
Income							
Sale of goods and services	21	130	85	275	341	287	352
Grants and subsidies	439	328	2,920	1,380	1,225	959	973
Other revenue	1,471	1,052	1,174	1,119	625	381	387
Total Income	1,931	1,510	4,179	2,774	2,191	1,627	1,712
NET COST OF SERVICES.....	153,783	106,689	140,038	109,355	109,979	105,704	102,446
INCOME FROM STATE GOVERNMENT							
Service appropriations	153,200	98,104	130,695	99,021	100,816	99,825	99,027
Resources received free of charge.....	2,360	2,562	2,562	2,562	2,562	2,562	2,562
Royalties for Regions Fund ^(d)	307	276	989	2,484	3,030	2,645	996
TOTAL INCOME FROM STATE GOVERNMENT.....	155,867	100,942	134,246	104,067	106,408	105,032	102,585
SURPLUS/(DEFICIENCY) FOR THE PERIOD	2,084	(5,747)	(5,792)	(5,288)	(3,571)	(672)	139

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 238, 225 and 205 respectively. In some cases the figures for 2010-11 and 2011-12 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 (2010-11), \$0.3 million (2011-12), \$1.0 million (2011-12 Estimated Out Turn), \$2.5 million (2012-13), \$3.0 million (2013-14), \$2.6 million (2014-15) and \$1.0 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Beyond Gambling Grants	-	-	2,460	460	460	460	460
Foodbank Western Australia 2030 Project.....	1,000	2,000	2,000	3,000	-	-	-
Redress WA Scheme	71,868	10,688	35,532	-	-	-	-
Seniors Cost of Living Rebate	22,299	33,437	33,842	38,642	41,392	40,386	39,640
Seniors Safety and Security Rebate	1,616	1,559	2,755	2,750	-	-	-
Social Enterprise Fund.....	-	-	-	3,000	3,800	2,000	-
Social Innovation Grants	-	4,000	4,000	4,000	4,000	4,000	4,000
Western Australia Family Foundation	270	376	376	250	250	250	250
Youth Grants and Disbursements	1,467	1,355	1,355	1,258	1,295	1,324	1,324
Royalties for Regions - Regional Community Child Care Development Fund.....	-	-	600	1,200	1,200	1,200	600
Other.....	567	278	2,333	288	288	288	288
TOTAL.....	99,087	53,693	85,253	54,848	52,685	49,908	46,562

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	17,837	9,673	12,043	6,715	3,095	2,357	2,592
Restricted cash.....	389	276	389	389	389	389	389
Receivables.....	463	598	463	463	463	463	463
Other.....	110	55	110	110	110	110	110
Total current assets.....	18,799	10,602	13,005	7,677	4,057	3,319	3,554
NON-CURRENT ASSETS							
Holding account receivables.....	13,202	15,505	14,885	16,355	17,428	18,104	18,751
Property, plant and equipment.....	34,423	32,504	35,583	35,062	34,548	34,052	33,570
Intangibles.....	670	128	438	206	-	-	-
Restricted cash.....	368	454	424	474	537	699	699
Other.....	1,634	-	863	296	93	63	48
Total non-current assets.....	50,297	48,591	52,193	52,393	52,606	52,918	53,068
TOTAL ASSETS.....	69,096	59,193	65,198	60,070	56,663	56,237	56,622
CURRENT LIABILITIES							
Employee provisions.....	3,513	3,342	3,560	3,608	3,658	3,708	3,758
Payables.....	94	952	98	100	100	100	100
Other.....	820	706	874	885	899	995	1,091
Total current liabilities.....	4,427	5,000	4,532	4,593	4,657	4,803	4,949
NON-CURRENT LIABILITIES							
Employee provisions.....	912	1,056	1,011	1,110	1,210	1,310	1,410
Other.....	14	13	14	14	14	14	14
Total non-current liabilities.....	926	1,069	1,025	1,124	1,224	1,324	1,424
TOTAL LIABILITIES.....	5,353	6,069	5,557	5,717	5,881	6,127	6,373
EQUITY							
Contributed equity.....	33,997	36,087	35,687	35,687	35,687	35,687	35,687
Accumulated surplus/(deficit).....	16,396	7,207	10,604	5,316	1,745	1,073	1,212
Reserves.....	13,350	9,830	13,350	13,350	13,350	13,350	13,350
Total equity.....	63,743	53,124	59,641	54,353	50,782	50,110	50,249
TOTAL LIABILITIES AND EQUITY.....	69,096	59,193	65,198	60,070	56,663	56,237	56,622

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	150,537	95,801	129,012	97,551	99,743	99,149	98,380
Capital appropriation	-	1,690	1,690	-	-	-	-
Royalties for Regions Fund ^(b)	307	276	989	2,484	3,030	2,645	996
Net cash provided by State Government.....	150,844	97,767	131,691	100,035	102,773	101,794	99,376
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(21,779)	(17,809)	(21,458)	(20,259)	(20,582)	(20,354)	(21,269)
Grants and subsidies	(99,065)	(53,693)	(85,253)	(54,848)	(52,685)	(49,908)	(46,562)
Supplies and services	(26,277)	(26,774)	(28,203)	(30,172)	(32,552)	(31,460)	(30,871)
Accommodation.....	(1,935)	(2,603)	(2,603)	(1,455)	(1,607)	(1,483)	(1,573)
Efficiency dividend.....	-	-	-	838	1,172	1,438	1,775
Other payments.....	(5,611)	(5,860)	(5,860)	(5,649)	(5,524)	(5,472)	(5,595)
Receipts							
Grants and subsidies	439	328	2,920	1,380	1,225	959	973
Sale of goods and services	20	130	85	275	341	287	352
GST receipts	3,040	3,459	3,459	3,458	3,257	3,242	3,242
Other receipts.....	1,571	1,052	1,174	1,119	625	381	387
Net cash from operating activities.....	(149,597)	(101,770)	(135,739)	(105,313)	(106,330)	(102,370)	(99,141)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(41)	(1,690)	(1,690)	-	-	-	-
Net cash from investing activities.....	(41)	(1,690)	(1,690)	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	1,206	(5,693)	(5,738)	(5,278)	(3,557)	(576)	235
Cash assets at the beginning of the reporting period.....	17,388	16,096	18,594	12,856	7,578	4,021	3,445
Cash assets at the end of the reporting period.....	18,594	10,403	12,856	7,578	4,021	3,445	3,680

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

(b) Regional Community Services Fund - \$0.3 million (2010-11), \$0.3 million (2011-12), \$1.0 million (2011-12 Estimated Out Turn), \$2.5 million (2012-13), \$3.0 million (2013-14), \$2.6 million (2014-15) and \$1.0 million (2015-16).

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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement	155,714	108,199	144,217	112,129	112,170	107,331	104,158
Transfer of the Social Enterprise Fund Program from the Department of the Premier and Cabinet	-	10,230	-	-	-	-	-
Adjusted Total Cost of Services	155,714	118,429	144,217	112,129	112,170	107,331	104,158
APPROPRIATIONS							
Net Amount Appropriated to Deliver Services ...	153,200	98,104	130,695	99,021	100,816	99,825	99,027
Transfer of the Social Enterprise Fund Program from the Department of the Premier and Cabinet	-	10,230	-	-	-	-	-
Adjusted Net Amount Appropriated to Deliver Services	153,200	108,334	130,695	99,021	100,816	99,825	99,027

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.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	232	337	337	248
Receipts:				
Appropriations	376	376	376	250
	608	713	713	498
Payments	271	376	465	465
CLOSING BALANCE	337	337	248	33

Indian Ocean Territories Service Delivery Program

To hold funds received from the Commonwealth for funding the provision of social worker supervision, management of not-for-profit services and related support activities as per Service Delivery Arrangement with the Commonwealth Department of Transport and Regional Services in accordance with the *Christmas Island Act 1958* and *Cocos (Keeling) Islands Act 1955*.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	44	26	26	26
Receipts:				
Other.....	236	288	380	393
	280	314	406	419
Payments	254	288	380	393
CLOSING BALANCE	26	26	26	26

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Commonwealth Grants and Contributions.....	439	328	420	880	725	459	472
GST Input Credits.....	93	118	118	126	91	61	61
GST Receipts on Sales	2,947	3,341	3,341	3,332	3,166	3,181	3,181
Other Grants and Contributions.....	-	-	2,500	500	500	500	500
Other Receipts	1,397	1,057	1,076	962	528	224	291
Regulatory Fees	19	70	25	275	281	287	292
Sponsorship	175	55	158	157	157	157	157
TOTAL.....	5,070	4,969	7,638	6,232	5,448	4,869	4,954

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	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
725	Local Government			
	- Delivery of Services.....	20,991	19,434	21,043
	Total	20,991	19,434	21,043
736	Heritage Council of Western Australia			
	- Delivery of Services.....	5,731	5,914	6,607
	- Capital Appropriation.....	990	990	600
	Total	6,721	6,904	7,207
745	National Trust of Australia (WA)			
	- Delivery of Services.....	2,620	2,620	2,736
	- Capital Appropriation.....	435	435	5,135
	Total	3,055	3,055	7,871
GRAND TOTAL				
	- Delivery of Services.....	29,342	27,968	30,386
	- Capital Appropriation.....	1,425	1,425	5,735
	Total.....	30,767	29,393	36,121

LOCAL GOVERNMENT

PART 15 - MINISTER FOR LOCAL GOVERNMENT; HERITAGE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 60

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 92 Net amount appropriated to deliver services.....	19,801	20,727	19,170	20,770	19,189	16,959	17,213
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	244	264	264	273	282	291	291
Total appropriations provided to deliver services	20,045	20,991	19,434	21,043	19,471	17,250	17,504
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	250	-	-	-	-	-	-
TOTAL APPROPRIATIONS.....	20,295	20,991	19,434	21,043	19,471	17,250	17,504
EXPENSES							
Total Cost of Services.....	28,086	28,187	28,547	24,274	22,045	22,099	22,078
Net Cost of Services ^(a)	26,243	26,983	27,343	24,069	21,840	21,894	21,873
CASH ASSETS ^(b)	22,797	16,744	22,290	21,313	21,382	21,451	21,520

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

(b) As at 30 June each financial year.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Cat Act 2011 Implementation.....	-	2,764	480	-	-
Office of Multicultural Interests - Community Grants Program	-	250	250	250	250
Decommissioning of Office of Shared Services	123	-	-	-	-
Royalties for Regions - Local Government Reform.....	1,440	-	-	-	-
Efficiency Dividend.....	-	(380)	(524)	(693)	(888)

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 they contribute 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 practices the principles of multiculturalism and the empowerment of culturally and linguistically diverse communities to fully participate in Western Australian life.	3. Promotion and Support of Multiculturalism in Western Australia

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Build the Strategic Capability of the Local Government Sector.....	16,659	16,800	17,164	10,281	10,203	10,690	10,581
2. Strengthen Good Governance in the Local Government Sector and Provide Effective Regulation.....	6,964	6,236	6,480	9,227	7,121	6,839	7,020
3. Promotion and Support of Multiculturalism in Western Australia.....	4,463	5,151	4,903	5,146	5,245	5,263	5,365
4. Contribution to Responsible Financial Management.....	-	-	-	(380)	(524)	(693)	(888)
Total Cost of Services	28,086	28,187	28,547	24,274	22,045	22,099	22,078

Significant Issues Impacting the Agency

- Since announcing the Local Government Reform Strategy in 2009, the State Government has expended over \$16.0 million to progress local government reform. This includes funding to support local governments engaged in structural reform and funding to build capacity in strategic planning, asset management and financial planning. This investment has enabled participating local governments to identify additional opportunities for their communities and to better understand their financial and capacity constraints.
- The State Government's additional investment of \$3.0 million in the Metropolitan Local Government Review was announced in June 2011. An independent panel was appointed and is on track to provide its report in mid-2012.
- The State Government has also introduced important reforms to support good governance in the sector and to streamline compliance.
- The *Cat Act 2011* is a new legislative initiative and is aimed at encouraging responsible cat ownership.
- Western Australia is a multicultural society with 27.1% of its citizens born overseas, speaking more than 100 languages and practicing more than 100 religious faiths. The multicultural community plays an important role in enhancing the State's cultural, social and economic advantage.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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's capability to enable the fulfilment of their responsibility to their communities:					
- proportion of local governments meeting the full set of four capability elements at a basic level.....	1.4%	4 – 9%	4 – 9%	37 – 47%	1
- proportion of capability elements met at the basic level across all local governments.....	33.8%	38 – 46%	38 – 46%	66 – 76%	1
Stakeholder satisfaction rating with the services provided by the Department to build capability in local government.....	79%	80%	80%	80%	
Outcome: A Western Australian public sector which practices the principles of multiculturalism and the empowerment of culturally and linguistically diverse communities to fully participate in Western Australian life:					
Proportion of public sector agencies that accept and practise the principles of multiculturalism:					
- perception of public sector agencies.....	43%	70%	70%	70%	
- perception of culturally and linguistically diverse community groups.....	66%	70%	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. In 2010-11 a new self assessment methodology for measuring local governments' capability was established. This capability measure is an aggregate set of four key capability elements of achievement by local government in strategic community planning, workforce planning, asset management and long-term financial planning. This new capability measure will report progress up to 30 June 2013 and thereafter.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	16,659	16,800	17,164	10,281	1
Less Income	1,464	1,002	1,002	3	
Net Cost of Service.....	15,195	15,798	16,162	10,278	
Employees (Full Time Equivalents).....	37	40	42	46	
Efficiency Indicators					
Average Cost of Advice and Support to Develop Local Government Capability	\$41,376	\$54,106	\$50,588	\$50,791	

Explanation of Significant Movements

(Notes)

1. The decrease in the 2012-13 Budget Target reflects a variation in funding for Local Government Reform.

2: Strengthen Good Governance in the Local Government Sector and Provide Effective Regulation

Supporting the local government sector to fulfil their statutory obligations.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	6,964	6,236	6,480	9,227	1
Less Income	308	200	200	200	
Net Cost of Service.....	6,656	6,036	6,280	9,027	
Employees (Full Time Equivalents).....	52	50	49	48	
Efficiency Indicators					
Cost of Support Services per Local Government.....	\$27,704	\$23,934	\$22,632	\$23,141	2
Average Cost per Inquiry and Investigation	\$2,737	\$2,485	\$4,051	\$3,848	
Average Cost of Monitoring per Local Government.....	\$16,248	\$15,921	\$18,453	\$18,967	

Explanation of Significant Movements

(Notes)

1. The increase in the 2012-13 Budget Target is due to funding for the implementation of the *Cat Act 2011*.
2. Number of inquiries forecast for the 2011-12 Estimated Actual and 2012-13 Budget are expected to be lower than forecast in the 2011-12 Budget.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	4,463	5,151	4,903	5,146	
Less Income	71	2	2	2	
Net Cost of Service	4,392	5,149	4,901	5,144	
Employees (Full Time Equivalents).....	26	30	27	27	
Efficiency Indicators					
Average Cost per Policy Project/Initiative for Multiculturalism	\$45,867	\$56,588	\$73,809	\$73,655	1

Explanation of Significant Movements

(Notes)

1. The increase is due to the Office of Multicultural Interests undertaking fewer, more strategic projects in line with its Strategic Plan.

ASSET INVESTMENT PROGRAM

To support the delivery of the Department's services, a total of \$103,000 will be spent in 2012-13 on computer and office equipment replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Computer and Office Equipment Replacement							
2010-11 Program	103	103	97	-	-	-	-
2011-12 Program	103	103	103	-	-	-	-
NEW WORKS							
Computer and Office Equipment Replacement							
2012-13 Program	103	-	-	103	-	-	-
2013-14 Program	103	-	-	-	103	-	-
2014-15 Program	103	-	-	-	-	103	-
2015-16 Program	103	-	-	-	-	-	103
Total Cost of Asset Investment Program	618	206	200	103	103	103	103
FUNDED BY							
Drawdowns from the Holding Account			103	103	103	103	103
Internal Funds and Balances			97	-	-	-	-
Total Funding			200	103	103	103	103

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated decrease of \$4.2 million in the 2012-13 Budget Estimate Total Cost of Services compared to the 2011-12 Estimated Actual. The variance is mainly attributable to a decrease in grants expenditure associated with realigning the expenditure for amalgamations into the forward estimates.

Income

Total Income shows an estimated decrease of \$1.0 million in the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. This decrease is mainly attributable to the allocation of Commonwealth funding provided for Local Government Reform in 2010-11 and 2011-12 financial years only.

Statement of Cashflows

The 2012-13 Budget Estimate for Net Cash from Operating Activities figure has decreased by \$3.3 million from the 2011-12 Estimated Actual. The variance is mainly attributable to a decrease in grants expenditure associated with realigning the expenditure for amalgamations into the forward estimates.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	11,772	10,853	11,115	11,641	12,077	11,769	11,893
Grants and subsidies ^(c)	11,965	10,668	11,572	7,528	4,584	5,539	5,654
Supplies and services	2,023	4,429	3,623	3,205	3,615	3,213	3,148
Accommodation.....	1,557	1,948	1,948	1,958	1,970	1,982	1,982
Depreciation and amortisation	48	60	60	60	60	60	60
Efficiency dividend.....	-	-	-	(380)	(524)	(693)	(888)
Other expenses.....	721	229	229	262	263	229	229
TOTAL COST OF SERVICES	28,086	28,187	28,547	24,274	22,045	22,099	22,078
Income							
Sale of goods and services	139	197	197	197	197	197	197
Grants and subsidies	1,352	999	999	-	-	-	-
Other revenue	352	8	8	8	8	8	8
Total Income	1,843	1,204	1,204	205	205	205	205
NET COST OF SERVICES.....	26,243	26,983	27,343	24,069	21,840	21,894	21,873
INCOME FROM STATE GOVERNMENT							
Service appropriations	20,045	20,991	19,434	21,043	19,471	17,250	17,504
Resources received free of charge.....	363	48	48	48	48	48	48
Royalties for Regions Fund ^(d)	6,610	6,015	7,455	2,000	2,390	4,665	4,390
TOTAL INCOME FROM STATE GOVERNMENT.....	27,018	27,054	26,937	23,091	21,909	21,963	21,942
SURPLUS/(DEFICIENCY) FOR THE PERIOD	775	71	(406)	(978)	69	69	69

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 115, 118 and 121 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$6.6 million (2010-11), \$6.0 million (2011-12), \$7.5 million (2011-12 Estimated Out Turn), \$2.0 million (2012-13), \$2.4 million (2013-14), \$4.7 million (2014-15) and \$4.4 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Financial Support to Local Governments	5,179	3,683	3,347	3,918	974	44	44
Office of Multicultural Interests	977	1,360	1,360	1,610	1,610	1,610	1,610
Royalties for Regions Initiative - Country Local Government Fund	5,809	5,625	6,865	2,000	2,000	3,885	4,000
TOTAL.....	11,965	10,668	11,572	7,528	4,584	5,539	5,654

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	18,641	16,336	18,134	17,361	17,430	17,499	17,568
Restricted cash.....	3,916	265	3,916	3,712	3,712	3,712	3,712
Holding account receivables	103	103	103	103	103	103	103
Receivables.....	833	1,660	833	833	833	833	833
Total current assets	23,493	18,364	22,986	22,009	22,078	22,147	22,216
NON-CURRENT ASSETS							
Holding account receivables	488	445	445	402	359	316	273
Property, plant and equipment	45	173	93	142	185	228	271
Intangibles	24	30	121	121	121	121	121
Restricted cash.....	240	143	240	240	240	240	240
Total non-current assets.....	797	791	899	905	905	905	905
TOTAL ASSETS.....	24,290	19,155	23,885	22,914	22,983	23,052	23,121
CURRENT LIABILITIES							
Employee provisions.....	2,526	2,016	2,529	2,531	2,531	2,531	2,531
Payables.....	208	303	205	209	209	209	209
Other.....	4,226	2,228	4,226	4,226	4,226	4,226	4,226
Total current liabilities.....	6,960	4,547	6,960	6,966	6,966	6,966	6,966
NON-CURRENT LIABILITIES							
Employee provisions.....	328	381	329	330	330	330	330
Other.....	1	-	1	1	1	1	1
Total non-current liabilities	329	381	330	331	331	331	331
TOTAL LIABILITIES.....	7,289	4,928	7,290	7,297	7,297	7,297	7,297
EQUITY							
Contributed equity	(29,946)	(29,908)	(29,946)	(29,946)	(29,946)	(29,946)	(29,946)
Accumulated surplus/(deficit).....	47,247	44,135	46,841	45,863	45,932	46,001	46,070
Reserves.....	(300)	-	(300)	(300)	(300)	(300)	(300)
Total equity	17,001	14,227	16,595	15,617	15,686	15,755	15,824
TOTAL LIABILITIES AND EQUITY.....	24,290	19,155	23,885	22,914	22,983	23,052	23,121

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	19,985	20,931	19,374	20,983	19,411	17,190	17,444
Holding account drawdowns.....	103	103	103	103	103	103	103
Royalties for Regions Fund ^(b)	6,610	6,015	7,455	2,000	2,390	4,665	4,390
Net cash provided by State Government.....	26,698	27,049	26,932	23,086	21,904	21,958	21,937
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(10,967)	(10,838)	(11,100)	(11,622)	(12,058)	(11,750)	(11,874)
Grants and subsidies	(13,892)	(10,668)	(11,572)	(7,528)	(4,584)	(5,539)	(5,654)
Supplies and services	(2,043)	(4,278)	(3,472)	(3,054)	(3,465)	(3,063)	(2,998)
Accommodation.....	(1,557)	(1,946)	(1,946)	(1,955)	(1,967)	(1,979)	(1,979)
Efficiency dividend.....	-	-	-	380	524	693	888
Other payments.....	(2,598)	(1,653)	(1,653)	(1,386)	(1,487)	(1,453)	(1,453)
Receipts							
Grants and subsidies	1,352	999	999	-	-	-	-
Sale of goods and services	209	197	197	197	197	197	197
GST receipts	1,267	1,300	1,300	1,000	1,100	1,100	1,100
Other receipts.....	357	8	8	8	8	8	8
Net cash from operating activities.....	(27,872)	(26,879)	(27,239)	(23,960)	(21,732)	(21,786)	(21,765)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(6)	(103)	(200)	(103)	(103)	(103)	(103)
Net cash from investing activities.....	(6)	(103)	(200)	(103)	(103)	(103)	(103)
NET INCREASE/(DECREASE) IN CASH HELD	(1,180)	67	(507)	(977)	69	69	69
Cash assets at the beginning of the reporting period.....	44,762	16,677	22,797	22,290	21,313	21,382	21,451
Net cash transferred to/from other agencies.....	(20,785)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	22,797	16,744	22,290	21,313	21,382	21,451	21,520

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

(b) Country Local Government Fund - \$6.6 million (2010-11), \$6.0 million (2011-12), \$7.5 million (2011-12 Estimated Out Turn), \$2.0 million (2012-13), \$2.4 million (2013-14), \$4.7 million (2014-15) and \$4.4 million (2015-16).

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Other							
Administered Appropriations	250	-	-	-	-	-	-
TOTAL INCOME	250	-	-	-	-	-	-
EXPENSES							
Grants to Charitable and Other Public Bodies							
Royal Society for the Prevention of Cruelty to Animals.....	250	-	-	-	-	-	-
TOTAL EXPENSES.....	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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Executive Vehicle Scheme and Other Miscellaneous							
Receipts	369	8	8	8	8	8	8
Grants and Subsidies	1,352	999	999	-	-	-	-
GST Input Credits.....	1,267	1,300	1,300	1,000	1,100	1,100	1,100
Indian Oceans Territories Program	197	197	197	197	197	197	197
TOTAL.....	3,185	2,504	2,504	1,205	1,305	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 2012-13 allows for the continued development of the cemetery renewal program at Karrakatta for burial areas along with the development of memorial options at Pinnaroo.

In response to the community's need, the design of the Fremantle waiting house, cafe and office will be progressed, along with modifications to the east and west lounges.

In order to support the development at Pinnaroo, a major upgrade will be undertaken of the irrigation infrastructure including a bore, pumps and wet well.

Development of burial grounds and infrastructure will be undertaken at Rockingham Regional Memorial Park to meet the growing needs of the surrounding communities.

Investment will also be made in the staged expansion of fire detection and hydrant infrastructure throughout the Board's buildings and facilities in order to enhance the safety of the public.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Cemetery Renewal Program - Karrakatta	11,204	2,179	200	700	1,125	1,300	400
Development of Rockingham Regional Memorial Park	2,930	660	500	300	320	200	200
Fremantle Lakes Development	1,400	900	400	400	-	-	-
Minor Works on Cemeteries and On-site Facilities							
Fremantle	6,969	2,840	287	437	712	200	700
Guildford	3,253	1,108	389	139	285	161	250
Karrakatta	27,233	14,300	1,976	1,386	1,755	1,021	1,521
Midland	2,887	1,523	89	89	130	130	150
Pinnaroo Valley Memorial Park.....	6,876	3,068	279	279	689	225	275
Rockingham Regional Memorial Park.....	2,026	1,438	28	28	90	50	50
Office Building	3,806	1,640	-	100	366	150	200
Pinnaroo Lake Development	2,870	1,300	500	500	50	100	250
Replacement of Cremators	8,506	2,098	500	300	808	2,800	400
COMPLETED WORKS							
Pinnaroo Chapel	6,024	6,024	4,500	-	-	-	-
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	500
Whiteman Park Development.....	7,620	-	-	-	40	30	50
Total Cost of Asset Investment Program	102,804	39,078	9,648	4,708	7,220	10,467	4,946
FUNDED BY							
Asset Sales.....			150	90	90	-	-
Other.....			9,498	4,618	7,130	10,467	4,946
Total Funding			9,648	4,708	7,220	10,467	4,946

HERITAGE COUNCIL OF WESTERN AUSTRALIA

PART 15 - MINISTER FOR LOCAL GOVERNMENT; HERITAGE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 61

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 93 Net amount appropriated to deliver services.....	5,474	5,731	5,914	6,607	6,717	6,884	7,055
Total appropriations provided to deliver services	5,474	5,731	5,914	6,607	6,717	6,884	7,055
CAPITAL							
Item 156 Capital Appropriation	-	990	990	600	-	-	-
TOTAL APPROPRIATIONS.....	5,474	6,721	6,904	7,207	6,717	6,884	7,055
EXPENSES							
Total Cost of Services.....	6,942	8,109	7,425	8,064	6,899	7,066	7,237
Net Cost of Services ^(a)	6,720	7,944	7,260	7,932	6,767	6,934	7,105
CASH ASSETS ^(b)	6,560	1,057	4,652	2,222	2,256	2,256	2,256

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Decommissioning of Office of Shared Services	61	-	-	-	-
Heritage Grants and Incentives Program	-	250	258	265	273

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Cultural Heritage Conservation Services	6,942	8,109	7,425	8,064	6,899	7,066	7,237
Total Cost of Services	6,942	8,109	7,425	8,064	6,899	7,066	7,237

Significant Issues Impacting the Agency

- In April 2011 the State Government launched Western Australia's first State Cultural Heritage Policy (the Policy). The Policy clarifies the objectives and focus of the State Government in the area of cultural heritage, noting that all government agencies and local authorities have a responsibility in recognising, promoting and protecting our cultural heritage. A key new initiative of the Policy is a review of the *Heritage of Western Australia Act 1990*, which has remained substantially unchanged since its inception. The Council has completed two rounds of stakeholder and community consultation on the strategic directions for a new Heritage Act. This will inform the development of a Green Bill, which will be published for further public consultation.
- The Council is a statutory body that seeks to balance property pressures while meeting its obligation to identify places important to the community. The number and complexity of development referrals continues to grow. Regulations were recently introduced to reduce red tape for owners and to enable the Council to focus on more complex development referrals.
- For many years there has been high demand for grants to assist the owners of heritage places with conservation works. Funding for the Heritage Grants and Incentives Program has been increased for the first time since its inception in 1996-97.
- Following the Goldfields earthquake of April 2010, the State Government made a special allocation of \$5.0 million for repair and 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, with the recovery of the historic Burt Street precinct now well under way. The Council is continuing to work with owners that have expressed an interest in receiving financial assistance, but are yet to finalise insurance claims and/or scope of works.

- Following the expiry of its lease on premises at 108 Adelaide Terrace, East Perth in March 2012, the Council relocated as part of the Government Office Accommodation Master Plan to the heritage-listed Bairds Building, part of the One40 William Street complex in Perth. This new central location improves accessibility for customers and will enable the development of deeper working relationships with key central government agencies, including the Department of Local Government, the Department of Planning and the Western Australian Planning Commission, the Government Architect, Office of Strategic Projects and others.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations:					
Extent to which heritage places identified as having potential State significance have been assessed.....	n/a	n/a	n/a	75%	1
Extent to which development approvals issued for registered places are consistent with the Heritage Council of Western Australia's advice to decision-making authorities.....	n/a	n/a	n/a	100%	1
Extent to which grant aid leverages additional investment in conservation projects	n/a	n/a	n/a	2:1	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. The Council's Key Performance Indicators (KPIs) have remained substantially unchanged since the late 1990s. While some remain valid and useful today, others do not. As a package they are no longer sufficiently relevant as drivers of the business or meaningful to external stakeholders.

A set of new effectiveness and efficiency KPIs has been developed in accordance with Treasurer's Instruction 904, and are effective from 1 July 2012. The new KPIs are relevant, appropriate, fairly represent indicated performances and provide a substantial overview of the operations and material expenses of the agency.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 6,942	\$'000 8,109	\$'000 7,425	\$'000 8,064	1
Less Income	222	165	165	132	
Net Cost of Service.....	6,720	7,944	7,260	7,932	
Employees (Full Time Equivalents).....	26	30	30	30	
Efficiency Indicators					
Incidence of Preliminary Reviews Proceeding to Full-Assessment but Resulting in Decisions not to Recommend Interim Registration.....	n/a	n/a	n/a	6.4%	2
Average Cost of Administering Grants (per Grant Dollar)	n/a	n/a	n/a	11c	2
Average Cost per Place of Maintaining Heritage Register.....	n/a	n/a	n/a	\$192	3
Average Cost of Development Referrals	n/a	n/a	n/a	\$760	3

Explanation of Significant Movements

(Notes)

1. The estimated increase for 2012-13 Budget Target is primarily due to additional expenditure for the Heritage Grants and Incentives Program and increased costs for the move to new accommodation.
2. New indicator effective from 1 July 2012.
3. As part of the implementation of new Key Performance Indicators, the Heritage Council has applied new time-log methodologies to all efficiency indicator calculations from the 2012-13 reporting period onwards. As such, comparative data for previous years is not available.

ASSET INVESTMENT PROGRAM

The asset investment program in 2012-13 provides for the replacement of the Council's core business system, plus minor amounts for office equipment replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Heritage Business System Replacement	1,590	990	990	600	-	-	-
COMPLETED WORKS							
Asset Replacement - 2011-12 Program.....	12	12	12	-	-	-	-
Heritage Places Online Database	252	252	252	-	-	-	-
NEW WORKS							
Asset Replacement							
2012-13 Program	12	-	-	12	-	-	-
2013-14 Program	20	-	-	-	20	-	-
2014-15 Program	20	-	-	-	-	20	-
2015-16 Program	20	-	-	-	-	-	20
Total Cost of Asset Investment Program	1,926	1,254	1,254	612	20	20	20
FUNDED BY							
Capital Appropriation			990	600	-	-	-
Drawdowns from the Holding Account			12	12	20	20	20
Internal Funds and Balances			252	-	-	-	-
Total Funding			1,254	612	20	20	20

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an increase of \$0.6 million (9.0%) in the Total Cost of Services for 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. The increase in 2012-13 is mainly attributable to additional expenditure approved for the Heritage Grants and Incentives Program, an increase in accommodation costs following the office relocation, new costs to manage and maintain the Council's new core business systems, and increased depreciation/amortisation costs relative to the new computer systems.

Income

The Income Statement shows an increase of \$0.7 million (12.0%) in Service Appropriations for 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. The increase mainly relates to funding to meet the additional expenses for the Heritage Grants Program, accommodation costs, managing and maintaining core business systems and computer systems and associated depreciation/amortisation.

Statement of Financial Position

The difference between the 2011-12 Budget and 2011-12 Estimated Actual position for Total Assets and Total Liabilities is attributable to a lower than expected outflow of funds associated with the acquittal of grants under the Goldfields Earthquake Restoration Fund. This has resulted in a forecast reduction in cash assets of \$1.9 million from the previous year to close at \$4.7 million as opposed to the original budget closing position of \$1.1 million. Intangible Assets have also increased following the expected completion of a new online database system.

The higher than budgeted 2011-12 Estimated Actual for Total Assets is offset by higher 2011-12 Estimated Actual Total Liabilities and Equity. This is substantially held in the form of Payables, which has a 2011-12 Estimated Actual of \$1.3 million higher than the 2011-12 Budget due to outstanding grant commitments, and Equity of \$2.5 million higher than budgeted. This is associated with payments yet to be made for the Council's new core business system, which is under development, and yet to be committed Goldfields Earthquake grant funds, which are estimated to stand at \$1.4 million by the end of 2011-12. The Council is continuing to work with owners that expressed an interest in receiving financial assistance under the Goldfields Earthquake Restoration Fund, but are still to resolve insurance claims and/or finalise scopes of works and cost estimates. Based on the information to hand through consultation with these owners, it is expected that all the funds available under the \$5.0 million program will be fully expended.

The 2012-13 Budget Estimate shows a decrease in Total Assets of \$1.8 million (27.0%) when compared to the 2011-12 Estimated Actual. The decrease is mainly attributable to the estimated decrease in payables.

Statement of Cashflows

The Statement of Cashflows shows an estimated decrease in 2012-13 of \$2.4 million in cash assets when compared to the 2011-12 Estimated Actual. The decrease in cash assets is mainly due to the increase in grant payments in 2012-13.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,514	2,836	2,867	2,797	2,948	3,032	3,125
Grants and subsidies ^(c)	2,600	3,301	2,625	2,876	1,534	1,541	1,549
Supplies and services	1,532	1,445	1,223	1,418	1,435	1,499	1,556
Accommodation.....	106	135	318	460	472	484	497
Depreciation and amortisation	17	12	12	130	138	138	138
Other expenses.....	173	380	380	383	372	372	372
TOTAL COST OF SERVICES.....	6,942	8,109	7,425	8,064	6,899	7,066	7,237
Income							
Grants and subsidies	-	33	-	-	-	-	-
Other revenue	222	132	165	132	132	132	132
Total Income	222	165	165	132	132	132	132
NET COST OF SERVICES.....	6,720	7,944	7,260	7,932	6,767	6,934	7,105
INCOME FROM STATE GOVERNMENT							
Service appropriations	5,474	5,731	5,914	6,607	6,717	6,884	7,055
Resources received free of charge.....	55	50	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT.....	5,529	5,781	5,964	6,657	6,767	6,934	7,105
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(1,191)	(2,163)	(1,296)	(1,275)	-	-	-

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 26, 30 and 30 respectively. In some cases the figures for 2010-11 and 2011-12 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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Conservation Incentive Program.....	(122)	50	50	50	50	50	50
Cossack Townsite	120	120	120	120	120	120	120
Education/Promotion	4	11	11	11	11	11	11
Goldfields Earthquake Restoration Fund.....	1,851	2,025	1,349	1,350	-	-	-
Heritage Grants and Incentives Program	700	1,000	1,000	1,250	1,258	1,265	1,273
Heritage Loan Subsidy Scheme	35	35	35	35	35	35	35
Local Government and Tourism	-	60	60	60	60	60	60
Other.....	12	-	-	-	-	-	-
TOTAL.....	2,600	3,301	2,625	2,876	1,534	1,541	1,549

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	6,560	1,057	4,652	2,222	2,256	2,256	2,256
Holding account receivables	12	12	12	20	20	20	20
Receivables.....	77	103	77	63	63	63	63
Total current assets	6,649	1,172	4,741	2,305	2,339	2,339	2,339
NON-CURRENT ASSETS							
Holding account receivables	292	320	253	377	509	627	745
Property, plant and equipment	-	60	30	58	85	85	85
Intangibles	338	990	1,580	2,062	1,944	1,826	1,708
Other.....	6	-	6	6	6	6	6
Total non-current assets.....	636	1,370	1,869	2,503	2,544	2,544	2,544
TOTAL ASSETS	7,285	2,542	6,610	4,808	4,883	4,883	4,883
CURRENT LIABILITIES							
Employee provisions.....	422	239	407	407	407	407	407
Payables.....	2,718	982	2,328	1,201	1,276	1,276	1,276
Other.....	79	47	86	86	86	86	86
Total current liabilities.....	3,219	1,268	2,821	1,694	1,769	1,769	1,769
NON-CURRENT LIABILITIES							
Employee provisions.....	151	205	180	180	180	180	180
Total non-current liabilities	151	205	180	180	180	180	180
TOTAL LIABILITIES.....	3,370	1,473	3,001	1,874	1,949	1,949	1,949
EQUITY							
Contributed equity	389	1,379	1,379	1,979	1,979	1,979	1,979
Accumulated surplus/(deficit).....	3,643	(308)	2,347	1,072	1,072	1,072	1,072
Reserves.....	(117)	(2)	(117)	(117)	(117)	(117)	(117)
Total equity	3,915	1,069	3,609	2,934	2,934	2,934	2,934
TOTAL LIABILITIES AND EQUITY.....	7,285	2,542	6,610	4,808	4,883	4,883	4,883

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	5,452	5,705	5,888	6,463	6,565	6,732	6,903
Capital appropriation	-	990	990	600	-	-	-
Holding account drawdowns.....	-	12	65	12	20	20	20
Net cash provided by State Government.....	5,452	6,707	6,943	7,075	6,585	6,752	6,923
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,411)	(2,846)	(2,877)	(2,807)	(2,958)	(3,042)	(3,135)
Grants and subsidies	(1,860)	(3,301)	(3,045)	(4,051)	(1,534)	(1,541)	(1,549)
Supplies and services	(1,517)	(1,370)	(1,148)	(1,281)	(1,281)	(1,379)	(1,436)
Accommodation.....	(105)	(135)	(318)	(460)	(472)	(484)	(497)
Other payments.....	(559)	(612)	(612)	(664)	(656)	(656)	(656)
Receipts							
Grants and subsidies	-	33	-	-	-	-	-
GST receipts	357	230	230	230	230	230	230
Other receipts.....	240	140	173	140	140	140	140
Net cash from operating activities	(5,855)	(7,861)	(7,597)	(8,893)	(6,531)	(6,732)	(6,903)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	-	(1,002)	(1,254)	(612)	(20)	(20)	(20)
Other payments.....	(338)	-	-	-	-	-	-
Net cash from investing activities	(338)	(1,002)	(1,254)	(612)	(20)	(20)	(20)
NET INCREASE/(DECREASE) IN CASH HELD	(741)	(2,156)	(1,908)	(2,430)	34	-	-
Cash assets at the beginning of the reporting period.....	7,301	3,213	6,560	4,652	2,222	2,256	2,256
Cash assets at the end of the reporting period.....	6,560	1,057	4,652	2,222	2,256	2,256	2,256

(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 62

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 94 Net amount appropriated to deliver services.....	2,521	2,620	2,620	2,736	2,812	2,875	2,936
Total appropriations provided to deliver services	2,521	2,620	2,620	2,736	2,812	2,875	2,936
CAPITAL							
Item 157 Capital Appropriation	1,395	435	435	5,135	435	435	435
TOTAL APPROPRIATIONS.....	3,916	3,055	3,055	7,871	3,247	3,310	3,371
EXPENSES							
Total Cost of Services.....	7,326	5,508	7,651	6,923	6,937	6,850	6,911
Net Cost of Services ^(a)	2,652	2,788	74	(1,057)	2,979	2,892	2,953
CASH ASSETS ^(b)	5,394	3,185	3,796	3,203	3,027	2,951	2,695

- (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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Conservation of Built Heritage	4,413	2,689	4,408	3,605	3,722	3,686	3,747
2. Interpretation - Heritage Awareness and Education	2,292	2,033	2,452	2,267	2,393	2,353	2,353
3. Conservation of Natural Heritage	621	786	791	1,051	822	811	811
Total Cost of Services	7,326	5,508	7,651	6,923	6,937	6,850	6,911

Significant Issues Impacting the Agency

- The Trust will continue its lead role in the coordination of heritage education and learning programs which focus on heritage values and their links to national and state curricula.
- The Trust will continue its lead role in the management of heritage places for the State Government and the Western Australian community.
- The Trust will focus on the implementation of its strategic asset plan, with a focus on priority places such as the Old Farm Strawberry Hill in Albany, the Bill Sewell Complex in Geraldton and the East Perth Cemeteries.
- The Trust will continue to promote public investment in heritage through its community-based public tax deductible appeals, the work of its Aboriginal Foundations and its Natural Heritage Conservation Covenanting Program.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Conservation of Western Australia's cultural and natural heritage:					
Percentage of conservation work completed	1.1%	1.3%	3.8%	9.0%	1
Percentage increase in attendees of formal heritage education courses	-19.9%	19.4%	19.2%	4%	2
Percentage increase in number of hectares protected by covenants	0.8%	3.0%	-5.8%	2.9%	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. The significant percentage increase in conservation work completed in 2011-12 Estimated Actual and the 2012-13 Budget Target is due to the expected increase in grant funding applied to conservation works.
2. The number of attendees in 2010-11 substantially decreased because of uncertainty about the closure of the Pump Station at Mundaring plus the part closure of the Woodbridge and Tranby heritage sites. As a result, the 2011-12 Estimated Actual increase of 19.2% reflects the move back to the usual annual number of attendees. The 2012-13 Budget Target of a 4% increase represents a realistic target based on the current projections.
3. The significant decrease in percentage from 3.0% in the 2011-12 Budget to -5.8% in the 2011-12 Estimated Actual is due to the subdivision of bush and farmland by a large landholder which resulted in the removal of covenants over new farmland lots.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	4,413	2,689	4,408	3,605	1
Less Income	3,201	1,658	6,514	6,829	
Net Cost of Service	1,212	1,031	(2,106)	(3,224)	
Employees (Full Time Equivalents).....	10	12	11	12	
Efficiency Indicators					
Average Operating Cost per Place Managed	\$27,388	\$26,000	\$42,796	\$26,010	2

Explanation of Significant Movements

(Notes)

1. The variance between the 2012-13 Budget Target and the 2011-12 Estimated Actual is due to additional expenditure for heritage appeals and property maintenance in 2011-12.
2. The variance between the 2012-13 Budget Target and the 2011-12 Estimated Actual is due to the increase in the cost of service in the 2011-12 Estimated Actual, brought about by the estimated increase in conservation expenditure in 2011-12. The additional conservation expenditure relates to heritage appeal and property maintenance costs.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	2,292	2,033	2,452	2,267	1
Less Income	1,309	466	809	886	2
Net Cost of Service	983	1,567	1,643	1,381	
Employees (Full Time Equivalents).....	13	13	13	13	
Efficiency Indicators					
Average Cost per Attendee of Providing Heritage Awareness and Education ...	\$302	\$318	\$327	\$260	3

Explanation of Significant Movements

(Notes)

1. The variance between the 2012-13 Budget Target and the 2011-12 Estimated Actual is mainly due to a decrease in education related project works.
2. The variance between the 2012-13 Budget Target and the 2011-12 Estimated Actual is due to an increase in grant funding for education related project works.
3. The decrease in the average cost per attendee in the 2012-13 Budget Target compared to the 2011-12 Estimated Actual is due to a decrease in education related project works.

3: Conservation of Natural Heritage

The conservation of natural heritage includes a covenanting and stewardship program and special projects associated with the conservation and management of the natural environment.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	621	786	791	1,051	
Less Income	164	596	254	265	1
Net Cost of Service.....	457	190	537	786	
Employees (Full Time Equivalents).....	4	4	4	4	
Efficiency Indicators					
Average Cost per Hectare to Protect Natural Heritage.....	\$10	\$12	\$13	\$16	

Explanation of Significant Movements

(Notes)

1. The decrease in income in the 2011-12 Estimated Actual compared to the 2011-12 Budget is mainly due to the delay in the sale of two remaining Bushbank properties primarily as a result of the fall in land market prices.

ASSET INVESTMENT PROGRAM

The Trust's asset investment program includes the continuation of conservation and interpretation works 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 online facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Upgrades - Luisini Winery	1,500	500	500	1,000	-	-	-
COMPLETED WORKS							
Asset Replacement - 2011-12 Program.....	50	50	50	-	-	-	-
Property Restoration							
2011-12 Program	650	650	650	-	-	-	-
Wanslea	2,500	2,500	2,500	-	-	-	-
Upgrades - Old Perth Boy School.....	1,065	1,065	900	-	-	-	-
NEW WORKS							
Asset Replacement							
2012-13 Program	50	-	-	50	-	-	-
2013-14 Program	50	-	-	-	50	-	-
2014-15 Program	50	-	-	-	-	50	-
2015-16 Program	50	-	-	-	-	-	50
Property Restoration							
2012-13 Program	650	-	-	650	-	-	-
2013-14 Program	650	-	-	-	650	-	-
2014-15 Program	650	-	-	-	-	650	-
2015-16 Program	650	-	-	-	-	-	650
57 Murray Street Perth.....	4,700	-	-	4,700	-	-	-
Wanslea	4,092	-	-	4,092	-	-	-
Total Cost of Asset Investment Program	17,357	4,765	4,600	10,492	700	700	700
FUNDED BY							
Capital Appropriation			435	5,135	435	435	435
Asset Sales.....			-	350	-	-	-
Drawdowns from the Holding Account			265	265	265	265	265
Internal Funds and Balances			3,900	4,742	-	-	-
Total Funding			4,600	10,492	700	700	700

FINANCIAL STATEMENTS**Income Statement***Expenses*

The significant increase in supplies and services in the 2011-12 Estimated Actual compared with the 2011-12 Budget relates to the expected additional expenditure on heritage appeals and grant funded projects plus additional property maintenance and repairs.

The significant increase in other expenses in the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual is due to a loss on the sale of assets which relates to the Bushbank revolving fund program.

Income

The significant increase in grants and subsidies in the 2011-12 Estimated Actual and the 2012-13 Budget Estimate relates to the expected additional income for conservation works and education related projects.

The significant increase in other revenue in the 2011-12 Estimated Actual compared with the 2011-12 Budget relates to additional income from bequests and heritage appeals.

Statement of Cashflows

The significant increase in payments of supplies and services in the 2011-12 Estimated Actual compared with the 2011-12 Budget relates to the expected additional expenditure on heritage appeals and grant funded projects plus additional property maintenance and repairs.

The significant increase in grants and subsidies receipts in the 2011-12 Estimated Actual and the 2012-13 Budget Estimate relates to the expected additional income for conservation works and education related projects.

The significant increase in other revenue receipts in the 2011-12 Estimated Actual compared with the 2011-12 Budget relates to additional income from bequests and heritage appeals.

The significant increase in purchase of non-current assets in the 2011-12 Estimated Actual and the 2012-13 Budget Estimate relates to payments for conservation works on the Wanslea, Old Perth Boy School and Luisini Winery projects.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,151	2,631	2,631	2,724	2,790	2,833	2,873
Supplies and services	4,010	1,846	4,000	2,819	3,045	2,916	2,937
Accommodation	345	210	250	270	270	270	270
Depreciation and amortisation	401	370	370	410	410	410	410
Other expenses	419	451	400	700	422	421	421
TOTAL COST OF SERVICES	7,326	5,508	7,651	6,923	6,937	6,850	6,911
Income							
Sale of goods and services	603	723	600	753	773	773	773
Grants and subsidies	796	400	3,580	4,492	400	400	400
Other revenue	3,275	1,597	3,397	2,735	2,785	2,785	2,785
Total Income	4,674	2,720	7,577	7,980	3,958	3,958	3,958
NET COST OF SERVICES	2,652	2,788	74	(1,057)	2,979	2,892	2,953
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,521	2,620	2,620	2,736	2,812	2,875	2,936
Assets assumed	3,676	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	6,197	2,620	2,620	2,736	2,812	2,875	2,936
SURPLUS/(DEFICIENCY) FOR THE PERIOD	3,545	(168)	2,546	3,793	(167)	(17)	(17)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 27, 28 and 29 respectively. In some cases the figures for 2010-11 and 2011-12 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	2,385	1,237	1,987	1,394	1,218	1,142	886
Restricted cash.....	3,009	1,948	1,809	1,809	1,809	1,809	1,809
Holding account receivables	265	265	265	265	265	265	265
Receivables.....	203	214	307	207	207	207	313
Other.....	269	340	276	276	276	276	276
Assets held for sale	615	615	615	-	-	-	-
Total current assets	6,746	4,619	5,259	3,951	3,775	3,699	3,549
NON-CURRENT ASSETS							
Holding account receivables	530	668	668	846	1,024	1,202	1,380
Property, plant and equipment	62,270	61,698	67,240	77,322	76,045	74,768	73,492
Intangibles	235	113	235	235	235	235	235
Other.....	1,661	789	921	921	921	921	921
Total non-current assets.....	64,696	63,268	69,064	79,324	78,225	77,126	76,028
TOTAL ASSETS	71,442	67,887	74,323	83,275	82,000	80,825	79,577
CURRENT LIABILITIES							
Employee provisions.....	498	423	498	498	498	498	498
Payables.....	409	243	309	333	357	331	231
Other.....	96	64	96	96	96	96	96
Total current liabilities.....	1,003	730	903	927	951	925	825
NON-CURRENT LIABILITIES							
Employee provisions.....	34	45	34	34	34	34	34
Total non-current liabilities	34	45	34	34	34	34	34
TOTAL LIABILITIES.....	1,037	775	937	961	985	959	859
EQUITY							
Contributed equity	5,471	5,906	5,906	11,041	9,909	8,777	7,646
Accumulated surplus/(deficit).....	41,470	37,782	44,016	47,809	47,642	47,625	47,608
Reserves.....	23,464	23,424	23,464	23,464	23,464	23,464	23,464
Total equity	70,405	67,112	73,386	82,314	81,015	79,866	78,718
TOTAL LIABILITIES AND EQUITY.....	71,442	67,887	74,323	83,275	82,000	80,825	79,577

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,118	2,217	2,217	2,293	2,369	2,432	2,493
Capital appropriation	1,395	435	435	5,135	435	435	435
Receipts paid into Consolidated Account.....	-	-	-	-	(1,567)	(1,567)	(1,566)
Holding account drawdowns.....	265	265	265	265	265	265	265
Net cash provided by State Government.....	3,778	2,917	2,917	7,693	1,502	1,565	1,627
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,156)	(2,632)	(2,632)	(2,725)	(2,791)	(2,834)	(2,874)
Supplies and services	(3,720)	(1,950)	(4,104)	(2,891)	(3,117)	(3,038)	(3,059)
Accommodation.....	(345)	(193)	(233)	(253)	(253)	(253)	(253)
Other payments.....	(1,120)	(641)	(590)	(625)	(612)	(611)	(611)
Receipts							
Grants and subsidies	795	400	3,580	4,492	400	400	400
Sale of goods and services	552	723	600	753	773	773	773
GST receipts	446	270	270	270	270	270	270
Other receipts.....	3,292	1,394	3,194	2,835	2,785	2,785	2,605
Net cash from operating activities	(2,256)	(2,629)	85	1,856	(2,545)	(2,508)	(2,749)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,364)	(2,200)	(4,600)	(10,492)	(700)	(700)	(700)
Proceeds from sale of non-current assets	2	-	-	350	1,567	1,567	1,566
Net cash from investing activities	(1,362)	(2,200)	(4,600)	(10,142)	867	867	866
NET INCREASE/(DECREASE) IN CASH HELD	160	(1,912)	(1,598)	(593)	(176)	(76)	(256)
Cash assets at the beginning of the reporting period.....	5,234	5,097	5,394	3,796	3,203	3,027	2,951
Cash assets at the end of the reporting period.....	5,394	3,185	3,796	3,203	3,027	2,951	2,695

(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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Grants and Subsidies	795	400	3,580	4,492	400	400	400
GST Receipts on Sales	446	270	270	270	270	270	270
Interest Received	250	245	245	245	245	245	245
Other Receipts	3,042	1,149	2,949	2,590	2,540	2,540	2,360
User Fees and Charges	552	723	600	753	773	773	773
TOTAL.....	5,085	2,787	7,644	8,350	4,228	4,228	4,048

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	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
757	Agriculture and Food			
	- Delivery of Services.....	144,943	143,322	138,987
	- Administered Grants, Subsidies and Other Transfer Payments.....	10,000	5,000	10,000
	- Capital Appropriation.....	14,000	8,650	6,417
	Total	168,943	156,972	155,404
771	Rural Business Development Corporation			
	- Delivery of Services.....	206	206	212
	Total	206	206	212
781	Corrective Services			
	- Delivery of Services.....	636,213	665,639	707,226
	- Capital Appropriation.....	98,316	81,313	37,526
	Total	734,529	746,952	744,752
792	Office of the Inspector of Custodial Services			
	- Delivery of Services.....	3,095	3,095	3,310
	- Capital Appropriation.....	52	52	-
	Total	3,147	3,147	3,310
GRAND TOTAL				
	- Delivery of Services.....	784,457	812,262	849,735
	- Administered Grants, Subsidies and Other Transfer Payments.....	10,000	5,000	10,000
	- Capital Appropriation.....	112,368	90,015	43,943
	Total.....	906,825	907,277	903,678

AGRICULTURE AND FOOD

PART 16 - MINISTER FOR AGRICULTURE AND FOOD; FORESTRY; CORRECTIVE SERVICES

DIVISION 63

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual ^(a) \$'000	2011-12 Budget ^(a) \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 95 Net amount appropriated to deliver services.....	137,150	143,473	141,852	137,479	134,361	136,635	138,840
Amount Authorised by Other Statutes							
- Agriculture and Related Resources Protection Act 1976.....	1,134	-	-	-	-	-	-
- Biosecurity and Agriculture Management Act 2007.....	-	1,144	1,144	1,173	1,204	1,235	1,235
- Salaries and Allowances Act 1975.....	312	326	326	335	340	351	363
Total appropriations provided to deliver services	138,596	144,943	143,322	138,987	135,905	138,221	140,438
ADMINISTERED TRANSACTIONS							
Item 96 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	20,000	10,000	5,000	10,000	10,000	4,000	-
CAPITAL							
Item 158 Capital Appropriation.....	6,155	14,000	8,650	6,417	2,694	12,850	14,127
TOTAL APPROPRIATIONS.....	164,751	168,943	156,972	155,404	148,599	155,071	154,565
EXPENSES							
Total Cost of Services.....	205,821	231,417	217,297	226,799	230,582	229,451	222,798
Net Cost of Services ^(b)	151,499	159,609	145,799	154,672	158,280	155,153	150,021
CASH ASSETS ^(c)	51,926	47,686	44,879	40,360	36,430	32,972	32,972

- (a) The 2010-11 Actual and 2011-12 Budget have been restated for comparability to account for the amalgamation of the Department of Agriculture and Food Western Australia and the Agriculture Protection Board and transfer of Natural Resource Management (NRM) from Controlled to Administered, 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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Enhanced Adverse Weather Monitoring Network	-	300	-	-	-
Farm Business Planning Program - Reflow	(2,000)	2,000	-	-	-
Forest Management Plan	300	100	-	-	-
Royalties for Regions - NRM Initiatives	4,383	9,354	14,501	11,488	659
Transfer of NRM from Controlled to Administered	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Transfer of Regional Livestock Sale Yard Strategy from Controlled to Administered	(8,200)	(9,000)	-	-	-
Year of the Farmer Initiatives	-	2,000	-	-	-
Efficiency Dividend.....	-	(2,798)	(4,241)	(5,755)	(7,385)

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 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 Outcome	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.	A profitable, innovative and sustainable agrifood sector that benefits Western Australia.	1. Business and Supply Chain Development 2. Transformational Development 3. Resource Risk Management
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.		

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Business and Supply Chain Development	95,295	107,146	100,609	104,765	105,248	103,514	99,439
2. Transformational Development	15,848	17,819	16,731	19,217	21,556	23,497	24,860
3. Resource Risk Management	94,678	106,452	99,957	105,615	108,019	108,195	105,884
4. Contribution to Responsible Financial Management.....	-	-	-	(2,798)	(4,241)	(5,755)	(7,385)
Total Cost of Services	205,821	231,417	217,297	226,799	230,582	229,451	222,798

Significant Issues Impacting the Agency

- Globally, the medium-term drivers of our agrifood sector's fortunes will be dominated by concerns about international financial instability, high exchange rates, an increasing demand for food and associated food security pressures and changing and more volatile weather patterns. These forces present both great opportunities and significant risks for businesses in the State's agrifood sector, and for the Department's strategies to aid development of the sector.
- A secure and adequate food supply is now a key strategic driver for many countries in our region, with food shortages and volatile agriculture prices recently being nominated by the World Economic Forum as two of the five highest-impact risks facing the globe. The Department needs to work with industry to ensure that relevant trends are understood, and that businesses assess how they might respond to changes in international trade, investment and diplomatic relations.

- The rise of developing economies, particularly in Asia, will see millions of people able to afford and seeking greater quantities and quality of food and fibre products, particularly animal protein. These new, high-return markets on our doorstep will open great new opportunities. At the same time, developing countries face rapid population growth, inadequate storage and distribution systems and limited production. This also offers opportunities for Western Australia, both as a supplier and, potentially through our ability to store, to deliver and distribute food effectively. The Department needs to work with industry in maximising the local benefits from these opportunities.
- Within Australia, high foreign exchange rates continue to strain our cost competitiveness. Also, evolving retail patterns and preferences, including place-of-origin, product integrity and animal welfare issues will generate a range of new challengers for the sector. Western Australia has a competitive advantage in many of these areas, and the Department will need to play a lead role in promoting and safeguarding these advantages.
- An increasingly sophisticated marketplace is forcing the development of a more knowledge-intensive industry, and building that capability forms one of our key investment priorities. Similarly, it means that producers, processors and marketers are now focusing more on what the market wants rather than what they can deliver, and the Department too must increasingly adopt a market-pull focus to our activities rather than the more traditional supply-push approach.
- With many Western Australian agrifood product and marketing systems now being mature and commoditised, our producers will increasingly be challenged by those in countries having lower wages and subsidised or protected production. For some of these industries, their long-term future will lie in developing new and improved products, markets and business models that play to our competitive strengths, and the Department will work with them in identifying where such ‘transformation’ may be required and the form it might take.
- In terms of production capacity, the continuing trend to reduced rainfall and more extreme weather events will present new and increased threats to agricultural production, resource management and public health. The Department will continue to develop new and improved systems and tools that enable producers to better understand and adapt to such threats.
- The Department will work with industry to help ensure it can maximise its profitability while managing its natural and business risks. The Department will address issues that will drive the sector’s profitability both as it exists today and as it evolves in the future. The Department will focus on the new and changing biosecurity risks arising from the increasing international movement of people and goods and a changing climate, and will ensure industry can access and manage appropriate land and water resources.
- The Department will continue to transform its own business, including the implementation of a new people-leadership model, brand development and a major business system improvement program, key training programs in project management and innovation, and by strategic recruitment along the lines of the 2011 Growing Business Capability program.
- The Department will also drive reforms to its strategic collaborative arrangements, including those with the Council of Australian Governments and Standing Council on Primary Industries, so as to maximise their benefit through drought reform, improved biosecurity systems and increased productivity. The commencement of the Australian Export Grains Innovation Centre will drive the competitive advantages of Australian grains in the international marketplace.
- The Department will progress a number of significant research capacity initiatives, including the Australian Export Grains Innovation Centre in South Perth, new genomic and managed environment facilities at Merredin and Katanning, and implementation of the regional saleyards strategy.
- Lastly, the Department has redefined the outcome it seeks to achieve, the services delivered and the formal measures by which performance is to be judged. The Department’s key statements of intent and performance measures now accurately reflect the Department’s role as an economic development department.

Outcomes and Key Effectiveness Indicators ^{(a) (b)}

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: A profitable, innovative and sustainable agrifood sector that benefits Western Australia:					
Proportion of co-investment in Department led initiatives	27.4%	31.2%	36.4%	35.1%	
Proportion of businesses that consider the Department has positively influenced the profitability of the sector.....	n/a	n/a	30.2%	32.0%	1,2
Proportion of businesses that consider the Department has fostered innovation in the sector.....	n/a	n/a	30.3%	32.0%	1,3
Proportion of businesses and key stakeholders that consider the Department has positively influenced the sustainability of the sector	n/a	n/a	33.7%	35.0%	1,4

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

(b) The Department has redefined its Outcome and Services for the 2012-13 year onwards, and introduced new Performance Indicators which better reflect these. 2011-12 Budget and Estimated Actual figures have been adjusted to reflect the new Services and Performance Indicators

Explanation of Significant Movements

(Notes)

1. From March 2012 survey of large producers, processors, marketers, exporters and agricultural consultants.
2. Respondents scoring the Department's impact in improving the profitability of their industry over the past 12 months at six or more out of ten.
3. As above with regard to the Department's impact on the capacity of their industry to make changes in the future.
4. As above with regard to the Department's impact on the sustainability of their industry.

Services and Key Efficiency Indicators

1: Business and Supply Chain Development

While all industries must always be looking toward their long-term future, they must also remain profitable in the short to medium term, and profitable production systems are at the core of the agrifood sector's long-term viability and ability to contribute to the State's development.

The Department's Business and Supply Chain Development service focuses on providing leadership and specialist expertise that further develops the profitability of the State's existing and currently-emerging agrifood industries in the short to medium term. This ensures the State plays its role in ensuring our agrifood industries can increase the yield, quality and marketability of their existing and emerging products, and their ability to immediately seize opportunities as they arise.

This is a newly defined service for 2012-13, incorporating elements of three former services: Industry and Regional Support, Production Systems Solutions and Market Development.

The Department's key strategies in fostering business and supply chain development include:

- determining immediate industry development needs and priorities by establishing effective industry and government partnership and planning arrangements at state and national levels;
- improving industry profitability by identifying and analysing supply chain productivity drivers and risks, evaluating opportunities for product and processing improvement, and facilitating focused industry development projects;
- enhancing business resilience by providing targeted information, analysis and business skills development throughout the supply chain;
- expanding and diversifying industries by assisting industry analysis, planning and approvals, facilitating infrastructure and natural resources development, and minimising regulation and compliance costs;
- extracting more value from target markets by providing industry with improved product and market knowledge, and improving information flow up and down the supply chain;
- expanding market opportunities by encouraging productive relationships between supply chain customers, governments and industries, addressing biosecurity, tariffs and other trade related impediments, and streamlining regulation;
- capturing emerging business opportunities by assessing down-stream value adding opportunities, and supporting associated economic and job development; and
- enhancing the profile of the agrifood sector by raising local, national and international awareness and recognition of the opportunities, achievements and excellence in the sector.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 95,295	\$'000 107,146	\$'000 100,609	\$'000 104,765	
Less Income	25,151	33,247	33,104	32,912	
Net Cost of Service.....	70,144	73,899	67,505	71,853	
Employees (Full Time Equivalents).....	562	590	548	595	
Efficiency Indicators ^(a)					
Net Service Cost as a Factor of Gross Value of Agricultural Production (GVAP)	1.2%	1.3%	1.2%	1.3%	1
Public and Private Sector Co-Investment in Department Led Business and Supply Chain Initiatives as a Factor of the Net Cost of this Service	31.3%	35.6%	41.6%	40.7%	2

(a) The Department has redefined its Outcome and Services for the 2012-13 year onwards, and introduced new Performance Indicators to reflect these. 2010-11 Actual and 2011-12 Budget and Estimated Actual figures have been adjusted to reflect the new Services and Performance Indicators.

Explanation of Significant Movements

(Notes)

1. Based on Australian Bureau of Statistics (ABS) GVAP 5-year rolling average - \$5,733 million.
2. Public and private sector investment estimated pro-rata to 2010-11 External Funds and Intellectual Property database data.

2: Transformational Development

The service which the Department offers in this regard focuses on providing leadership and specialist expertise that aids in transforming the long-term economic growth of the State's agrifood sector.

This is a newly defined service for 2012-13, incorporating elements of three former services: Industry and Regional Support, Production Systems Solutions and Market Development.

The Department's key strategies in fostering transformational development include:

- determining long-term, strategic industry development needs and priorities by establishing effective industry and government partnership and planning arrangements at state, national and international levels;
- brokering innovations required by industry to significantly lift profitability and resilience;
- improving the long-term profitability of major industries by evaluating opportunities for product and processing development, and facilitating focused industry development projects;
- identifying new and novel business opportunities and models that create economic growth;
- strengthening agricultural skills development across all industries by developing appropriate programs for key industry sectors, and promoting career and education opportunities in the sector;
- equipping industry groups to provide leadership by engaging industry groups (i.e. grower groups, industry associations and Indigenous agricultural businesses) and improving their business systems and skills;
- enhancing business adaptability by providing targeted information, analysis and business skills development throughout the supply chain;
- identifying and capturing new and transformed business opportunities by assessing down-stream value adding opportunities, and supporting associated economic and job development;
- expanding market opportunities by encouraging productive relationships between supply chain customers, government and industry organisations, and addressing and attracting investment in priority Western Australian export and domestic market opportunities; and
- establishing the Department as a dynamic economic development agency by transforming its culture, infrastructure and business systems so it can lead and facilitate the sector to achieve its potential.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 15,848	\$'000 17,819	\$'000 16,731	\$'000 19,217	
Less Income	4,183	5,529	5,505	6,037	
Net Cost of Service	11,665	12,290	11,226	13,180	
Employees (Full Time Equivalents).....	94	99	92	99	
Efficiency Indicators ^(a)					
Net Service Cost as a Factor of GVAP	0.2%	0.2%	0.2%	0.2%	1
Public and Private Sector Co-Investment in Department Led Transformational Development Initiatives as a Factor of the Net Cost of this Service	21.8%	24.7%	28.9%	25.6%	2

(a) The Department has redefined its Outcome and Services for the 2012-13 year onwards, and introduced new Performance Indicators which better reflect these. 2010-11 Actual and 2011-12 Budget and Estimated Actual figures have been adjusted to reflect the new Services and Performance Indicators.

Explanation of Significant Movements

(Notes)

1. Based on ABS GVAP 5-year rolling average - \$5,733 million.
2. Public and private sector investment estimated pro-rata to 2010-11 External Funds and Intellectual Property database data.

3: Resource Risk Management

Western Australia's agricultural and pastoral landholders manage some 97 million hectares, representing 38.0% of the State's landmass. This diverse landscape supports a wide range of agricultural industries, over a wide range of climatic and environmental conditions. Practices that maintain or improve the health of the State's natural resources (land, soil, native vegetation, biodiversity and water), are essential both to the industries' prosperity and to maximising their potential contribution to the State's economic performance.

This is a newly defined service for 2012-13, incorporating elements of two former services: Land Management and Community and Environmental Risk.

This service includes building partnerships and capabilities needed by industry and communities to properly use and safeguard the State's natural resources, and to acquire the skills and knowledge needed to manage business, environmental and social risks. It includes ensuring the State is able to address major pest and disease risks and that all players understand and enhance the long-term capability of our land and water resources.

In regard to threats to the State's land and water resources, the Department develops and promotes management practices that best underpin progressive and profitable agricultural production whilst addressing the challenges of a changing and variable climate, ensuring landholders can build businesses that are robust and resilient over the longer term without jeopardising the environment.

The Department is also central to minimising the risk that exotic biosecurity threats (weeds, pests or diseases) represent to our industries, communities and environment, including both those threats that may be introduced from overseas and those that are endemic in the Eastern States but not Western Australia.

The Department's key strategies in managing resource risks include:

- ensuring land and water resources meet future industry needs through cross-agency leadership and coordinated planning, and resource assessment and appropriate land use reform;
- ensuring the sustainable management of land and water resources in a changing climate by developing long-term solutions to soil degradation and water quality issues, and extending practical risk management strategies and tools that address seasonal variability;
- managing biosecurity and animal welfare risks of importance to both industry and the community by assessing and prioritising risks, promoting the application of management strategies and tools, and ensuring appropriate industry engagement and investment;
- 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;
- preventing the introduction and establishment of exotic plants and animal pests and diseases, by effectively regulating the risk pathways associated with interstate movement and trade; and
- establishing a modern legislative platform that enables industry to take ownership of biosecurity threats of key importance to their industry, including funding for activities as appropriate.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	94,678	106,452	99,957	105,615	
Less Income	24,988	33,032	32,889	33,178	
Net Cost of Service	69,690	73,420	67,068	72,437	
Employees (Full Time Equivalents).....	558	586	545	591	
Efficiency Indicators ^(a)					
Net Service Cost as a Factor of GVAP	1.2%	1.3%	1.2%	1.3%	1
Public and Private Sector Co-Investment in Department Led Resource Risk Management Initiatives as a Factor of the Net Cost of this Service	24.4%	27.8%	32.5%	31.3%	2

(a) The Department has redefined its Outcome and Services for the 2012-13 year onwards, and introduced new Performance Indicators which better reflect these. 2010-11 Actual and 2011-12 Budget and Estimated Actual figures have been adjusted to reflect the new Services and Performance Indicators

Explanation of Significant Movements

(Notes)

1. Based on ABS GVAP 5-year rolling average - \$5,733 million.
2. Public and private sector investment estimated pro-rata to 2010-11 External Funds and Intellectual Property database data.

ASSET INVESTMENT PROGRAM

The asset investment program includes planned expenditure of \$234 million (partly offset by asset sales of \$48.4 million) for the Department's headquarters redevelopment, including the Australian Export Grain Innovation Centre.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Agriculture Headquarters Redevelopment including							
Australian Export Grain Innovation Centre	233,989	5,474	556	1,000	-	8,350	10,000
Information Management Systems Upgrade	34,127	13,000	7,440	8,000	4,500	4,500	4,127
Royalties for Regions - Regional Natural Resource Management Program ^(a)	5,000	400	400	3,482	1,118	-	-
COMPLETED WORKS							
Equipment Replacement Program - 2011-12 Program	4,200	4,200	4,200	-	-	-	-
New Crops for New Climate Environment Facilities in Merredin and Katanning	3,000	3,000	2,209	-	-	-	-
NEW WORKS							
Capital Equipment Replacement Program							
2012-13 Program	34,400	-	-	4,300	4,500	4,700	4,700
Total Cost of Asset Investment Program	314,716	26,074	14,805	16,782	10,118	17,550	18,827
FUNDED BY							
Capital Appropriation			8,650	6,417	2,694	12,850	14,127
Drawdowns from the Holding Account			4,200	4,300	4,500	4,700	4,700
Internal Funds and Balances			1,555	2,583	1,806	-	-
Drawdowns from Royalties for Regions Fund ^(a)			400	3,482	1,118	-	-
Total Funding			14,805	16,782	10,118	17,550	18,827

(a) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services for the 2012-13 Budget Estimate of \$226.8 million compared to the 2011-12 Estimated Actual of \$217.3 million represents a \$9.5 million increase. This is primarily due to the introduction of the Royalties for Regions - Regional Development Water and NRM Initiative and the Year of the Farmer Program.

Income

The Total Appropriations for the 2012-13 Budget of \$139.0 million compared to the 2011-12 Estimated Actual of \$143.3 million reflects a decrease mainly due to the winding down of the Farm Business Planning Program partly offset by additional funding for the Year of the Farmer and European House Borer Programs.

Statement of Financial Position

The Department's financial position is expected to remain constant in the foreseeable future noting that the 2013-14 decrease in total assets reflects the deferral of the new Headquarters redevelopment.

Statement of Cashflows

The 2011-12 closing cash position has declined primarily as a result of the transfer of certain programs from Controlled to Administered.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	130,561	125,680	127,087	130,130	132,940	136,509	145,521
Grants and subsidies ^(c)	34,819	44,094	25,494	34,862	37,292	34,878	22,335
Supplies and services	24,297	44,395	38,051	37,910	37,796	30,148	30,342
Accommodation.....	5,842	6,952	6,952	6,928	6,930	7,872	7,980
Depreciation and amortisation	8,305	7,840	7,840	7,840	8,290	8,456	8,456
Efficiency dividend.....	-	-	-	(2,798)	(4,241)	(5,755)	(7,385)
Other expenses.....	14,253	12,456	11,873	11,927	11,575	17,343	15,549
TOTAL COST OF SERVICES	218,077	241,417	217,297	226,799	230,582	229,451	222,798
Income							
Sale of goods and services	5,777	12,024	12,024	12,074	12,074	12,496	12,496
Regulatory fees and fines.....	3,621	6,910	6,910	5,818	5,993	6,172	6,357
Grants and subsidies	24,836	33,370	33,370	33,970	33,970	35,883	34,177
Other revenue	20,088	19,504	19,194	20,265	20,265	19,747	19,747
Total Income	54,322	71,808	71,498	72,127	72,302	74,298	72,777
NET COST OF SERVICES.....	163,755	169,609	145,799	154,672	158,280	155,153	150,021
INCOME FROM STATE GOVERNMENT							
Service appropriations	157,462	154,943	143,322	138,987	135,905	138,221	140,438
Resources received free of charge.....	1,269	698	698	721	723	730	730
Royalties for Regions Fund ^(d)	1,537	6,728	6,978	13,475	19,975	12,910	2,142
TOTAL INCOME FROM STATE GOVERNMENT.....	160,268	162,369	150,998	153,183	156,603	151,861	143,310
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(3,487)	(7,240)	5,199	(1,489)	(1,677)	(3,292)	(6,711)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 1,214, 1,185 and 1,285 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$4.4 million (2011-12 Estimated Out Turn), \$9.4 million (2012-13), \$14.5 million (2013-14), \$11.5 million (2014-15), \$0.7 million (2015-16), Regional Community Services Fund - \$1.5 million (2010-11), \$6.7 million (2011-12), \$2.6 million (2011-12 Estimated Out Turn), \$4.1 million (2012-13), \$5.5 million (2013-14), \$1.4 million (2014-15) and \$1.5 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Research Grant Allocations	29,618	38,604	19,985	29,332	31,392	28,978	16,435
Subsidies and Other Grants.....	5,201	5,490	5,509	5,530	5,900	5,900	5,900
TOTAL.....	34,819	44,094	25,494	34,862	37,292	34,878	22,335

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	16,624	19,604	16,205	13,211	12,261	12,294	12,130
Restricted cash.....	33,232	25,770	26,231	24,283	20,853	16,884	16,570
Holding account receivables	4,200	4,300	4,300	4,500	4,700	4,700	4,700
Receivables.....	16,644	10,555	17,456	17,903	17,894	16,921	13,521
Other.....	2,500	3,533	2,747	2,747	2,747	2,747	2,747
Total current assets	73,200	63,762	66,939	62,644	58,455	53,546	49,668
NON-CURRENT ASSETS							
Holding account receivables	45,093	48,399	48,633	51,973	55,563	59,319	63,075
Property, plant and equipment	225,549	204,190	219,237	214,064	207,455	215,404	225,775
Restricted cash.....	2,070	2,312	2,443	2,866	3,316	3,794	4,272
Other.....	12,685	11,554	13,785	20,550	23,474	24,619	24,619
Total non-current assets.....	285,397	266,455	284,098	289,453	289,808	303,136	317,741
TOTAL ASSETS.....	358,597	330,217	351,037	352,097	348,263	356,682	367,409
CURRENT LIABILITIES							
Employee provisions.....	30,668	32,469	30,668	30,668	30,668	30,668	30,668
Payables.....	7,974	9,689	9,486	8,964	7,986	6,325	9,636
Other.....	2,545	2,515	3,073	3,595	4,117	4,639	4,639
Total current liabilities.....	41,187	44,673	43,227	43,227	42,771	41,632	44,943
NON-CURRENT LIABILITIES							
Employee provisions.....	5,900	6,777	5,900	5,900	5,900	5,900	5,900
Total non-current liabilities	5,900	6,777	5,900	5,900	5,900	5,900	5,900
TOTAL LIABILITIES.....	47,087	51,450	49,127	49,127	48,671	47,532	50,843
EQUITY							
Contributed equity	44,104	50,189	40,936	43,485	41,784	54,634	68,761
Accumulated surplus/(deficit).....	45,484	18,621	38,992	37,503	35,826	32,534	25,823
Reserves.....	221,922	209,957	221,982	221,982	221,982	221,982	221,982
Total equity	311,510	278,767	301,910	302,970	299,592	309,150	316,566
TOTAL LIABILITIES AND EQUITY.....	358,597	330,217	351,037	352,097	348,263	356,682	367,409

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	150,042	147,103	135,482	131,147	127,615	129,765	131,982
Capital appropriation	6,155	14,000	8,650	6,417	2,694	12,850	14,127
Holding account drawdowns	3,900	4,200	4,200	4,300	4,500	4,700	4,700
Royalties for Regions Fund ^(b)	1,537	6,728	7,378	16,957	21,093	12,910	2,142
Net cash provided by State Government.....	161,634	172,031	155,710	158,821	155,902	160,225	152,951
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(132,307)	(123,664)	(125,071)	(128,068)	(130,876)	(135,209)	(144,744)
Grants and subsidies	(35,045)	(44,074)	(25,474)	(32,842)	(37,272)	(34,858)	(22,335)
Supplies and services	(20,941)	(43,761)	(37,417)	(36,070)	(37,139)	(29,718)	(27,910)
Accommodation.....	(5,766)	(8,878)	(8,878)	(8,900)	(8,902)	(11,046)	(11,054)
Efficiency dividend.....	-	-	-	2,798	4,241	5,755	7,385
Other payments.....	(33,631)	(24,031)	(22,001)	(26,685)	(23,150)	(27,158)	(20,076)
Receipts							
Regulatory fees and fines.....	2,129	6,910	6,910	5,818	5,993	6,172	6,357
Grants and subsidies	32,792	33,370	33,370	33,970	33,970	35,883	34,177
Sale of goods and services	11,311	12,024	12,024	12,074	12,074	12,496	12,496
GST receipts	12,318	11,073	11,073	11,073	11,073	11,073	11,073
Other receipts.....	11,537	19,513	19,203	20,274	20,274	20,477	20,507
Net cash from operating activities.....	(157,603)	(161,518)	(136,261)	(146,558)	(149,714)	(146,133)	(134,124)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(10,645)	(18,200)	(14,805)	(16,782)	(10,118)	(17,550)	(18,827)
Other payments.....	(256)	-	-	-	-	-	-
Net cash from investing activities.....	(10,901)	(18,200)	(14,805)	(16,782)	(10,118)	(17,550)	(18,827)
NET INCREASE/(DECREASE) IN CASH HELD	(6,870)	(7,687)	(4,644)	(4,519)	(3,930)	(3,458)	-
Cash assets at the beginning of the reporting period.....	58,796	53,926	51,926	44,879	40,360	36,430	32,972
Net cash transferred to/from other agencies.....	-	1,447	(11,691)	-	-	-	-
Cash assets at the end of the reporting period.....	51,926	47,686	44,879	40,360	36,430	32,972	32,972

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

(b) Regional Infrastructure and Headworks Fund - \$4.8 million (2011-12 Estimated Out Turn), \$12.8 million (2012-13), \$15.6 million (2013-14), \$11.5 million (2014-15), \$0.7 million (2015-16), Regional Community Services Fund - \$1.5 million (2010-11), \$6.7 million (2011-12), \$2.6 million (2011-12 Estimated Out Turn), \$4.1 million (2012-13), \$5.5 million (2013-14), \$1.4 million (2014-15) and \$1.5 million (2015-16).

RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS AND ACCOUNTING POLICY CHANGES

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement	218,077	241,417	217,297	226,799	230,582	229,451	222,798
<i>Transfer of the Natural Resource Management</i>	(14,036)	(10,000)	-	-	-	-	-
<i>Transfer of the Agriculture Protection Board of Western Australia</i>	1,780	-	-	-	-	-	-
Adjusted Total Cost of Services	205,821	231,417	217,297	226,799	230,582	229,451	222,798
APPROPRIATIONS							
Net Amount Appropriated to Deliver Services ...	157,462	154,943	143,322	138,987	135,905	138,221	140,438
<i>Transfer of the Agriculture Protection Board of Western Australia</i>	1,134	-	-	-	-	-	-
<i>Transfer of the Natural Resource Management</i>	(20,000)	(10,000)	-	-	-	-	-
Adjusted Net Amount Appropriated to Deliver Services	138,596	144,943	143,322	138,987	135,905	138,221	140,438

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual ^(a) \$'000	2011-12 Budget ^(a) \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Commonwealth Grants							
Caring for our Country	26,211	24,103	24,103	24,103	-	-	-
Other							
Interest Revenue	674	610	760	736	704	672	640
Other Revenue	460	200	200	200	-	-	-
User Charges and Fees	10	-	-	-	-	-	-
Appropriation	20,000	10,000	5,000	10,000	10,000	4,000	-
TOTAL INCOME	47,355	34,913	30,063	35,039	10,704	4,672	640
EXPENSES							
Grants To Charitable And Other Public Bodies							
State Contribution to Natural Resource Management	14,036	10,000	14,436	10,000	10,000	4,000	-
Regional Saleyards Strategy	4,300	-	8,200	9,000	-	-	-
Other							
Caring for our Country	27,456	24,103	24,103	24,103	-	-	-
Supplies and Services	72	-	-	-	-	-	-
Western Australian Co-operatives Loan Scheme	601	610	724	736	704	672	640
TOTAL EXPENSES.....	46,465	34,713	47,463	43,839	10,704	4,672	640

(a) The 2010-11 Actual and 2011-12 Budget have been restated for comparability to account for the transfer of NRM from Controlled to Administered, as shown in the reconciliation table after the financial statements.

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Grants and Contributions from Commonwealth	1,770	1,766	1,766	1,766	1,766	1,766	1,766
Grants and Contributions from Non-Government Sources	23,066	31,604	31,604	32,204	32,204	34,117	34,117
GST Input Credits.....	12,318	11,073	11,073	11,073	11,073	11,073	11,073
Interest Received - Trusts	1,413	2,680	2,680	2,680	2,680	2,648	2,648
Miscellaneous Receipts	9,526	15,928	16,523	17,594	17,594	17,829	16,153
Regulatory Fees	4,984	6,910	6,910	5,818	5,993	6,172	6,357
Sale of Goods and Services	11,311	12,024	12,024	12,074	12,074	12,496	12,496
Services Contracted by:							
- Agricultural Produce Commission.....	59	201	-	-	-	-	-
- Agriculture Protection Board.....	5,310	-	-	-	-	-	-
- Rural Business Development Corporation.....	330	704	-	-	-	-	-
TOTAL.....	70,087	82,890	82,580	83,209	83,384	86,101	84,610

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 64

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 97 Net amount appropriated to deliver services.....	4,700	206	206	212	218	223	227
Total appropriations provided to deliver services	4,700	206	206	212	218	223	227
TOTAL APPROPRIATIONS.....	4,700	206	206	212	218	223	227
EXPENSES							
Total Cost of Services.....	7,895	5,303	17,923	11,000	2,406	600	500
Net Cost of Services ^(a)	7,100	1,731	3,412	1,563	1,177	580	480
CASH ASSETS ^(b)	6,516	1,226	3,310	2,259	1,380	1,023	770

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Western Australia Drought Pilot Scheme Phase 2	13,150	8,100	-	-	-

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Farm Business Development	7,895	5,303	17,923	11,000	2,406	600	500
Total Cost of Services	7,895	5,303	17,923	11,000	2,406	600	500

Significant Issues Impacting the Agency

- The State Government has created a number of assistance schemes through the *Rural Business Development Corporation Act 2000* that are administered by the Corporation.
- Good rainfalls in most areas of Western Australia resulted in season 2011-12 being a great improvement on the previous year. Western Australia's 2011 grain harvest delivered a record of more than 15 million tonnes, despite wet conditions during harvest, which caused delays and downgraded quality.
- Widespread summer rain over much of the Wheatbelt has built stored soil moisture, which should be a positive influence on plantings going into the 2012 growing season.
- The Western Australian and Commonwealth Governments extended and expanded the Pilot of Drought Reform Measures Scheme for a further year into 2011-12. The scheme trials a new approach to drought assistance. A revised National Partnership Agreement on the Pilot of Drought Reform Measures in Western Australia was signed between the State and Commonwealth Governments. Under the extended scheme, the State Government funded the Farm Planning Measures, Stronger Rural Communities Measures as well as all administration costs, with the Commonwealth Government funding the Building Farm Business Grants.
- The Farm Planning Measures of the Pilot of Drought Reform Measures scheme was administered by the Corporation for the initial scheme but is administered by the Department of Agriculture and Food for the expanded scheme. The Corporation still administers the Building Farm Business Grants under the extended scheme.

- Most projects funded under the Climate Adaptation Assistance Scheme for the North Eastern Agricultural Region (NEAR) and Eastern Wheatbelt of the Central Agricultural Region (CAR), established in 2009, are nearing completion. A project investigating changing land use on unproductive soils has been expanded and a consultancy has been awarded to develop and trial a Better Landscapes initiative. 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.
- Assistance is being provided through the Subsidised Interest Rate Scheme to pastoralists and service businesses that were financially affected by the ban on live cattle exports to Indonesia.
- The successful Grow Zone Mentoring project, which was commenced by the Corporation in 2009, is being transitioned to the private, not-for-profit sector. Since commencement, there have been 32 mentees that have graduated. The Corporation initially established this project with the intention of passing it on to a more appropriate organisation to run once it had been successfully established.
- The 'Y Zone Advisory group' has been established as a sub-committee of the Corporation to provide a forum for young professional people in agriculture to provide strategic direction to the Corporation.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Improved ecologically sustainable development of agri-industry:					
The extent to which recipients were satisfied with the way schemes are administered.....	93.5%	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.

This service contributes to the ecologically sustainable development of agri-industry in a number of ways. The Corporation aims to implement the industry support within the funding guidelines to maximise the protection of the resources of the agri-industries. The key focus of the program is to equip farmers with the necessary tools to enable them to better manage the industry's inherent risks.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 7,895	\$'000 5,303	\$'000 17,923	\$'000 11,000	1
Less Income	795	3,572	14,511	9,437	2
Net Cost of Service.....	7,100	1,731	3,412	1,563	
Efficiency Indicators					
Proportion of Expenditure as Administrative Expenditure	13.5%	11.8%	5.6%	8.2%	

Explanation of Significant Movements

(Notes)

1. The estimated decrease in the Total Cost of Service for the 2012-13 Budget Target compared to the 2011-12 Estimated Actual is a result of the cessation of the Western Australia Drought Pilot Scheme, with remaining year two and three Building Farm Business Grants to be paid in 2012-13 and 2013-14.
2. The estimated decrease in Income for the 2012-13 Budget Target compared to the 2011-12 Estimated Actual reflects reduced Commonwealth funding for the Western Australia Drought Pilot Scheme Building Farm Business Grants.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated reduction in the Total Cost of Services of \$6.9 million (38.6%) for the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. This reduction relates primarily to additional grants and subsidies paid during 2011-12, in particular the Western Australia Drought Pilot and the 2010 Dry Season Assistance Schemes.

Income

The Income Statement shows an estimated decrease in Total Income of \$5.1 million (35.0%) for the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. This decrease is due to reduced Commonwealth Government funding in 2012-13 for the Western Australia Drought Pilot Scheme Building Farm Business Grants.

Statement of Financial Position

The Statement of Financial Position shows an estimated reduction in the Total Liabilities and Equity of \$1.1 million (27.0%) for the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. This reduction relates primarily to the utilisation of existing cash reserves to fund the State portion of the Western Australia Drought Pilot Scheme.

Statement of Cashflows

The Statement of Cashflows shows an estimated reduction in the Net Cash from Operating Activities of \$2.1 million (63.0%) for the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. This reduction relates primarily to additional grants and subsidies paid during 2011-12, in particular the Western Australia Drought Pilot and the 2010 Dry Season Assistance Schemes, and reduced Commonwealth Government funding in 2012-13 for the Western Australia Drought Pilot Scheme Building Farm Business Grants.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	-	8	8	8	8	8	8
Grants and subsidies ^(c)	6,828	4,678	16,923	10,100	1,826	400	300
Supplies and services	81	188	-	-	-	-	-
Other expenses	986	429	992	892	572	192	192
TOTAL COST OF SERVICES	7,895	5,303	17,923	11,000	2,406	600	500
Income							
Grants and subsidies	454	3,472	14,361	9,362	1,189	-	-
Other revenue	341	100	150	75	40	20	20
Total Income	795	3,572	14,511	9,437	1,229	20	20
NET COST OF SERVICES	7,100	1,731	3,412	1,563	1,177	580	480
INCOME FROM STATE GOVERNMENT							
Service appropriations	4,700	206	206	212	218	223	227
Resources received free of charge	549	195	-	300	80	-	-
TOTAL INCOME FROM STATE GOVERNMENT	5,249	401	206	512	298	223	227
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(1,851)	(1,330)	(3,206)	(1,051)	(879)	(357)	(253)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 0, 0 and 0 respectively. In some cases the figures for 2010-11 and 2011-12 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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
2010 Dry Season Assistance Scheme	2,653	-	1,430	-	-	-	-
Climate Adaptation Assistance Scheme	312	428	300	200	-	-	-
FarmLink Scheme	25	100	56	-	-	-	-
FarmTraining Western Australia Scheme	158	-	-	-	-	-	-
Future Rural Support Schemes	-	250	-	300	400	300	200
Research Grants	41	100	70	100	100	100	100
Subsidised Interest Rate Scheme - Live Cattle							
Exports to Indonesia	-	-	74	150	76	-	-
Western Australia Drought Pilot Scheme	3,639	3,800	4,136	1,250	1,250	-	-
Western Australia Drought Pilot Scheme Phase 2	-	-	10,857	8,100	-	-	-
TOTAL	6,828	4,678	16,923	10,100	1,826	400	300

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	6,516	1,226	3,310	2,259	1,380	1,023	770
Receivables.....	48	-	48	48	48	48	48
Other.....	542	88	542	542	542	542	542
Total current assets	7,106	1,314	3,900	2,849	1,970	1,613	1,360
TOTAL ASSETS	7,106	1,314	3,900	2,849	1,970	1,613	1,360
CURRENT LIABILITIES							
Payables.....	1,109	57	1,109	1,109	1,109	1,109	1,109
Total current liabilities.....	1,109	57	1,109	1,109	1,109	1,109	1,109
TOTAL LIABILITIES.....	1,109	57	1,109	1,109	1,109	1,109	1,109
EQUITY							
Accumulated surplus/(deficit).....	5,997	1,257	2,791	1,740	861	504	251
Total equity	5,997	1,257	2,791	1,740	861	504	251
TOTAL LIABILITIES AND EQUITY.....	7,106	1,314	3,900	2,849	1,970	1,613	1,360

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	4,700	206	206	212	218	223	227
Net cash provided by State Government.....	4,700	206	206	212	218	223	227
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	-	(8)	(8)	(8)	(8)	(8)	(8)
Grants and subsidies	(5,775)	(4,678)	(16,923)	(10,100)	(1,826)	(400)	(300)
Supplies and services	(79)	(188)	-	-	-	-	-
Other payments	(440)	(234)	(992)	(592)	(492)	(192)	(192)
Receipts							
Grants and subsidies	454	3,472	14,361	9,362	1,189	-	-
Other receipts.....	(73)	100	150	75	40	20	20
Net cash from operating activities	(5,913)	(1,536)	(3,412)	(1,263)	(1,097)	(580)	(480)
NET INCREASE/(DECREASE) IN CASH HELD	(1,213)	(1,330)	(3,206)	(1,051)	(879)	(357)	(253)
Cash assets at the beginning of the reporting period.....	7,729	2,556	6,516	3,310	2,259	1,380	1,023
Cash assets at the end of the reporting period.....	6,516	1,226	3,310	2,259	1,380	1,023	770

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

WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY

ASSET INVESTMENT PROGRAM

The asset investment program for 2012-13 is estimated at \$194,000. This includes improvements to the Saleyard and Software Development. The Saleyard investment is for improvements to the physical facilities provided at the Muchea Livestock Centre, plant and equipment replacement, the development of the export holding area and the establishment of the business precinct. The proposal for Software Development is for an improved website that provides business efficiencies for the key users of the Muchea Livestock Centre.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Saleyard - 2011-12 Program	220	220	220	-	-	-	-
NEW WORKS							
Saleyard							
2012-13 Program	150	-	-	150	-	-	-
2013-14 Program	384	-	-	-	384	-	-
2014-15 Program	421	-	-	-	-	421	-
2015-16 Program	309	-	-	-	-	-	309
Software Development - 2012-13 Program	44	-	-	44	-	-	-
Total Cost of Asset Investment Program	1,528	220	220	194	384	421	309
FUNDED BY							
Internal Funds and Balances			220	194	384	421	309
Total Funding			220	194	384	421	309

PERTH MARKET AUTHORITY

ASSET INVESTMENT PROGRAM

As a result of a strategic review of the Weekend Market Facility and Development Plan, a revised asset investment program has been implemented, focused on the provision of a new amenities block and the partial relocation of the existing weekend market, which has commenced. Minor capital works sustainability initiatives for solar power and water storage have been undertaken and will be extended as part of proposed larger works. The installation of a site wide Fire Services System commenced in 2011-12, which will provide the Central Trading Area and the other large format warehouses with a best practice fire suppression system to comply with current Building Code of Australia standards and allow the Authority and its tenants to achieve certain Business Continuity Plan objectives for continued site utilisation.

Initial scoping and site preparations commenced in 2011-12 for the construction of an additional 4,000 square metre cold chain warehouse and the installation of standby 6MW generators.

The market site lacks available new warehouse and/or cold chain buildings with an effective 100% building occupancy for the last six years. Tenants and site users, who in the main are small business operators, are integral to the value chain that support other small businesses including growers, transporters, wholesalers, and retailers. This development is in line with the existing site development plan.

The continuity of power supply is critical to maintaining the refrigeration capacity of the market site to assist the efficient operations of tenants on-site as well as ensuring the critical availability of fresh food from the market to the public. It is also a critical component of the Authority's disaster management plans through the provision of on-site, on demand electricity generation.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Central Trading Area Fire Services System	10,397	5,649	5,649	4,748	-	-	-
Cold Chain Warehouse and Generators	10,500	3,000	3,000	7,500	-	-	-
Weekend Market Construction	8,415	6,415	2,049	2,000	-	-	-
COMPLETED WORKS							
Minor Works - 2011-12 Program	478	478	478	-	-	-	-
Recycling Centre	624	624	370	-	-	-	-
NEW WORKS							
Minor Works							
2012-13 Program	625	-	-	625	-	-	-
2013-14 Program	650	-	-	-	650	-	-
2014-15 Program	650	-	-	-	-	650	-
2015-16 Program	650	-	-	-	-	-	650
Total Cost of Asset Investment Program	32,989	16,166	11,546	14,873	650	650	650
FUNDED BY							
Internal Funds and Balances			11,546	14,873	650	650	650
Total Funding			11,546	14,873	650	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 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Computers, Plant and Equipment - 2011-12 Program.....	600	600	600	-	-	-	-
NEW WORKS							
Computers, Plant and Equipment							
2012-13 Program	600	-	-	600	-	-	-
2013-14 Program	600	-	-	-	600	-	-
2014-15 Program	600	-	-	-	-	600	-
2015-16 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 65

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 98 Net amount appropriated to deliver services.....	618,545	635,320	664,746	706,306	710,250	726,191	741,597
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	864	893	893	920	920	950	980
Total appropriations provided to deliver services	619,409	636,213	665,639	707,226	711,170	727,141	742,577
CAPITAL							
Item 159 Capital Appropriation	125,416	98,316	81,313	37,526	1,733	1,219	961
TOTAL APPROPRIATIONS.....	744,825	734,529	746,952	744,752	712,903	728,360	743,538
EXPENSES							
Total Cost of Services.....	699,942	715,116	737,720	772,783	777,710	846,433	910,216
Net Cost of Services ^(a)	655,331	678,078	697,544	747,225	751,079	819,657	883,346
CASH ASSETS ^(b)	20,453	17,918	15,118	15,495	18,083	21,721	23,359

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
\$300 Million Savings Across Government	-	(1,028)	(1,125)	(1,201)	(1,196)
Court Security and Custodial Services - New Contractual Arrangements.....	13,440	11,502	11,818	13,062	14,802
District Allowances	5,768	5,980	6,216	6,418	6,627
Global Positioning Satellite Tracking of Dangerous Sex Offenders	-	1,473	1,417	1,470	1,524
Medical Staff Pay Rises.....	1,577	1,834	2,065	2,127	2,191
New Young Adults Facility - Reflows and Cost Estimate Savings.....	(10,558)	(1,808)	713	1,147	1,595
Revised Offender Demand Model - Including Increases for Adult Custodial and Youth Detainee Population and Supervision of Dangerous Sex Offenders	2,465	2,733	2,814	2,844	2,865
Riskcover Insurance Costs.....	11,220	9,664	-	-	-
Riverbank Including Live Work	-	1,926	1,888	1,945	2,003
Sustainable Funding and Contracting with the Not-For-Profit Sector ^(a)	2,282	2,380	2,481	2,586	2,586
Efficiency Dividend.....	-	(12,720)	(19,505)	(26,879)	(34,702)

(a) These amounts are reflective of funding allocated in the 2011-12 Budget to Treasury Administered Item 36 – Sustainable Funding and Contracting with the Not-For-Profit Sector, which has now been transferred to the agency's budget based on eligible service delivery contracts with Not-For-Profit organisations.

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Adult Corrective Services	609,353	614,569	639,740	686,776	696,593	764,976	821,930
2. Youth Justice Services	90,589	100,547	97,980	98,727	100,622	108,336	122,988
3. Contribution to Responsible Financial Management	-	-	-	(12,720)	(19,505)	(26,879)	(34,702)
Total Cost of Services	699,942	715,116	737,720	772,783	777,710	846,433	910,216

Significant Issues Impacting the Agency

- The Department is committed to achieving economic, social and environmental sustainability by using the skills of staff and offenders. This also assists in cultivating a work ethos and employment skills in offenders, meets community expectations for reparation and provides community work projects and disaster relief.
- The Department has aligned its structure so it supports the implementation of Integrated Offender Management (IOM). IOM provides for the seamless, coordinated and integrated case management of offenders. The structure ensures integration of service delivery, streamlining of services, and accountability.
- Implementation in 2010-11 of the Offender Services Business Model and opening of three metropolitan Program Delivery Units has seen considerable progress in community-based program delivery.
- The Public Protection Strategy (PPS) identifies offenders who pose most risk to community, staff and other offenders. These offenders are subject to collaborative case management within the Department and with other government agencies. An integral part of the PPS will be the introduction of Global Positioning Satellite tracking.
- The Regional Youth Justice Services are diverting many young people in regional Western Australia from the formal justice system. Banksia Hill Detention Centre is being expanded to accommodate all young male and female offenders in custody. The current Rangeview Remand Centre will be commissioned as the Young Adults Facility for male offenders between the ages of 18 and 24 with a focus on education, training and employment.

- The number of adult offenders sentenced to community-based supervision orders has declined by 23.0% over the last two years (as at 16 February 2012). A significant proportion of these are 'low end' orders (57.0% of total decline). Low end orders constitute less risk to the community and require less intensive casework.
- The new Court Security and Custodial Services contract commenced on 31 July 2011. In 2011-12, an estimated 35,000 adult offenders are expected to be transported under the contract. In November 2011, the Department took over formal responsibility from Western Australia Police for transporting juvenile offenders between regional centres and the metropolitan area.
- On 31 March 2012, the highest Western Australian prisoner population to date was recorded at 4,964. Between 1 July 2011 and 27 March 2012 the population increased by 6.4%, a net increase of 295 prisoners. In response to the unprecedented pressure on prison infrastructure, in 2011-12 the Department completed 720 beds across five prisons; commissioned three new Work Camps in regional Western Australia totalling over 100 new beds, and is nearing completion of the 150-bed West Kimberley Regional Prison.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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	10	0	6	0	
No. of escapes - youth	1	0	0	0	
Rate of serious assault per 100 prisoners	0.54	<0.49	0.21	<0.49	
Average out of cell hours.....	12.13	11.8	12.5	11.8	
Successful completion of community correction orders - adults ^(b)	60.75%	64%	58%	64%	
Successful completion of community-based orders - juveniles ^(b)	63.35%	68%	68%	68%	
Rate of return - offender programs (adult)	36.14%	38%	45%	45%	1
Rate of return to detention - juveniles.....	50.45%	50%	56%	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.

Explanation of Significant Movements

(Notes)

1. Counting rules for 2011-12 were changed to remain in-line with those used for national reporting. Returns on account of cancellation of 'Early Release Order' are now included, leading to the higher target for 2012-13.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	609,353	614,569	639,740	686,776	1
Less Income	40,901	36,128	39,118	24,476	
Net Cost of Service	568,452	578,441	600,622	662,300	
Employees (Full Time Equivalents)	3,601	3,652	3,654	3,654	
Efficiency Indicators					
Cost per Day of Keeping an Offender in Custody	292	294	293	315	2
Cost per Day of Managing an Offender through Community Supervision	45	37	46	49	

Explanation of Significant Movements

(Notes)

1. Increases in Total Cost of Services between 2011-12 Estimated Actual and 2012-13 Budget Target reflect the commencement of operations at the new West Kimberley Regional Prison and Young Adults Facility.
2. The 2011-12 Estimated Actual and 2012-13 Budget Target excludes court security costs through the Court Security and Custodial Services contract. These services will now be provided to the Department of the Attorney General as a resource free of charge. In addition and on advice from the Office of the Auditor General, gratuity payments are also now excluded from the cost per day of keeping an offender in custody.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	90,589	100,547	97,980	98,727	
Less Income	3,710	910	1,058	1,082	
Net Cost of Service	86,879	99,637	96,922	97,645	
Employees (Full Time Equivalents)	767	777	774	774	
Efficiency Indicators					
Cost per Day of Keeping a Juvenile in Detention	667	645	569	567	1
Cost per Day of Managing a Juvenile through Community Supervision	94	116	82	81	

Explanation of Significant Movements

(Notes)

1. On advice from the Office of the Auditor General, gratuity payments are now excluded from the cost per day of keeping a juvenile in detention for the 2011-12 Estimated Actual and 2012-13 Budget Target.

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.

Five new prisoner accommodation units have been commissioned at Casuarina, Hakea and Albany Prisons, adding a further 640 beds to the system. An additional \$2.0 million has also been provided in 2012-13 for infrastructure and maintenance upgrades at these facilities to take advantage of surplus capacity provided by the additional accommodation.

Additional new purpose built Work Camps have been constructed in Wyndham, Warburton and Dowerin.

Construction of the new 150-bed West Kimberley Regional Prison near Derby will be completed in 2012 and commissioned during the 2012-13 financial year.

In addition to this, the completion of the newly constructed accommodation units at Banksia Hill in 2012-13 will provide an additional 80 beds following the commissioning of the Young Adults Facility at Rangeview and the transfer of the detainees to the expanded Banksia Hill site.

In the longer-term, major new facilities will be constructed at:

- the Eastern Goldfields Regional Prison where a new 350-bed prison will be built adjacent to the existing prison; and
- Acacia Prison where an additional 387 beds will be added to the existing facility.

Construction at both sites is expected to be completed during 2015.

A substantial replacement upgrade of the Prime Barrier and additional Perimeter Security systems have commenced at Greenough, with an anticipated completion date during 2012-13.

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 and the stabilisation of the higher population level has placed significant pressure on the existing infrastructure. To this extent, \$6.7 million has been provided in 2012-13 to undertake the highest priority works across the prison system.

Other features of the asset investment program are:

- initiation of the replacement and upgrade of the radio communications system throughout regional Western Australia in partnership with Western Australia Police and the Fire and Emergency Services Authority;
- office upgrades for Community and Youth Justice (CYJ) Services;
- installation of Mobile Duress Alarm Systems to Acacia Prison and Banksia Hill Detention Centre and the upgrade of the Hakea Prison Mobile Duress Alarm Systems to provide a standard platform across all secure facilities; and
- further exploration of potential new prison sites for long-term planning.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Adult Custodial							
Building Infrastructure and Maintenance - Adult							
Custodial.....	11,471	3,185	2,156	2,513	363	2,665	2,745
Custodial Infrastructure Program - Administered Equity.....	379,336	15,019	12,542	95,727	133,069	95,321	19,200
Male Prisons - New Young Adults Facility	4,000	-	-	4,000	-	-	-
Perimeter Obsolescence	16,500	7,000	7,000	9,500	-	-	-
Regional Work Camp Enhancement Program -							
Royalties for Regions ^(a)	15,200	3,000	3,000	12,200	-	-	-
West Kimberley Regional Prison.....	121,956	111,956	48,758	10,000	-	-	-
Community and Youth Justice (CYJ)							
Building and Infrastructure and Maintenance - CYJ	1,939	609	242	318	328	337	347
Regional Juvenile Justice Strategy	3,077	2,576	570	501	-	-	-
Regional Youth Justice Kimberley and Pilbara -							
Royalties for Regions ^(a)	600	296	-	304	-	-	-
Banksia Hill Youth Detention Centre - Facility Upgrade.....	32,300	29,300	14,056	3,000	-	-	-
Corporate							
Physical Infrastructure - Replacement Office Equipment	3,662	3,460	91	50	50	50	52
System Management							
IT Systems - Life Extension and Upgrades	6,250	2,095	2,095	2,160	1,395	600	-
ICT Infrastructure Upgrade	18,784	10,185	1,989	2,049	2,119	2,183	2,248
Prison Services							
Additional Prisoner Accommodation - Infrastructure and							
Systems Upgrade and Replacement Programs	66,794	50,575	6,978	4,185	2,869	3,500	5,665
Metro Site Acquisition.....	5,209	2,980	500	2,229	-	-	-
COMPLETED WORKS							
Adult Custodial							
Community Safety Network	4,466	4,466	4,466	-	-	-	-
Replacement of Obsolete Bunk Beds.....	2,048	2,048	2,048	-	-	-	-
Work Camp - Warburton	15,636	15,636	3,554	-	-	-	-
Work Camp - Wheatbelt	4,194	4,194	3,118	-	-	-	-
Work Camp - Wyndham	9,390	9,390	2,628	-	-	-	-
Community and Youth Justice							
CJS Office Establishment and Refurbishment 2011-12	765	765	765	-	-	-	-
Juvenile Justice - IT Replacement - Juvenile Offender							
Management	-	98	98	-	-	-	-
Prison Services							
Fire and Emergency Services.....	6,870	6,870	1,965	-	-	-	-
Prison industries - Mobile Plant 2011-12.....	1,021	1,021	1,021	-	-	-	-
Removal of Cell Ligation Points.....	8,700	8,700	3,571	-	-	-	-
NEW WORKS							
Adult Custodial							
Consolidated Program of Infrastructure Works - Albany,							
Casuarina, Hakea Refurbishment	2,000	-	-	2,000	-	-	-
Community and Youth Justice							
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	-
CJS Office Establishment and Refurbishment 2015-16	833	-	-	-	-	-	833
Consolidated Program of Infrastructure Works -							
Riverbank.....	920	-	-	920	-	-	-
GPS Offender Tracking of Dangerous Sex Offenders.....	275	-	-	275	-	-	-
Prison Services - Prison Industries							
Mobile Plant 2012-13	849	-	-	849	-	-	-
Mobile Plant 2013-14	874	-	-	-	874	-	-
Mobile Plant 2014-15	901	-	-	-	-	901	-
Mobile Plant 2015-16	928	-	-	-	-	-	928
Total Cost of Asset Investment Program	750,564	295,424	123,211	154,002	141,852	106,366	32,018

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
FUNDED BY							
Capital Appropriation			81,313	37,526	1,733	1,219	961
Administered Equity Appropriation			12,542	95,727	133,069	95,321	19,200
Drawdowns from the Holding Account			10,736	7,245	8,050	11,826	11,857
Resources Received Free of Charge – Building Management Works			2,299	-	-	-	-
Internal Funds and Balances			13,321	1,104	(1,000)	(2,000)	-
Drawdowns from Royalties for Regions Fund ^(b)			3,000	12,400	-	-	-
Total Funding			123,211	154,002	141,852	106,366	32,018

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

(b) Regional Infrastructure and Headworks Fund - \$3.0 million (2011-12 Estimated Out Turn), \$12.2 million (2012-13), Regional Community Service Fund - \$304,000 (2012-13) includes \$104,000 carried forward from 2010-11.

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 2011-12 Budget and 2011-12 Estimated Actual relates to Government approved increases as outlined in the Major Spending Changes table.

The reduction in employee benefits from the 2011-12 Budget compared to the 2011-12 Estimated Actual relates to the transfer of Young Adult Facility costs from a salary basis to a contract basis. A corresponding increase is shown in the Supplies and Services expenses.

Income

Growth in income forecasts is generally related to increased services resulting from an increasing prisoner muster and the associated prisoner-based recoups. The specific reduction between 2011-12 and the forward estimate years relates to the permanent transfer of appropriation from the Department of the Attorney General for Court Security. This results in a reduction to revenue and offsetting increase to appropriation for the Department of Corrective Services and reciprocal adjustments within the Department of the Attorney General.

Statement of Financial Position

Variations in the Balance Sheet non-current assets relate to movements in the approved asset investment program outlined previously.

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 2011-12 Budget and the 2011-12 Estimated Actual payments relates to Government approved spending changes.

The reduction in employee benefits from the 2011-12 Budget compared to the 2011-12 Estimated Actual relates to the transfer of Young Adult Facility costs from a salary basis to a contract basis. A corresponding increase is shown in the Supplies and Services payments.

The decrease in capital appropriation and investing activities relates to the realignment of capital works project funding.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	397,167	428,237	416,167	453,716	455,965	500,027	542,957
Grants and subsidies ^(c)	8,247	8,344	8,686	8,931	9,443	9,454	9,664
Supplies and services	201,843	190,699	218,451	228,790	240,915	260,599	291,651
Accommodation	31,185	27,044	27,044	28,417	29,823	30,362	31,174
Depreciation and amortisation	23,023	21,653	21,653	22,074	25,050	25,219	25,219
Efficiency dividend	-	-	-	(12,720)	(19,505)	(26,879)	(34,702)
Other expenses	38,477	39,139	45,719	43,575	36,019	47,651	44,253
TOTAL COST OF SERVICES.....	699,942	715,116	737,720	772,783	777,710	846,433	910,216
Income							
Sale of goods and services	5,009	3,345	3,745	3,856	3,969	3,979	3,979
Grants and subsidies	626	879	879	879	879	879	879
Other revenue	38,976	32,814	35,552	20,823	21,783	21,918	22,012
Total Income.....	44,611	37,038	40,176	25,558	26,631	26,776	26,870
NET COST OF SERVICES.....	655,331	678,078	697,544	747,225	751,079	819,657	883,346
INCOME FROM STATE GOVERNMENT							
Service appropriations	619,409	636,213	665,639	707,226	711,170	727,141	742,577
Resources received free of charge	17,762	9,383	18,306	13,253	12,636	13,508	14,388
Royalties for Regions Fund ^(d)	5,291	14,469	13,723	16,463	17,668	25,839	32,534
Other appropriations	620	21,439	4,208	10,022	9,555	53,169	93,847
TOTAL INCOME FROM STATE GOVERNMENT.....	643,082	681,504	701,876	746,964	751,029	819,657	883,346
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(12,249)	3,426	4,332	(261)	(50)	-	-

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 4,368, 4,428 and 4,428 respectively. In some cases the figures for 2010-11 and 2011-12 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 (2010-11), \$1.5 million (2011-12), \$0.1 million (2011-12 Estimated Out Turn), \$2.5 million (2012-13), \$2.5 million (2013-14), \$5.5 million (2014-15), \$0 (2015-16), Regional Community Services Fund - \$5.3 million (2010-11), \$12.9 million (2011-12), \$13.6 million (2011-12 Estimated Out Turn), \$13.9 million (2012-13), \$15.1 million (2013-14), \$20.3 million (2014-15) and \$32.5 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Prisoner Gratuities Payments.....	8,247	8,344	8,686	8,931	9,443	9,454	9,664
TOTAL.....	8,247	8,344	8,686	8,931	9,443	9,454	9,664

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	14,373	12,873	9,038	9,415	12,003	15,641	17,279
Holding account receivables	10,736	7,245	7,245	8,050	11,826	11,857	11,857
Receivables.....	12,631	11,714	12,631	12,631	12,631	12,631	12,631
Other.....	51	301	51	51	51	51	51
Total current assets	37,791	32,133	28,965	30,147	36,511	40,180	41,818
NON-CURRENT ASSETS							
Holding account receivables	35,129	51,937	51,937	68,361	83,985	99,747	115,509
Property, plant and equipment	989,887	1,088,263	1,080,334	1,213,676	1,333,315	1,417,044	1,426,295
Intangibles	5,714	10,327	8,109	10,569	9,782	8,200	6,018
Restricted cash.....	6,080	5,045	6,080	6,080	6,080	6,080	6,080
Other.....	15,407	10,510	13,535	9,661	7,611	6,611	6,341
Total non-current assets.....	1,052,217	1,166,082	1,159,995	1,308,347	1,440,773	1,537,682	1,560,243
TOTAL ASSETS.....	1,090,008	1,198,215	1,188,960	1,338,494	1,477,284	1,577,862	1,602,061
CURRENT LIABILITIES							
Employee provisions.....	64,562	58,415	65,281	66,000	65,895	65,895	65,895
Payables.....	24,198	27,625	25,789	27,427	29,065	30,703	32,341
Other.....	11,134	7,581	11,134	11,134	11,134	11,134	11,134
Total current liabilities.....	99,894	93,621	102,204	104,561	106,094	107,732	109,370
NON-CURRENT LIABILITIES							
Employee provisions.....	26,175	25,950	27,856	29,537	32,042	34,442	36,842
Borrowings	14,219	8,116	3,631	3,631	3,631	3,631	3,631
Other.....	699	603	699	699	699	699	699
Total non-current liabilities	41,093	34,669	32,186	33,867	36,372	38,772	41,172
TOTAL LIABILITIES.....	140,987	128,290	134,390	138,428	142,466	146,504	150,542
EQUITY							
Contributed equity	817,442	948,899	918,659	1,064,416	1,199,218	1,295,758	1,315,919
Accumulated surplus/(deficit).....	(37,932)	(27,225)	(33,600)	(33,861)	(33,911)	(33,911)	(33,911)
Reserves.....	169,511	148,251	169,511	169,511	169,511	169,511	169,511
Total equity.....	949,021	1,069,925	1,054,570	1,200,066	1,334,818	1,431,358	1,451,519
TOTAL LIABILITIES AND EQUITY.....	1,090,008	1,198,215	1,188,960	1,338,494	1,477,284	1,577,862	1,602,061

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	600,674	612,160	641,586	682,752	683,720	699,522	714,958
Capital appropriation	125,416	98,316	81,313	37,526	1,733	1,219	961
Holding account drawdowns	11,430	10,736	10,736	7,245	8,050	11,826	11,857
Royalties for Regions Fund ^(b)	5,691	26,869	16,619	28,967	17,668	25,839	32,534
Administered appropriations.....	620	21,439	4,208	10,022	9,555	53,169	93,847
Net cash provided by State Government.....	743,831	769,520	754,462	766,512	720,726	791,575	854,157
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(383,218)	(425,305)	(413,235)	(450,784)	(453,033)	(497,095)	(540,025)
Grants and subsidies	(8,247)	(8,344)	(8,686)	(8,931)	(9,443)	(9,454)	(9,664)
Supplies and services	(195,923)	(183,598)	(202,427)	(215,455)	(228,164)	(246,969)	(277,128)
Accommodation.....	(31,185)	(26,257)	(26,257)	(27,680)	(29,086)	(29,625)	(30,437)
Efficiency dividend.....	-	-	-	12,720	19,505	26,879	34,702
Other payments	(70,364)	(68,541)	(75,121)	(73,834)	(66,311)	(77,950)	(74,565)
Receipts							
Grants and subsidies	626	879	879	879	879	879	879
Sale of goods and services	5,009	3,345	3,745	3,856	3,969	3,979	3,979
GST receipts.....	40,022	29,657	29,657	30,546	30,546	30,546	30,546
Other receipts	37,637	32,814	35,552	20,823	21,783	21,918	22,012
Net cash from operating activities.....	(605,643)	(645,350)	(655,893)	(707,860)	(709,355)	(776,892)	(839,701)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(163,005)	(152,101)	(120,912)	(154,002)	(141,852)	(106,366)	(32,018)
Proceeds from sale of non-current assets	5	-	-	-	-	-	-
Equity Contribution Receipts	2,147	14,637	12,542	95,727	133,069	95,321	19,200
Net cash from investing activities.....	(160,853)	(137,464)	(108,370)	(58,275)	(8,783)	(11,045)	(12,818)
NET INCREASE/(DECREASE) IN CASH HELD	(22,665)	(13,294)	(9,801)	377	2,588	3,638	1,638
Cash assets at the beginning of the reporting period	43,118	26,746	20,453	15,118	15,495	18,083	21,721
Net cash transferred to/from other agencies...	-	4,466	4,466	-	-	-	-
Cash assets at the end of the reporting period.....	20,453	17,918	15,118	15,495	18,083	21,721	23,359

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

(b) Regional Infrastructure and Headworks Fund - \$13.7 million (2011-12), \$12.3 million (2011-12 Estimated Out Turn), \$5.5 million (2012-13), \$2.5 million (2013-14), \$5.5 million (2014-15), Regional Community Services Fund - \$5.7 million (2010-11), \$13.1 million (2011-12), \$4.3 million (2011-12 Estimated Out Turn), \$23.4 million (2012-13), \$15.1 million (2013-14), \$20.3 million (2014-15) and \$32.5 million (2015-16).

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Commonwealth Grants	399	453	453	453	453	453	453
GST Input Credits.....	38,163	26,076	26,076	26,858	26,858	26,858	26,858
GST Receipts on Sales	1,859	3,581	3,581	3,688	3,688	3,688	3,688
Other Grants Received.....	227	426	426	426	426	426	426
Proceeds from Prison Canteen Sales.....	8,665	8,548	8,347	9,034	9,034	9,034	9,034
Proceeds from Recoup of Court Security and Custodial Services Contracts Costs from Department of the Attorney General ^(a)	15,169	15,796	15,796	-	-	-	-
Proceeds from Recoup of Other Costs	999	387	4,160	3,697	4,657	4,792	4,886
Proceeds from Recoup of Prisoner Telephone Calls.....	3,041	3,518	3,133	3,517	3,517	3,517	3,517
Proceeds from Recoup of Salary Costs.....	2,379	240	161	156	156	156	156
Proceeds from Recoup of Workers Compensation Payment	7,384	4,325	3,955	4,419	4,419	4,419	4,419
Proceeds from Sale of Industry Goods.....	5,009	3,345	3,745	3,856	3,969	3,979	3,979
TOTAL.....	83,294	66,695	69,833	56,104	57,177	57,322	57,416

- (a) The specific reduction between 2011-12 and the forward estimate years relates to the permanent transfer of appropriation from the Department of the Attorney General for Court Security.

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 66

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 99 Net amount appropriated to deliver services.....	2,715	2,883	2,883	3,090	3,106	3,190	3,273
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	196	212	212	220	228	236	243
Total appropriations provided to deliver services	2,911	3,095	3,095	3,310	3,334	3,426	3,516
CAPITAL							
Capital Appropriation.....	91	52	52	-	-	-	-
TOTAL APPROPRIATIONS.....	3,002	3,147	3,147	3,310	3,334	3,426	3,516
EXPENSES							
Total Cost of Services.....	2,657	3,100	3,117	3,293	3,341	3,433	3,523
Net Cost of Services ^(a)	2,652	3,095	3,112	3,288	3,336	3,428	3,518
CASH ASSETS ^(b)	174	37	153	182	186	190	194

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Decommissioning of Office of Shared Services	25	-	-	-	-

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Inspection and Review of Custodial Services.....	2,657	3,100	3,117	3,293	3,341	3,433	3,523
Total Cost of Services	2,657	3,100	3,117	3,293	3,341	3,433	3,523

Significant Issues Impacting the Agency

- The *Inspector of Custodial Services Amendment Act 2011* (Amendment Act) was proclaimed on 10 January 2012 which adds the ability to review custodial services in relation to one or more particular prisoners. The Amendment Act also adds show cause notice provisions to the *Inspector of Custodial Services Act 2003*.

Outcomes and Key Effectiveness Indicators^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:					
Number of inspection report recommendations	89	50	90	90	
Percentage of recommendations accepted.....	90%	90%	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: 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 2,657	\$'000 3,100	\$'000 3,117	\$'000 3,293	
Less Income	5	5	5	5	
Net Cost of Service	2,652	3,095	3,112	3,288	
Employees (Full Time Equivalents).....	16	20	18	20	
Efficiency Indicators					
Average Cost per Inspection Report	\$212,911	\$250,000	\$230,000	\$230,000	
Average Cost per Independent Visitors' Scheme Report	\$908	\$1,000	\$1,000	\$1,000	
Average Cost per Liaison Visit	\$5,823	\$5,000	\$6,000	\$6,000	
Average Cost per Exit Debrief	\$56,359	\$70,000	\$60,000	\$60,000	
Average Cost per Discussion Paper	-	\$50,000	\$50,000	\$50,000	
Average Cost per Ministerial Advice	\$5,192	\$5,000	\$5,000	\$5,000	

ASSET INVESTMENT PROGRAM

The asset investment program is for the rolling replacement of information technology infrastructure including servers and personal computers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement							
Office Equipment 2011-12 Program	64	64	64	-	-	-	-
NEW WORKS							
Asset Replacement							
Office Equipment 2012-13 Program	25	-	-	25	-	-	-
Office Equipment 2013-14 Program	26	-	-	-	26	-	-
Office Equipment 2014-15 Program	26	-	-	-	-	26	-
Office Equipment 2015-16 Program	26	-	-	-	-	-	26
Total Cost of Asset Investment Program	167	64	64	25	26	26	26
FUNDED BY							
Capital Appropriation			52	-	-	-	-
Drawdowns from the Holding Account			12	25	26	26	26
Total Funding			64	25	26	26	26

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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	1,868	2,229	2,221	2,289	2,366	2,401	2,478
Supplies and services	323	365	390	382	385	415	415
Accommodation.....	249	258	258	340	345	364	374
Depreciation and amortisation	22	56	56	65	28	26	26
Other expenses.....	195	192	192	217	217	227	230
TOTAL COST OF SERVICES.....	2,657	3,100	3,117	3,293	3,341	3,433	3,523
Income							
Other revenue	5	5	5	5	5	5	5
Total Income	5	5	5	5	5	5	5
NET COST OF SERVICES.....	2,652	3,095	3,112	3,288	3,336	3,428	3,518
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,911	3,095	3,095	3,310	3,334	3,426	3,516
Resources received free of charge.....	7	6	6	6	6	6	6
TOTAL INCOME FROM STATE GOVERNMENT.....	2,918	3,101	3,101	3,316	3,340	3,432	3,522
SURPLUS/(DEFICIENCY) FOR THE PERIOD	266	6	(11)	28	4	4	4

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 16, 18 and 20 respectively. In some cases the figures for 2010-11 and 2011-12 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	143	1	118	143	143	143	143
Holding account receivables	12	25	25	26	26	26	26
Receivables.....	105	24	105	105	105	105	105
Total current assets	260	50	248	274	274	274	274
NON-CURRENT ASSETS							
Holding account receivables	95	128	128	169	173	175	177
Property, plant and equipment	24	110	36	-	-	-	-
Restricted cash.....	31	36	35	39	43	47	51
Other.....	10	6	6	2	-	-	-
Total non-current assets.....	160	280	205	210	216	222	228
TOTAL ASSETS	420	330	453	484	490	496	502
CURRENT LIABILITIES							
Employee provisions.....	366	277	366	366	366	366	366
Payables.....	72	67	62	63	63	63	63
Other.....	54	56	54	54	54	54	54
Total current liabilities.....	492	400	482	483	483	483	483
NON-CURRENT LIABILITIES							
Employee provisions.....	192	104	194	196	198	200	202
Other.....	5	3	5	5	5	5	5
Total non-current liabilities	197	107	199	201	203	205	207
TOTAL LIABILITIES.....	689	507	681	684	686	688	690
EQUITY							
Contributed equity	212	264	264	264	264	264	264
Accumulated surplus/(deficit).....	(481)	(441)	(492)	(484)	(460)	(456)	(452)
Total equity	(269)	(177)	(228)	(200)	(196)	(192)	(188)
TOTAL LIABILITIES AND EQUITY.....	420	330	453	484	490	496	502

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,876	3,037	3,037	3,243	3,304	3,398	3,488
Capital appropriation	91	52	52	-	-	-	-
Holding account drawdowns.....	12	12	12	25	26	26	26
Net cash provided by State Government.....	2,979	3,101	3,101	3,268	3,330	3,424	3,514
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(1,722)	(2,219)	(2,219)	(2,277)	(2,364)	(2,399)	(2,476)
Supplies and services	(204)	(269)	(294)	(294)	(302)	(342)	(342)
Accommodation.....	(321)	(307)	(307)	(380)	(375)	(384)	(394)
Other payments.....	(390)	(285)	(285)	(310)	(306)	(316)	(319)
Receipts							
GST receipts	101	42	42	42	42	42	42
Other receipts.....	4	5	5	5	5	5	5
Net cash from operating activities	(2,532)	(3,033)	(3,058)	(3,214)	(3,300)	(3,394)	(3,484)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(18)	(64)	(64)	(25)	(26)	(26)	(26)
Net cash from investing activities	(18)	(64)	(64)	(25)	(26)	(26)	(26)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(300)	-	-	-	-	-	-
Net cash from financing activities.....	(300)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	129	4	(21)	29	4	4	4
Cash assets at the beginning of the reporting period.....	45	33	174	153	182	186	190
Cash assets at the end of the reporting period.....	174	37	153	182	186	190	194

(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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
GST Input Credit	101	42	42	42	42	42	42
Other Receipts	4	5	5	5	5	5	5
TOTAL	105	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	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
801	Environment and Conservation			
	- Delivery of Services.....	206,640	195,059	212,869
	- Capital Appropriation.....	8,805	8,805	3,581
	Total	215,445	203,864	216,450
815	Botanic Gardens and Parks Authority			
	- Delivery of Services.....	13,249	13,249	14,943
	- Capital Appropriation.....	10,836	10,836	-
	Total	24,085	24,085	14,943
823	Office of the Environmental Protection Authority			
	- Delivery of Services.....	14,119	13,689	14,225
	- Capital Appropriation.....	104	104	68
	Total	14,223	13,793	14,293
830	Swan River Trust			
	- Delivery of Services.....	11,249	11,249	13,735
	Total	11,249	11,249	13,735
840	Zoological Parks Authority			
	- Delivery of Services.....	10,385	10,385	10,939
	- Capital Appropriation.....	735	735	735
	Total	11,120	11,120	11,674

Part 17

Minister for Environment; Water

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
848	Water			
	- Delivery of Services.....	74,347	78,769	71,398
	- Administered Grants, Subsidies and Other Transfer Payments.....	605	605	161
	- Capital Appropriation.....	2,791	2,791	4,382
	Total	77,743	82,165	75,941
	GRAND TOTAL			
	- Delivery of Services.....	329,989	322,400	338,109
	- Administered Grants, Subsidies and Other Transfer Payments.....	605	605	161
	- Capital Appropriation.....	23,271	23,271	8,766
	Total.....	353,865	346,276	347,036

ENVIRONMENT AND CONSERVATION

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 67

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 100 Net amount appropriated to deliver services	172,064	205,892	194,311	212,098	207,852	203,464	202,709
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	715	748	748	771	795	821	848
Total appropriations provided to deliver services	172,779	206,640	195,059	212,869	208,647	204,285	203,557
CAPITAL							
Item 160 Capital Appropriation	2,844	8,805	8,805	3,581	2,907	2,380	2,696
TOTAL APPROPRIATIONS.....	175,623	215,445	203,864	216,450	211,554	206,665	206,253
EXPENSES							
Total Cost of Services.....	321,404	349,152	338,372	359,673	356,693	354,334	354,739
Net Cost of Services ^(a)	172,512	205,104	194,824	214,406	211,269	209,589	208,053
CASH ASSETS ^(b)	88,478	75,446	91,342	92,605	93,030	93,030	87,029

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
\$300 Million Savings Across Government		(108)	(180)	(235)	(230)
Bushfire Suppression.....	8,000	-	-	-	-
Fire Preparedness.....	-	5,800	6,725	6,925	7,133
Forest Management Plan 2014-2023	1,236	2,586	666	-	-
Kimberley Toad Busters	-	300	-	-	-
Saving the Western Ground Parrot	-	250	-	-	-
Efficiency Dividend.....	-	(3,750)	(5,503)	(7,327)	(9,204)

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 they contribute 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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Nature Conservation	121,556	145,365	144,171	149,835	150,364	154,157	155,085
2. Sustainable Forest Management	48,539	50,021	49,052	52,732	52,158	52,165	53,160
3. Parks and Visitor Services	87,228	77,827	88,908	89,504	91,492	92,436	92,876
4. Environmental Regulation	41,625	39,283	38,807	41,319	40,737	42,294	44,294
5. Environmental Sustainability	15,230	17,441	14,778	17,025	17,106	17,193	17,329
6. Coordinate the Response to Climate Change	7,226	19,215	2,656	13,008	10,339	3,416	1,199
7. Contribution to Responsible Financial Management	-	-	-	(3,750)	(5,503)	(7,327)	(9,204)
Total Cost of Services	321,404	349,152	338,372	359,673	356,693	354,334	354,739

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.

- Implementation of initiatives under the Kimberley Science and Conservation Strategy is being progressed, including the establishment of two new marine parks in Camden Sound and at Eighty Mile Beach, as part of the biggest marine parks initiative in the State's history. The creation of a conservation corridor linking Prince Regent and Drysdale River national parks, and the creation of island conservation reserves will ensure the protection of the unique values of the far North of our State. This contributes to the conservation of our environment, the protection of Indigenous cultural heritage and rock art, and the development of sustainable nature-based tourism. Effectiveness of conservation efforts will be monitored through an innovative biodiversity conservation performance reporting program to be implemented from 2012.
- New marine parks will be established in the South West capes area between Busselton and Augusta and in the Dampier Archipelago to protect the marine values of these regions.
- 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 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 using a new legislative framework. Parks will continue to be a cornerstone of nature protection as well as being highly significant for recreation and tourism. The provision of improved roads and facilities in our parks will continue to be critical for public safety and appreciation 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 and final Forest Management Plan 2014-2023 will be substantially progressed.
- The Department will continue to undertake an active fire management program in an increasingly complex operating environment, exacerbated by drying conditions in the South West of the State. Risk management measures pertaining to fire management, including prescribed burning, will be further developed. The Government has acknowledged the need to improve the State's fire preparedness by providing additional recurrent funding of \$26.6 million and capital funding of \$6.3 million over four years from 2012-13.
- 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. Inspection and compliance activities have been increased to ensure emissions and discharges meet licence requirements.
- There is a community focus on ambient air quality monitoring and management in the Perth metropolitan area and industrialised regional centres. A priority will be placed on progressing regional air quality management strategies for Collie, Kalgoorlie and the Burrup Peninsula.
- Development of responses to climate change will continue. The Department is developing a climate change strategy for Western Australia.
- Implementation of the 'Western Australian Waste Strategy: Creating the Right Environment' will be progressed, focusing on strategic objectives to improve resource recovery and reduce the amount of waste deposited in landfill.
- Strategic assessment of the impact of development on matters of national environmental significance under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* will be progressed to improve environmental outcomes and promote more efficient environmental assessment in the Perth metropolitan and Peel regions.
- The Department will continue to develop environmental offset policies, guidelines and systems to promote transparency and accountability.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Conservation and sustainable utilisation of biodiversity:					
Total number of listed threatened taxa and ecological communities.....	711	739	739	750	
Number of threatened taxa and ecological communities with improved conservation status.....	3	0	4	1	
Number of threatened taxa and ecological communities with declining conservation status.....	2	3	2	1	
Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan	67.2%	70%	67.4%	68%	1
Proportion of terrestrial sub-bioregions with greater than 15.0% reservation	22.2%	20.4%	20.4%	20.4%	
Proportion of marine bioregions with marine conservation reserves	42.1%	63.2%	47.4%	57.9%	2
Percentage of Forest Management Plan performance indicators where defined annual targets are met.....	73%	81%	75%	78%	
Outcome: Community enjoyment of park facilities and services, wildlife and the natural environment displayed in parks:					
Average level of visitor satisfaction with their visit.....	86.8%	85%	86%	85%	
Park visitation (annual number of visits)	15,751,653	16,085,146	16,082,438	16,500,581	
Annual percentage change in park visitation	7.8%	4.3%	2.1%	2.6%	
Outcome: Emissions and discharges meet acceptable criteria:					
Number of exceedances of approved environment criteria by regulated activities.....	33	38	35	38	
Number of air National Environment Protection Measure (NEPM) exceedances per annum of criteria pollutants.....	14	35	32	35	3
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	41%	45%	35%	45%	4
Percentage of Low Emissions Energy Development fund milestones achieved within the targeted timeframe	63%	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. Additional species were gazetted which do not yet have approved recovery plans.
2. A new marine park in Camden Sound is expected to be gazetted by 30 June 2012.
3. The large number of exceedances resulted from a high number of bushfires in the 2011-12 fire season in the South West of the State. 29 exceedances occurred between November 2011 and March 2012, including 14 exceedances from a single bushfire event in February 2012.
4. The percentage of waste diverted from landfill through recycling in the metropolitan area is projected to reduce in the 2011-12 reporting period, due mainly to a decrease in the amount of construction and demolition waste recycled.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	121,556	145,365	144,171	149,835	
Less Income	35,611	47,524	42,265	44,808	
Net Cost of Service.....	85,945	97,841	101,906	105,027	
Employees (Full Time Equivalents).....	868	892	875	907	
Efficiency Indicators					
Average Cost per Hectare of Managing Wildlife Habitat	\$4.36	\$5.25	\$5.26	\$5.42	

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	48,539	50,021	49,052	52,732	
Less Income	9,932	9,053	9,343	9,463	
Net Cost of Service.....	38,607	40,968	39,709	43,269	
Employees (Full Time Equivalents).....	243	250	245	259	
Efficiency Indicators					
Average Cost per Hectare of Managing State Forest and Timber Reserves	\$37.41	\$38.55	\$37.82	\$40.64	

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	87,228	77,827	88,908	89,504	
Less Income	37,702	23,581	27,537	28,397	
Net Cost of Service.....	49,526	54,246	61,371	61,107	
Employees (Full Time Equivalents).....	450	463	454	467	
Efficiency Indicators					
Cost per Visit.....	\$5.54	\$4.83	\$5.57	\$5.45	

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	41,625	39,283	38,807	41,319	
Less Income	23,463	21,262	21,713	22,445	
Net Cost of Service.....	18,162	18,021	17,094	18,874	
Employees (Full Time Equivalents).....	267	275	270	275	
Efficiency Indicators					
Average Cost per Air Monitoring Station.....	\$441,585	\$478,338	\$478,621	\$491,869	
Average Cost per Industry Licence.....	\$26,657	\$23,971	\$27,017	\$28,031	
Average Cost per Contaminated Site Assessment.....	\$8,297	\$5,051	\$5,413	\$5,834	
Average Cost of Remediating State Sites	\$164,182	\$496,035	\$234,667	\$580,286	1

Explanation of Significant Movements

(Notes)

1. The Budget for 2011-12 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 2012-13.

5: Environmental Sustainability

Develop and implement policies and strategies that promote environmentally sustainable practices in industry, government and the community.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	15,230	17,441	14,778	17,025	
Less Income	42,123	42,600	42,661	40,125	1
Net Cost of Service.....	(26,893)	(25,159)	(27,883)	(23,100)	
Employees (Full Time Equivalents).....	63	65	64	65	
Efficiency Indicators					
Cost of Administering Waste Avoidance and Resource Recovery Account as a Percentage of Total Funds.....	6.0%	6.0%	7.0%	9.0%	2

Explanation of Significant Movements

(Notes)

1. A determination under Section 79 (3A) of the *Waste Avoidance and Resource Recovery Act 2007* has been made by the Minister that an amount of \$9.8 million from the forecast landfill levy amount of \$39.0 million shall be credited to the Waste Avoidance and Resource Recovery Account in 2012-13. The total forecast levy amount is included in the Income for this Service.
2. The increase from 7.0% Estimated Actual 2011-12 to 9.0% 2012-13 Budget Target represents an expected increase in landfill levy compliance administration costs consistent with increased compliance activities outlined in the Waste Strategy.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 7,226	\$'000 19,215	\$'000 2,656	\$'000 13,008	1
Less Income	61	28	29	29	
Net Cost of Service.....	7,165	19,187	2,627	12,979	
Employees (Full Time Equivalents).....	19	20	20	20	
Efficiency Indicators					
Cost of Administering Low Emissions Energy Development Fund as a Percentage of Total Funds	0.52%	0.52%	0.66%	0.66%	2

Explanation of Significant Movements

(Notes)

1. The movement in Total Cost of Services, comparing the 2011-12 Budget to 2011-12 Estimated Actual and 2012-13 Budget, was due to recashflowing of Low Emissions Energy Development Fund grant payments from 2011-12 to the forward estimates. The 2011-12 budget for grant payments was \$17.4 million, however actual payments were only \$1.1 million, due to project milestone rescheduling by grant recipients.
2. Extra expenditure was incurred in 2011-12 and is expected to continue in 2012-13 in the areas of staff costs and purchase of professional, technical, due diligence and probity review services.

ASSET INVESTMENT PROGRAM

The Department will continue with its investment in fire fighting fleet and equipment, park improvement program, conservation land acquisition, 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. The Department is to receive an injection of \$6.3 million over four years from 2012-13 for additional fire fighting capacity.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Conservation Parks Infrastructure and Roads ^(a)	19,977	7,299	5,000	7,678	5,000	-	-
Great Western Woodlands	800	300	300	500	-	-	-
Kimberley Conservation Strategy - Tourism Initiatives ^(a)	3,115	370	370	1,345	1,400	-	-
Park Improvement Program							
Camden Sound and Eighty Mile Beach Marine Park	1,040	320	320	360	360	-	-
Pathways Regional Parks	1,000	500	500	500	-	-	-
COMPLETED WORKS							
Conservation Land Acquisition - 2011-12 Program	250	250	250	-	-	-	-
Fire Fighting Fleet and Equipment - 2011-12 Program	6,880	6,880	6,880	-	-	-	-
Kimberley Conservation Strategy	2,239	2,239	1,700	-	-	-	-
Park Improvement Program - 2011-12 Program	6,300	6,300	6,300	-	-	-	-
Gnangara Park Development Program - 2011-12 Program	400	400	400	-	-	-	-
Plant and Equipment - 2011-12 Program	5,104	5,104	5,104	-	-	-	-
Tourism Road Improvement Program - 2011-12 Program	3,150	3,150	3,150	-	-	-	-
NEW WORKS							
Conservation Land Acquisition							
2012-13 Program	260	-	-	260	-	-	-
2013-14 Program	270	-	-	-	270	-	-
2014-15 Program	280	-	-	-	-	280	-
2015-16 Program	290	-	-	-	-	-	290
Fire Fighting Fleet and Equipment							
2012-13 Program	3,500	-	-	3,500	-	-	-
2013-14 Program	3,545	-	-	-	3,545	-	-
2014-15 Program	3,591	-	-	-	-	3,591	-
2015-16 Program	3,639	-	-	-	-	-	3,639
Park Improvement Program							
2012-13 Program	3,200	-	-	3,200	-	-	-
2013-14 Program	3,250	-	-	-	3,250	-	-
2014-15 Program	3,300	-	-	-	-	3,300	-
2015-16 Program	3,350	-	-	-	-	-	3,350
Gnangara Park Development Program							
2012-13 Program	400	-	-	400	-	-	-
2013-14 Program	400	-	-	-	400	-	-
2014-15 Program	400	-	-	-	-	400	-
2015-16 Program	400	-	-	-	-	-	400
Plant and Equipment							
2012-13 Program	5,373	-	-	5,373	-	-	-
2013-14 Program	5,494	-	-	-	5,494	-	-
2014-15 Program	5,813	-	-	-	-	5,813	-
2015-16 Program	6,421	-	-	-	-	-	6,421
Tourism Road Improvement Program							
2012-13 Program	1,600	-	-	1,600	-	-	-
2013-14 Program	1,625	-	-	-	1,625	-	-
2014-15 Program	1,650	-	-	-	-	1,650	-
2015-16 Program	1,455	-	-	-	-	-	1,455
Total Cost of Asset Investment Program	109,761	33,112	30,274	24,716	21,344	15,034	15,555
FUNDED BY							
Capital Appropriation			8,805	3,581	2,907	2,380	2,696
Asset Sales			644	500	500	500	500
Drawdowns from the Holding Account			13,569	9,062	8,987	9,404	9,509
Internal Funds and Balances			1,886	2,728	2,550	2,750	2,850
Drawdowns from Royalties for Regions Fund ^(a)			5,370	8,845	6,400	-	-
Total Funding			30,274	24,716	21,344	15,034	15,555

(a) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an increase in Total Cost of Services of \$21.3 million in 2012-13 compared to the 2011-12 Estimated Actual. Contributing to this is a \$13.4 million increase in budgeted payments for grants and subsidies, principally from the Low Emissions Energy Development Fund, and a \$5.8 million increase in expenditure on fire management activities.

Income

The Department's net appropriated income is expected to remain stable comparing the 2011-12 Budget, 2011-12 Estimated Actual and 2012-13 Budget Estimate.

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 \$78.6 million is expected to be held at 30 June 2013 and represents the majority of the Department's cash holdings.

Statement of Cashflows

In 2012-13, net cash provided by the State Government is budgeted to increase by \$12.6 million to \$217.6 million compared to the 2011-12 Estimated Actual of \$205.0 million. Significant levels of new funding are being provided for fire preparedness and preparation of the Forest Management Plan 2014-2023.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	186,022	189,849	194,870	207,984	216,521	220,406	223,440
Grants and subsidies ^(c)	11,848	32,401	11,528	24,964	17,381	10,425	8,125
Supplies and services	75,250	82,058	86,407	84,117	80,587	82,928	84,211
Accommodation	7,576	6,520	7,221	7,471	7,721	7,971	8,221
Depreciation and amortisation	21,624	20,150	20,150	20,150	20,150	20,150	20,150
Efficiency dividend	-	-	-	(3,750)	(5,503)	(7,327)	(9,204)
Other expenses	19,084	18,174	18,196	18,737	19,836	19,781	19,796
TOTAL COST OF SERVICES	321,404	349,152	338,372	359,673	356,693	354,334	354,739
Income							
Sale of goods and services	20,046	18,803	18,803	19,531	20,031	20,531	21,031
Regulatory fees and fines	18,420	18,707	18,707	19,439	20,217	21,026	21,867
Grants and subsidies	38,723	34,881	34,881	35,084	33,689	31,701	31,701
Other revenue	71,703	71,657	71,157	71,213	71,487	71,487	72,087
Total Income	148,892	144,048	143,548	145,267	145,424	144,745	146,686
NET COST OF SERVICES	172,512	205,104	194,824	214,406	211,269	209,589	208,053
INCOME FROM STATE GOVERNMENT							
Service appropriations	172,779	206,640	195,059	212,869	208,647	204,285	203,557
Resources received free of charge	2,932	1,578	1,578	1,578	1,578	1,578	1,578
Royalties for Regions Fund ^(d)	692	2,600	2,665	3,678	3,747	6,204	3,413
TOTAL INCOME FROM STATE GOVERNMENT	176,403	210,818	199,302	218,125	213,972	212,067	208,548
SURPLUS/(DEFICIENCY) FOR THE PERIOD	3,891	5,714	4,478	3,719	2,703	2,478	495

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 1,910, 1,928 and 1,993 respectively. In some cases the figures for 2010-11 and 2011-12 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 - \$0.7 million (2010-11), \$2.6 million (2011-12), \$2.7 million (2011-12 Estimated Out Turn), \$3.7 million (2012-13), \$3.7 million (2013-14), \$6.2 million (2014-15) and \$3.4 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Contaminated Sites Management Account -							
Grants	1,170	2,975	2,112	4,062	1,062	862	862
Environmental Community Grants Program	1,476	1,580	1,580	1,530	-	-	-
Kimberley Science and Conservation Strategy	500	872	872	786	781	1,000	1,000
Kimberley Toad Busters	311	300	300	300	-	-	-
Low Emissions Energy Development Fund	3,963	17,370	1,140	11,993	9,275	2,300	-
Other	837	304	304	293	263	263	263
Waste Avoidance and Resource Recovery Account	3,591	9,000	5,220	6,000	6,000	6,000	6,000
TOTAL	11,848	32,401	11,528	24,964	17,381	10,425	8,125

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	6,605	7,510	8,984	9,442	8,642	7,742	6,942
Restricted cash.....	78,411	64,235	78,396	78,601	79,026	85,027	79,026
Holding account receivables	13,569	13,862	9,062	8,987	9,404	9,509	-
Receivables.....	10,047	14,688	10,047	10,047	10,047	10,047	10,047
Other.....	14,179	12,393	14,179	14,179	14,179	14,179	14,179
Total current assets	122,811	112,688	120,668	121,256	121,298	126,504	110,194
NON-CURRENT ASSETS							
Holding account receivables	78,163	84,774	89,574	101,060	112,129	123,093	143,566
Property, plant and equipment	4,415,381	4,625,499	4,424,861	4,428,927	4,429,621	4,424,005	4,418,910
Restricted cash.....	3,462	3,701	3,962	4,562	5,362	261	1,061
Total non-current assets.....	4,497,006	4,713,974	4,518,397	4,534,549	4,547,112	4,547,359	4,563,537
TOTAL ASSETS.....	4,619,817	4,826,662	4,639,065	4,655,805	4,668,410	4,673,863	4,673,731
CURRENT LIABILITIES							
Employee provisions.....	32,665	27,434	32,871	33,077	33,283	33,489	33,695
Payables.....	4,971	6,779	4,971	4,971	4,971	4,971	4,971
Other.....	11,005	8,064	11,235	11,465	11,695	11,925	8,237
Total current liabilities.....	48,641	42,277	49,077	49,513	49,949	50,385	46,903
NON-CURRENT LIABILITIES							
Employee provisions.....	14,869	14,357	15,028	15,187	15,346	15,505	15,664
Total non-current liabilities	14,869	14,357	15,028	15,187	15,346	15,505	15,664
TOTAL LIABILITIES.....	63,510	56,634	64,105	64,700	65,295	65,890	62,567
EQUITY							
Contributed equity	2,851,025	2,864,174	2,865,200	2,877,626	2,886,933	2,889,313	2,892,009
Accumulated surplus/(deficit).....	47,204	49,343	51,682	55,401	58,104	60,582	61,077
Reserves.....	1,658,078	1,856,511	1,658,078	1,658,078	1,658,078	1,658,078	1,658,078
Total equity	4,556,307	4,770,028	4,574,960	4,591,105	4,603,115	4,607,973	4,611,164
TOTAL LIABILITIES AND EQUITY.....	4,619,817	4,826,662	4,639,065	4,655,805	4,668,410	4,673,863	4,673,731

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	152,806	186,167	174,586	192,396	188,174	183,812	183,084
Capital appropriation	2,844	8,805	8,805	3,581	2,907	2,380	2,696
Holding account drawdowns	12,871	13,569	13,569	9,062	8,987	9,404	9,509
Royalties for Regions Fund ^(b)	3,192	12,815	8,035	12,523	10,147	6,204	3,413
Net cash provided by State Government.....	171,713	221,356	204,995	217,562	210,215	201,800	198,702
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(178,323)	(189,254)	(194,275)	(207,389)	(215,926)	(219,811)	(226,763)
Grants and subsidies	(11,848)	(32,401)	(11,528)	(24,964)	(17,381)	(10,425)	(8,125)
Supplies and services	(59,233)	(69,485)	(73,834)	(71,344)	(67,614)	(69,955)	(71,238)
Accommodation.....	(7,647)	(6,520)	(7,221)	(7,471)	(7,721)	(7,971)	(8,221)
Efficiency dividend.....	-	-	-	3,750	5,503	7,327	9,204
Other payments.....	(46,548)	(43,519)	(43,541)	(44,432)	(45,731)	(45,676)	(45,691)
Receipts							
Regulatory fees and fines.....	18,420	18,707	18,707	19,439	20,217	21,026	21,867
Grants and subsidies	36,585	34,881	34,881	35,084	33,689	31,701	31,701
Sale of goods and services	20,046	18,803	18,803	19,531	20,031	20,531	21,031
GST receipts	14,591	14,350	14,350	14,500	14,500	14,500	14,500
Other receipts.....	77,144	71,657	71,157	71,213	71,487	71,487	72,087
Net cash from operating activities.....	(136,813)	(182,781)	(172,501)	(192,083)	(188,946)	(187,266)	(189,648)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(24,103)	(35,119)	(30,274)	(24,716)	(21,344)	(15,034)	(15,555)
Proceeds from sale of non-current assets	1,039	644	644	500	500	500	500
Net cash from investing activities.....	(23,064)	(34,475)	(29,630)	(24,216)	(20,844)	(14,534)	(15,055)
NET INCREASE/(DECREASE) IN CASH HELD	11,836	4,100	2,864	1,263	425	-	(6,001)
Cash assets at the beginning of the reporting period.....	76,642	71,346	88,478	91,342	92,605	93,030	93,030
Cash assets at the end of the reporting period.....	88,478	75,446	91,342	92,605	93,030	93,030	87,029

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

(b) Regional Infrastructure and Headworks Fund - \$2.5 million (2010-11), \$10.2 million (2011-12), \$5.4 million (2011-12 Estimated Out Turn), \$8.8 million (2012-13) and \$6.4 million (2013-14), Regional Community Services Fund - \$0.7 million (2010-11), \$2.6 million (2011-12), \$2.7 million (2011-12 Estimated Out Turn), \$3.7 million (2012-13), \$3.7 million (2013-14), \$6.2 million (2014-15) and \$3.4 million (2015-16).

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Royalties							
Fauna Royalties	45	110	60	60	60	60	60
Fines							
Receipts from Regulatory Fees and Fines.....	83	60	60	60	60	60	60
TOTAL INCOME	128	170	120	120	120	120	120
EXPENSES							
Receipts paid into Consolidated Account	129	170	120	120	120	120	120
TOTAL EXPENSES.....	129	170	120	120	120	120	120

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Contaminated Sites Management Account**

The purpose of the trust account is to enable investigation or remediation of any site where the State or a public authority (excluding Local Government) is responsible for remediation.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	5,702	3,961	4,666	3,664
Receipts:				
Appropriations.....	309	309	300	300
Other.....	476	430	810	365
	6,487	4,700	5,776	4,329
Payments	1,821	2,975	2,112	4,062
CLOSING BALANCE	4,666	1,725	3,664	267

Waste Avoidance and Resource Recovery Account

The purpose of the trust account is to fund nominated programs and other waste management initiatives approved by the Minister for Environment on the advice of the Waste Authority of Western Australia.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	14,269	15,212	15,212	16,206
Receipts:				
Other.....	11,944	11,300	11,686	10,650
	26,213	26,512	26,898	26,856
Payments	11,001	13,314	10,692	12,870
CLOSING BALANCE	15,212	13,198	16,206	13,986

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Grants and Subsidies	36,585	34,881	34,881	35,084	33,689	31,701	31,701
GST Input Credits.....	8,316	8,650	8,650	8,700	8,700	8,700	8,700
GST Receipts on Sales	6,275	5,700	5,700	5,800	5,800	5,800	5,800
Interest Received	4,338	3,728	3,728	3,738	3,738	3,738	3,738
Landfill Levy	41,500	42,000	41,000	39,000	36,000	36,000	36,000
Other Receipts	31,306	25,929	26,429	28,475	31,749	31,749	32,349
Proceeds from the Sale of Real Property	1,039	644	644	500	500	500	500
Receipts from Sale of Goods and Services	20,046	18,803	18,803	19,531	20,031	20,531	21,031
Regulatory Fees	18,420	18,707	18,707	19,439	20,217	21,026	21,867
TOTAL.....	167,825	159,042	158,542	160,267	160,424	159,745	161,686

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 68

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 101 Net amount appropriated to deliver services	12,650	13,044	13,044	14,730	14,554	14,748	14,937
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	187	205	205	213	220	228	235
Total appropriations provided to deliver services	12,837	13,249	13,249	14,943	14,774	14,976	15,172
CAPITAL							
Capital Appropriation.....	2,932	10,836	10,836	-	-	-	-
TOTAL APPROPRIATIONS.....	15,769	24,085	24,085	14,943	14,774	14,976	15,172
EXPENSES							
Total Cost of Services.....	31,535	19,174	23,738	20,636	20,320	20,690	20,886
Net Cost of Services ^(a)	17,215	13,515	15,892	15,547	15,341	15,625	15,821
CASH ASSETS ^(b)	10,213	6,187	7,542	7,570	7,866	7,237	6,608

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Efficiency Dividend.....	-	-	(381)	(521)	(668)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Customer Service and Cultural Heritage.....	19,834	9,694	12,235	10,624	10,657	10,920	11,097
2. Biodiversity Conservation and Scientific Research.....	11,701	9,480	11,503	10,012	10,044	10,291	10,457
3. Contribution to Responsible Financial Management.....	-	-	-	-	(381)	(521)	(668)
Total Cost of Services	31,535	19,174	23,738	20,636	20,320	20,690	20,886

Significant Issues Impacting the Agency

- Kings Park and Botanic Garden remains the State's single most visited tourist destination, with 5.8 million visits in 2010-11. A high level of visitation 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, provide appropriate visitor access and interpretation, and manage risks. Given the urban interface of these significant bushland reserves, fire risk management is a key consideration that is integrated into ongoing biodiversity conservation activities such as ecological restoration and monitoring, weed control and tree management. Implementation of additional fire risk management strategies particularly around high-value assets is ongoing.
- 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.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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	26.8%	-7%	0%	0%	
Change in the number attending customer awareness and education forums held at Kings Park and Botanic Garden compared to previous year.....	-13.7%	2%	0%	0%	
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	61%	63%	62%	62%	
Percentage of accessions in living collections in Kings Park and Botanic Garden.	37%	37%	37%	38%	
Percentage of accessions lost in living collections in Kings Park and Botanic Garden.	3%	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	1.4	1.4	
Weed cover in high intensity management areas compared to low intensity management areas in Bold Park.....	0.30	0.30	0.45	0.45	1
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 variance between the 2011-12 Budget compared with the 2011-12 Estimated Actual is due to a higher than expected occurrence of annual weeds in the survey quadrats, which have resulted from good late winter and early spring 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 19,834	\$'000 9,694	\$'000 12,235	\$'000 10,624	
Less Income	8,739	3,112	4,289	2,623	
Net Cost of Service.....	11,095	6,582	7,946	8,001	
Employees (Full Time Equivalents).....	53	63	63	63	
Efficiency Indicators					
Average Cost per Visitor to Kings Park and Botanic Garden ^(a)	\$1.34	\$1.42	\$1.52	\$1.50	
Average Cost per Attendee at Cultural Events held in Kings Park and Botanic Garden	\$0.23	\$0.16	\$0.16	\$0.17	
Average Cost per Attendee at Education Forums held at Kings Park and Botanic Garden	\$1.35	\$1.65	\$1.65	\$1.70	
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	7%	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.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 11,701	\$'000 9,480	\$'000 11,503	\$'000 10,012	
Less Income	5,581	2,547	3,557	2,466	
Net Cost of Service.....	6,120	6,933	7,946	7,546	
Employees (Full Time Equivalents).....	68	74	74	74	
Efficiency Indicators					
Average Cost of Representative Native Plant Taxa in Kings Park Bushland.....	\$3,327	\$4,093	\$4,324	\$4,348	1
Average Cost of the Number of Representative Native Plant Species in Bold Park	\$4,391	\$5,094	\$5,203	\$5,232	2
Average Cost per Research Grant Project.....	\$14,142	\$17,000	\$14,805	\$15,471	3
Change in Number of Refereed Scientific Publications Published per Government Funded Position Compared to Previous Year.....	-12%	0%	-20%	0%	4

Explanation of Significant Movements

(Notes)

1. The increase in average cost is due to a forecast increase in expenditure 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 estimated actual for 2011-12 is lower than 2011-12 Budget Estimate due to the forecast expenditure not being as high as anticipated.
4. The fluctuation in refereed publications is a reflection of the stage and complexity of research projects in any given year. After a period of greater than average publications, the forecast for 2012-13 is for a return to the long-term average.

ASSET INVESTMENT PROGRAM

The Authority's planned asset investment program for 2012-13 totals \$975,000. This program is for scheduled asset replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement Program - 2011-12 Program	975	975	975	-	-	-	-
Cultural and Visitor Amenity Improvements							
Rio Tinto Naturescape in Kings Park	2,882	2,882	2,262	-	-	-	-
Risk Management / Public Safety Improvements							
Biodiversity Conservation Centre Stage 2	1,582	1,582	1,319	-	-	-	-
Nursery Depot Redevelopment	2,620	2,620	2,298	-	-	-	-
NEW WORKS							
Asset Replacement Program							
2012-13 Program	975	-	-	975	-	-	-
2013-14 Program	1,000	-	-	-	1,000	-	-
2014-15 Program	1,000	-	-	-	-	1,000	-
2015-16 Program	1,000	-	-	-	-	-	1,000
Total Cost of Asset Investment Program	12,034	8,059	6,854	975	1,000	1,000	1,000
FUNDED BY							
Capital Appropriation			10,836	-	-	-	-
Drawdowns from the Holding Account			975	975	1,000	1,000	1,000
Internal Funds and Balances			(5,889)	-	-	-	-
Other			932	-	-	-	-
Total Funding			6,854	975	1,000	1,000	1,000

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated reduction in the total cost of services of \$3.1 million (-13.1%) for 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. This variance is mainly due to the expected completion of once-off projects including the Rio Tinto Naturescape and the expansion of the Fraser's complex at Kings Park for the Commonwealth Heads of Government Meeting, for which no further expenditure occurs in 2012-13.

Income

A reduction of \$2.8 million (35.1%) in Total Income for 2012-13 is due to once-off sponsorship funds received in 2011-12.

Statement of Financial Position

There are no significant variances for the Statement of Financial Position. Total assets for 2012-13 are forecast to be within 0.4% of the 2011-12 Estimated Actual.

Statement of Cashflows

Cashflows from investing activities decreases significantly for the 2012-13 Budget Estimate period due to completion of the expansion of the Fraser's complex at Kings Park, together with no new works commencing during the period.

INCOME STATEMENT ^(a) (Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	10,283	10,426	11,589	10,813	11,299	11,746	12,002
Supplies and services	16,588	4,667	8,477	5,310	4,729	4,667	4,706
Accommodation.....	855	495	864	541	594	642	652
Depreciation and amortisation	1,324	1,120	1,120	1,438	1,470	1,470	1,470
Equipment repairs and maintenance	221	831	279	856	881	907	921
Efficiency dividend.....	-	-	-	-	(381)	(521)	(668)
Other expenses.....	2264	1635	1409	1678	1728	1779	1803
TOTAL COST OF SERVICES	31,535	19,174	23,738	20,636	20,320	20,690	20,886
Income							
Sale of goods and services	2,229	2,020	2,200	2,226	2,249	2,316	2,316
Regulatory fees and fines.....	1,227	510	919	422	417	400	400
Grants and subsidies	1,936	1,087	1,800	1,088	923	921	921
Other revenue	8,928	2,042	2,927	1,353	1,390	1,428	1,428
Total Income	14,320	5,659	7,846	5,089	4,979	5,065	5,065
NET COST OF SERVICES.....	17,215	13,515	15,892	15,547	15,341	15,625	15,821
INCOME FROM STATE GOVERNMENT							
Service appropriations	12,837	13,249	13,249	14,943	14,774	14,976	15,172
Resources received free of charge.....	44	50	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT.....	12,881	13,299	13,299	14,993	14,824	15,026	15,222
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(4,334)	(216)	(2,593)	(554)	(517)	(599)	(599)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 121, 137 and 137 respectively. In some cases the figures for 2010-11 and 2011-12 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	5,896	2,602	5,342	5,370	5,666	5,037	4,408
Restricted cash.....	4,317	3,585	2,200	2,200	2,200	2,200	2,200
Holding account receivables	975	975	975	1,000	1,000	1,000	1,000
Receivables.....	4,172	1,406	1,236	894	660	660	660
Other.....	1,050	990	1,050	1,050	1,050	1,050	1,050
Total current assets	16,410	9,558	10,803	10,514	10,576	9,947	9,318
NON-CURRENT ASSETS							
Holding account receivables	4,004	4,149	4,149	4,587	5,057	5,527	5,997
Property, plant and equipment	34,801	48,958	40,483	40,248	40,006	39,818	39,630
Other.....	7,781	6,817	7,833	7,635	7,383	7,131	6,879
Total non-current assets.....	46,586	59,924	52,465	52,470	52,446	52,476	52,506
TOTAL ASSETS.....	62,996	69,482	63,268	62,984	63,022	62,423	61,824
CURRENT LIABILITIES							
Employee provisions.....	1,684	1,463	1,792	1,852	1,852	1,852	1,852
Payables.....	210	349	208	308	363	363	363
Other.....	11,305	2,656	9,876	9,936	10,436	10,436	10,436
Total current liabilities.....	13,199	4,468	11,876	12,096	12,651	12,651	12,651
NON-CURRENT LIABILITIES							
Employee provisions.....	551	607	569	619	619	619	619
Other.....	16	18	16	16	16	16	16
Total non-current liabilities	567	625	585	635	635	635	635
TOTAL LIABILITIES.....	13,766	5,093	12,461	12,731	13,286	13,286	13,286
EQUITY							
Contributed equity	19,186	30,022	30,022	30,022	30,022	30,022	30,022
Accumulated surplus/(deficit).....	14,583	18,576	4,601	4,047	3,530	2,931	2,332
Reserves.....	15,461	15,791	16,184	16,184	16,184	16,184	16,184
Total equity	49,230	64,389	50,807	50,253	49,736	49,137	48,538
TOTAL LIABILITIES AND EQUITY.....	62,996	69,482	63,268	62,984	63,022	62,423	61,824

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	11,727	12,129	12,129	13,505	13,304	13,506	13,702
Capital appropriation	2,932	10,836	10,836	-	-	-	-
Holding account drawdowns.....	585	975	975	975	1,000	1,000	1,000
Net cash provided by State Government.....	15,244	23,940	23,940	14,480	14,304	14,506	14,702
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(9,845)	(10,322)	(11,463)	(10,801)	(11,399)	(11,846)	(12,102)
Supplies and services	(7,884)	(6,163)	(12,902)	(5,897)	(5,246)	(5,972)	(6,010)
Accommodation.....	(855)	(495)	(864)	(541)	(594)	(642)	(652)
Efficiency dividend.....	-	-	-	-	381	521	668
Other payments.....	(4,982)	(2,198)	(3,581)	(2,298)	(2,290)	(2,368)	(2,407)
Receipts							
Regulatory fees and fines.....	1,229	784	919	803	841	824	824
Grants and subsidies	1,948	1,087	1,800	1,084	923	921	921
Sale of goods and services	2,229	2,025	2,200	2,226	2,249	2,316	2,316
GST receipts	2,057	505	1,900	505	505	505	505
Other receipts.....	5,541	2,142	2,234	1,442	1,568	1,606	1,606
Net cash from operating activities.....	(10,562)	(12,635)	(19,757)	(13,477)	(13,062)	(14,135)	(14,331)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,790)	(11,993)	(6,854)	(975)	(1,000)	(1,000)	(1,000)
Proceeds from sale of non-current assets	33	20	-	-	54	-	-
Net cash from investing activities.....	(1,757)	(11,973)	(6,854)	(975)	(946)	(1,000)	(1,000)
NET INCREASE/(DECREASE) IN CASH HELD	2,925	(668)	(2,671)	28	296	(629)	(629)
Cash assets at the beginning of the reporting period.....	7,288	6,855	10,213	7,542	7,570	7,866	7,237
Cash assets at the end of the reporting period.....	10,213	6,187	7,542	7,570	7,866	7,237	6,608

(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 69

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 102 Net amount appropriated to deliver services	12,354	14,119	13,689	14,225	9,689	9,827	9,999
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	48	-	-	-	-	-	-
Total appropriations provided to deliver services	12,402	14,119	13,689	14,225	9,689	9,827	9,999
CAPITAL							
Item 161 Capital Appropriation	45	104	104	68	146	146	350
TOTAL APPROPRIATIONS.....	12,447	14,223	13,793	14,293	9,835	9,973	10,349
EXPENSES							
Total Cost of Services.....	13,352	16,509	15,579	16,465	15,039	15,277	15,549
Net Cost of Services ^(a)	13,108	15,269	14,699	15,615	10,189	10,327	10,437
CASH ASSETS ^(b)	2,366	1,849	2,164	1,574	1,574	1,574	1,574

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Browse LNG Precinct Agreement	-	213	220	227	234
Efficiency Dividend.....	-	-	(421)	(578)	(744)

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Environmental Impact Assessment and Policies.....	11,848	15,113	14,029	14,708	13,436	13,774	14,170
2. Environmental Compliance Audits.....	1,504	1,396	1,550	1,757	2,024	2,081	2,123
3. Contribution to Responsible Financial Management.....	-	-	-	-	(421)	(578)	(744)
Total Cost of Services	13,352	16,509	15,579	16,465	15,039	15,277	15,549

Significant Issues Impacting the Agency

- The mineral and LNG resource sectors continue to be a significant portion of the environmental impact assessment services of the Office. Resources such as iron ore, LNG and uranium and their infrastructure requirements, especially ports, remain areas of focus for the Authority.
- Developing appropriate approvals management and tracking systems for the Office remains a high priority, and this will be delivered within the context of broader information requirements for approvals.
- Reviewing environmental policies and guidelines to ensure that they are relevant and consistent with contemporary requirements.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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	82%	80%	70%	80%	1
Percentage of audited projects where all environmental conditions have been met	58%	80%	75%	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. It is estimated that the Budget of 80.0% of assessments meeting agreed initial timelines may not be met in 2011-12 as many of the assessments have been complex, resulting in extended consultation on the recommended conditions of approval.
2. The percentage of audited projects where all environmental conditions have been met is expected to increase from 75.0% in 2011-12 Estimated Actual to 80.0% in 2012-13. The majority of conditions which have not been met have been for minor or administrative reasons.

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 Office to enable sound environmental advice to be provided to the Government, developers and the public in accordance with statutory functions.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	11,848	15,113	14,029	14,708	
Less Income.....	152	1,240	880	850	
Net Cost of Service	11,696	13,873	13,149	13,858	
Employees (Full Time Equivalents)	82	90	90	90	
Efficiency Indicators					
Average Cost per Environmental Assessment	\$39,336	\$49,077	\$43,592	\$45,675	
Average Cost per Environmental Policy Developed.....	\$192,162	\$263,689	\$167,387	\$179,106	1

Explanation of Significant Movements

(Notes)

1. The Average Cost per Environmental Policy Developed is expected to increase from the 2011-12 Estimated Actual to the 2012-13 Budget Target. This is mainly due to a change in the measure of policies developed.

2: Environmental Compliance Audits

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 1,504	\$'000 1,396	\$'000 1,550	\$'000 1,757	1
Less Income	92	-	-	-	
Net Cost of Service	1,412	1,396	1,550	1,757	
Employees (Full Time Equivalents)	12	13	13	14	
Efficiency Indicators					
Average Cost per Environmental Audit Completed	\$32,020	\$23,264	\$31,010	\$35,124	2

Explanation of Significant Movements

(Notes)

1. There is an expected increase in the Total Cost of Service in 2012-13. This is mainly due to additional funding provided for the Browse LNG Precinct project compliance.
2. The Average Cost per Environmental Audit Completed is expected to increase in 2012-13. This is due to an increase in the complexity and scope of the audits.

ASSET INVESTMENT PROGRAM

To support the delivery of the Office's services, a total of \$158,000 is budgeted to be spent in 2012-13 for the purchase of new and replacement Information Technology equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Computing and Office Equipment Replacement Program	801	110	104	68	130	57	86
Replacement of Marine Vessel	619	293	82	-	-	-	326
NEW WORKS							
Computer Hardware Acquisition	90	-	-	90	-	-	-
Information Management System Upgrade	105	-	-	-	16	89	-
Total Cost of Asset Investment Program	1,615	403	186	158	146	146	412
FUNDED BY							
Asset Sales			30	-	-	-	62
Capital Appropriation			104	68	146	146	350
Internal Funds and Balances			52	90	-	-	-
Total Funding			186	158	146	146	412

FINANCIAL STATEMENTS**Income Statement***Expenses*

The estimated increase in the Total Cost of Services of \$0.9 million (5.7%) for the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual relates primarily to the recashflow of the Project Tracking System and the Enhanced Project Assessment and Strategic Support Project from 2011-12 into 2012-13, and also additional funding provided for the Browse LNG Precinct project.

Income

The introduction of fees for the provision of environmental impact assessments and compliance audits will occur from 2013-14 onwards. This has significantly increased the level of income expected (by approximately \$4.0 million per annum) while commensurately reducing the service appropriations from the State Government.

Statement of Cashflows

Service appropriations from the State Government are expected to decrease significantly from 2013-14. This is due to the introduction of fees for the provision of environmental impact assessments and compliance audits.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	10,201	12,564	12,564	12,638	12,525	12,867	13,257
Supplies and services	2,895	3,805	2,852	3,666	2,776	2,830	2,878
Depreciation and amortisation	54	50	50	50	50	50	50
Efficiency dividend	-	-	-	-	(421)	(578)	(744)
Other expenses	202	90	113	111	109	108	108
TOTAL COST OF SERVICES	13,352	16,509	15,579	16,465	15,039	15,277	15,549
Income							
Regulatory fees and fines	-	-	-	-	4,000	4,100	4,200
Grants and subsidies	-	1,090	700	700	700	700	700
Other revenue	244	150	180	150	150	150	212
Total Income	244	1,240	880	850	4,850	4,950	5,112
NET COST OF SERVICES	13,108	15,269	14,699	15,615	10,189	10,327	10,437
INCOME FROM STATE GOVERNMENT							
Service appropriations	12,402	14,119	13,689	14,225	9,689	9,827	9,999
Resources received free of charge	542	500	500	500	500	500	500
Royalties for Regions Fund ^(c)	390	-	390	390	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	13,334	14,619	14,579	15,115	10,189	10,327	10,499
SURPLUS/(DEFICIENCY) FOR THE PERIOD	226	(650)	(120)	(500)	-	-	62

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 94, 103 and 104 respectively. In some cases the figures for 2010-11 and 2011-12 may differ from previously published figures due to changes in calculation methodology.

(c) Regional Infrastructure and Headworks Fund - \$0.4 million (2010-11), \$0 (2011-12), \$0.4 million (2011-12 Estimated Out Turn) and \$0.4 million (2012-13).

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	1,025	411	793	173	143	113	83
Restricted cash.....	1,146	1,222	1,146	1,146	1,146	1,146	1,146
Receivables.....	528	58	528	528	528	528	528
Total current assets.....	2,699	1,691	2,467	1,847	1,817	1,787	1,757
NON-CURRENT ASSETS							
Holding account receivables.....	611	677	677	743	809	875	941
Property, plant and equipment.....	79	532	215	323	419	515	877
Restricted cash.....	195	216	225	255	285	315	345
Other.....	211	-	211	211	211	211	211
Total non-current assets.....	1,096	1,425	1,328	1,532	1,724	1,916	2,374
TOTAL ASSETS.....	3,795	3,116	3,795	3,379	3,541	3,703	4,131
CURRENT LIABILITIES							
Employee provisions.....	1,609	1,305	1,625	1,641	1,657	1,673	1,689
Payables.....	-	2	-	-	-	-	-
Other.....	518	471	518	518	518	518	518
Total current liabilities.....	2,127	1,778	2,143	2,159	2,175	2,191	2,207
NON-CURRENT LIABILITIES							
Employee provisions.....	1,003	821	1,003	1,003	1,003	1,003	1,003
Total non-current liabilities.....	1,003	821	1,003	1,003	1,003	1,003	1,003
TOTAL LIABILITIES.....	3,130	2,599	3,146	3,162	3,178	3,194	3,210
EQUITY							
Contributed equity.....	272	376	376	444	590	736	1,086
Accumulated surplus/(deficit).....	393	141	273	(227)	(227)	(227)	(165)
Total equity.....	665	517	649	217	363	509	921
TOTAL LIABILITIES AND EQUITY.....	3,795	3,116	3,795	3,379	3,541	3,703	4,131

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	12,336	14,053	13,623	14,159	9,623	9,761	9,933
Capital appropriation	45	104	104	68	146	146	350
Royalties for Regions Fund ^(b)	-	-	780	390	-	-	-
Net cash provided by State Government.....	12,381	14,157	14,507	14,617	9,769	9,907	10,283
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(9,794)	(12,548)	(12,548)	(12,622)	(12,509)	(12,851)	(13,241)
Supplies and services	(2,043)	(3,305)	(2,742)	(3,166)	(2,276)	(2,330)	(2,378)
Efficiency dividend.....	-	-	-	-	421	578	744
Other payments.....	(652)	(430)	(453)	(451)	(449)	(448)	(448)
Receipts							
Regulatory fees and fines.....	-	-	-	-	4,000	4,100	4,200
Grants and subsidies	83	1,090	700	700	700	700	700
GST receipts	250	340	340	340	340	340	340
Other receipts.....	127	150	150	150	150	150	150
Net cash from operating activities	(12,029)	(14,703)	(14,553)	(15,049)	(9,623)	(9,761)	(9,933)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(217)	(104)	(186)	(158)	(146)	(146)	(412)
Proceeds from sale of non-current assets	-	-	30	-	-	-	62
Net cash from investing activities	(217)	(104)	(156)	(158)	(146)	(146)	(350)
NET INCREASE/(DECREASE) IN CASH HELD	135	(650)	(202)	(590)	-	-	-
Cash assets at the beginning of the reporting period.....	2,231	2,499	2,366	2,164	1,574	1,574	1,574
Cash assets at the end of the reporting period.....	2,366	1,849	2,164	1,574	1,574	1,574	1,574

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

(b) Regional Infrastructure and Headworks Fund - \$0.8 million (2011-12 Estimated Out Turn) and \$0.4 million (2012-13).

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Environmental Impact Assessment Fees.....	-	-	-	-	4,000	4,100	4,200
Grants and Subsidies	83	1,090	700	700	700	700	700
GST Receipts.....	250	340	340	340	340	340	340
Other Receipts	127	150	150	150	150	150	150
TOTAL.....	460	1,580	1,190	1,190	5,190	5,290	5,390

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

SWAN RIVER TRUST

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 70

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 103 Net amount appropriated to deliver services	12,179	11,249	11,249	13,735	13,174	11,730	11,395
Total appropriations provided to deliver services	12,179	11,249	11,249	13,735	13,174	11,730	11,395
TOTAL APPROPRIATIONS.....	12,179	11,249	11,249	13,735	13,174	11,730	11,395
EXPENSES							
Total Cost of Services.....	18,034	15,031	14,272	18,593	17,193	16,157	15,815
Net Cost of Services ^(a)	12,816	10,530	10,532	13,997	14,052	13,002	12,590
CASH ASSETS ^(b)	3,713	4,641	4,197	4,645	4,487	3,839	3,136

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Swan and Canning Rivers Oxygenation Programs	-	1,400	1,000	-	-
Efficiency Dividend.....	-	-	(372)	(483)	(587)

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 they contribute 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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Statutory Assessment of Development Proposals	1,306	1,439	1,357	1,464	1,491	1,498	1,476
2. Riverpark Management	2,202	2,303	2,227	2,300	2,650	2,662	2,624
3. Development and Implementation of Environmental Management Programs	13,318	10,040	9,350	13,201	11,602	10,650	10,498
4. Communication of Environmental Information	1,208	1,249	1,338	1,628	1,822	1,830	1,804
5. Contribution to Responsible Financial Management	-	-	-	-	(372)	(483)	(587)
Total Cost of Services	18,034	15,031	14,272	18,593	17,193	16,157	15,815

Significant Issues Impacting the Agency

- The Swan-Canning Riverpark faces continuing demands from the community seeking to enjoy the rivers' environmental, recreational and cultural values. To provide a long-term response to these demands, the draft River Protection Strategy released in 2011-12 will be finalised in the coming year, with the focus shifting to implementing and measuring the effectiveness of actions and reporting outcomes. The Strategy will be the principal mechanism to achieve essential coordination, cooperation and collaboration between key parties to manage and protect the Swan-Canning Riverpark.
- The Trust will continue to work closely with the Western Australian Planning Commission, Department of Planning, Metropolitan Redevelopment Authority and other government agencies on the significant development proposals now underway along the central reaches of the Swan River, including: Perth Waterfront Development; WaterBank development at Trinity Reserve; Perth Major Stadium; and the Belmont Park Race Course redevelopment on the Burswood Peninsula.

- The rapid recovery of the upper Swan River from a period of extremely low oxygen and associated fish deaths in January 2012 highlighted the effectiveness of the State Government's oxygenation program. The Trust will continue to investigate cost effective delivery systems for the upper Canning River.
- A partnership between the Water Corporation, Western Australian Local Government Association, Department of Water and the Trust will continue to pursue strategies to address water quality issues arising from Perth's urban drainage system.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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	6%	2%	2%	2%	
Percentage of developments audited in full compliance with approval conditions	74%	100%	75%	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%	0%	0%	2
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.....	2.25%	0.9%	1.8%	1.19%	3
Percentage of people attending environmental education programs who change their behaviours as a result.....	67.5%	70%	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 2012-13 Budget Target for compliance with approval conditions should remain at 100% for statutory reasons despite the difficulty in achieving that level. The non-compliance instances reflected in the 2011-12 Estimated Actual percentage are predominantly situations that are corrected as a result of the Trust's compliance checking process.
2. The Chlorophyll A target (a measure of phytoplankton biomass) is a measure of water quality in four Swan-Canning Estuary Basins. Three basins have not met their target since reporting began in this way in 2001. The fourth basin, the Lower Swan-Canning Estuary Basin, has not achieved its target since 2008 and represents a deterioration in water quality. None of the basins is expected to achieve any management water quality targets for Chlorophyll A in the coming year because to do so would require a significant change in water quality. The Trust does not believe environmental conditions will shift this significantly in this period. Generally, the levels of Chlorophyll A as reported do not indicate major environmental or public health issues.
3. The percentage of foreshores protected can vary significantly depending on the type of work completed. In 2011-12 the Trust has focused more effort on revegetation compared to previous years, seeing an increase in the percentage of foreshores being protected. Walling works are planned for 2012-13 which will see a slight reduction in the percentage.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,306	1,439	1,357	1,464	1
Less Income	25	63	50	37	
Net Cost of Service.....	1,281	1,376	1,307	1,427	
Employees (Full Time Equivalents).....	11	11	11	11	
Efficiency Indicators					
Average Cost of Applications Assessed	\$3,629	\$4,317	\$4,608	\$5,491	2

Explanation of Significant Movements

(Notes)

1. The estimated increase in the Total Cost of Service for the 2012-13 Budget Target compared to the 2011-12 Estimated Actual includes funding to address matters such as dewatering and major project assessments.
2. It is anticipated that the actual number of statutory applications in the 2012-13 Budget Target year will decrease from an estimated 265 to 240 as a result of changes to Trust regulations that aim to streamline the assessment process. This will result in a higher average cost of applications assessed.

2: Riverpark Management

Manages shoreline restoration, operational, recreational and commercial activities to enhance Riverpark benefit and amenity.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	2,202	2,303	2,227	2,300	
Less Income	37	237	225	119	
Net Cost of Service.....	2,165	2,066	2,002	2,181	
Employees (Full Time Equivalents).....	24	24	24	23	
Efficiency Indicators					
Average Cost of Audit Compliance.....	\$379	\$600	\$675	\$732	1
Average Cost per Tonne of Waste Removed	\$158,520	\$16,450	\$35,917	\$22,996	2

Explanation of Significant Movements

(Notes)

1. It is expected that the number of compliance audits will reduce from 240 in the 2011-12 Budget to 200 in the Estimated Actual for 2011-12 and in the Budget for 2012-13. The Trust will be focusing on fewer but more significant projects.
2. The Estimated Actual for the Average Cost per Tonne of Waste Removed in 2011-12 is higher than the 2011-12 Budget because environmental conditions have seen weed wash up in areas where it has been able to be stockpiled and allowed to dry thereby reducing weight/volume prior to being disposed of in landfill. This is unlikely to re-occur in 2012-13.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	13,318	10,040	9,350	13,201	1
Less Income	4,615	3,754	3,006	4,288	2
Net Cost of Service.....	8,703	6,286	6,344	8,913	
Employees (Full Time Equivalents).....	13	14	14	14	
Efficiency Indicators					
Average Cost of River Monitoring per km of River Managed (Approximately 156 km).....	\$560	\$534	\$410	\$804	3
Average Cost per m ² of Foreshore Undergoing Protection and Rehabilitation Works	\$16.14	\$29.21	\$13.19	\$21.42	4

Explanation of Significant Movements

(Notes)

1. The 2011-12 Estimated Actual Total Cost of Service has decreased compared to the 2011-12 Budget Total Cost of Service as \$805,000 in Commonwealth Caring for our Country funds to implement the Swan Canning Water Quality Improvement Plan will not be received in 2011-12 as originally expected. These funds will now be received in the 2012-13 Budget Target year along with an additional \$1.1 million of appropriations for Wetland Nutrient Intervention Systems and \$1.4 million for upgrades to two Canning River oxygenation plants.
2. The increase in Income in the 2012-13 Budget Target year represents Commonwealth Caring for our Country funds to implement the Swan Canning Water Quality Improvement Plan.
3. The increase in the Average Cost of River Monitoring per km of River Managed in the 2012-13 Budget Target year, reflects the increase in Commonwealth Caring for our Country funds to implement the Swan Canning Water Quality Improvement Plan and an additional \$1.4 million for upgrades to the two Canning River oxygenation plants.
4. The decrease in Average Cost per m² of Foreshore Undergoing Protection and Rehabilitation Works in the 2011-12 Estimated Actual reflects the fact the figure is influenced by the type of works undertaken. Works that include walling reconstruction to protect infrastructure will cost up to \$8,000 per linear metre. In 2011-12, there was an increased focus on revegetation which is comparatively cheaper. Forward works planned for 2012-13 are focused on more revegetation, however, there are some walling reconstruction projects planned which sees an increase in cost for the area covered.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 1,208	\$'000 1,249	\$'000 1,338	\$'000 1,628	1
Less Income	541	447	459	152	
Net Cost of Service.....	667	802	879	1,476	
Employees (Full Time Equivalents).....	9	9	9	10	
Efficiency Indicators					
Average Cost per Person Attending an Environmental Education Program	\$532	\$1,249	\$1,241	\$1,252	

Explanation of Significant Movements

(Notes)

1. The estimated increase in the Total Cost of Service for the 2012-13 Budget Target year compared to the 2011-12 Estimated Actual includes funding for website development, a behaviour change research study to enhance stakeholder and public education and external event sponsorship.

ASSET INVESTMENT PROGRAM

To support the delivery of the Trust's services, a total of \$210,000 is to be spent in 2012-13 on the replacement of a vessel and a courtesy mooring.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Replace Courtesy Moorings.....	20	10	10	10	-	-	-
COMPLETED WORKS							
Patrol Boat.....	222	222	169	-	-	-	-
Replace Tip Truck	217	217	217	-	-	-	-
Replacement of 'Wilma Vincent' Vessel	175	175	175	-	-	-	-
NEW WORKS							
Replace Courtesy Moorings.....	31	-	-	-	10	10	11
Replacement of 'Noel Robins' Vessel	200	-	-	200	-	-	-
Replacement of Front End Loader	240	-	-	-	-	-	240
Replacement of Trailcraft.....	50	-	-	-	-	50	-
Total Cost of Asset Investment Program	1,155	624	571	210	10	60	251
FUNDED BY							
Asset Sales.....			94	30	-	10	80
Drawdowns from the Holding Account			165	180	10	50	171
Internal Funds and Balances			312	-	-	-	-
Total Funding			571	210	10	60	251

FINANCIAL STATEMENTS**Income Statement***Expenses*

A total of \$0.8 million of Commonwealth Caring for our Country expenditure has been deferred from 2011-12 to 2012-13. The 2012-13 Budget Estimate also includes additional expenditure of \$1.1 million on wetland projects and \$1.4 million for the upgrades to two Canning River oxygenation plants.

Income

Grants and subsidies income includes \$3.0 million annually from the Burswood Park Board. Commonwealth Caring for our Country funding is estimated to be \$513,000 in 2011-12 and \$1.4 million in 2012-13.

An additional \$1.4 million of State Government funding for the upgrade of two Canning River oxygenation plants is also to be received in 2012-13 with a further \$1.0 million in 2013-14 for the Swan-Canning River oxygenation program.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	5,223	5,040	5,616	5,904	6,185	6,506	6,930
Grants and subsidies ^(c)	8,625	3,470	4,515	5,875	5,165	4,012	4,012
Supplies and services	3,106	5,249	2,869	5,451	4,849	4,735	4,060
Accommodation.....	638	781	690	710	729	750	750
Depreciation and amortisation	128	114	233	292	263	252	260
Efficiency dividend.....	-	-	-	-	(372)	(483)	(587)
Other expenses.....	314	377	349	361	374	385	390
TOTAL COST OF SERVICES	18,034	15,031	14,272	18,593	17,193	16,157	15,815
Income							
Sale of goods and services	115	-	-	-	-	-	-
Grants and subsidies	5,069	4,318	3,513	4,429	3,000	3,000	3,000
Other revenue	34	183	227	167	141	155	225
Total Income	5,218	4,501	3,740	4,596	3,141	3,155	3,225
NET COST OF SERVICES.....	12,816	10,530	10,532	13,997	14,052	13,002	12,590
INCOME FROM STATE GOVERNMENT							
Service appropriations	12,179	11,249	11,249	13,735	13,174	11,730	11,395
Resources received free of charge.....	26	41	41	42	44	45	45
TOTAL INCOME FROM STATE GOVERNMENT.....	12,205	11,290	11,290	13,777	13,218	11,775	11,440
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(611)	760	758	(220)	(834)	(1,227)	(1,150)

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 57, 58 and 58 respectively. In some cases the figures for 2010-11 and 2011-12 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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Healthy Rivers Action Plan	8,625	3,470	4,515	5,875	5,165	4,012	4,012
TOTAL.....	8,625	3,470	4,515	5,875	5,165	4,012	4,012

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	2,261	2,258	1,785	2,107	2,579	3,181	2,478
Restricted cash.....	1,452	2,383	2,412	2,538	1,908	658	658
Holding account receivables	68	135	180	10	50	171	166
Receivables	436	461	436	256	255	252	247
Other.....	4,452	5,065	4,459	3,859	3,259	2,659	2,059
Total current assets	8,669	10,302	9,272	8,770	8,051	6,921	5,608
NON-CURRENT ASSETS							
Holding account receivables	331	343	168	450	663	744	838
Property, plant and equipment	21,433	1,372	21,811	21,768	21,525	21,333	21,325
Intangibles	86	-	46	7	-	-	-
Other.....	10	14	9	8	6	5	4
Total non-current assets.....	21,860	1,729	22,034	22,233	22,194	22,082	22,167
TOTAL ASSETS	30,529	12,031	31,306	31,003	30,245	29,003	27,775
CURRENT LIABILITIES							
Payables.....	237	105	237	237	237	237	237
Other.....	602	166	621	538	614	599	521
Total current liabilities.....	839	271	858	775	851	836	758
TOTAL LIABILITIES.....	839	271	858	775	851	836	758
EQUITY							
Contributed equity	20,736	326	20,736	20,736	20,736	20,736	20,736
Accumulated surplus/(deficit).....	8,954	11,411	9,712	9,492	8,658	7,431	6,281
Other.....	-	23	-	-	-	-	-
Total equity	29,690	11,760	30,448	30,228	29,394	28,167	27,017
TOTAL LIABILITIES AND EQUITY.....	30,529	12,031	31,306	31,003	30,245	29,003	27,775

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	12,075	11,135	11,135	13,443	12,911	11,478	11,135
Holding account drawdowns.....	143	68	165	180	10	50	171
Net cash provided by State Government.....	12,218	11,203	11,300	13,623	12,921	11,528	11,306
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(5,258)	(4,930)	(5,586)	(5,904)	(6,185)	(6,506)	(6,930)
Grants and subsidies	(8,525)	(3,470)	(4,515)	(5,275)	(4,565)	(3,412)	(3,412)
Supplies and services	(2,905)	(5,141)	(2,765)	(5,408)	(4,645)	(4,614)	(4,016)
Accommodation.....	(638)	(771)	(690)	(710)	(729)	(750)	(748)
Efficiency dividend.....	-	-	-	-	372	483	587
Other payments.....	(1,565)	(833)	(1,452)	(1,439)	(1,424)	(1,385)	(1,291)
Receipts							
Grants and subsidies	6,032	4,318	3,513	4,429	3,000	3,000	3,000
GST receipts	1,226	373	1,030	1,182	973	920	827
Other receipts.....	148	126	126	130	134	138	145
Net cash from operating activities	(11,485)	(10,328)	(10,339)	(12,995)	(13,069)	(12,126)	(11,838)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(307)	(120)	(571)	(210)	(10)	(60)	(251)
Proceeds from sale of non-current assets	109	30	94	30	-	10	80
Net cash from investing activities	(198)	(90)	(477)	(180)	(10)	(50)	(171)
NET INCREASE/(DECREASE) IN CASH HELD	535	785	484	448	(158)	(648)	(703)
Cash assets at the beginning of the reporting period.....	3,178	3,856	3,713	4,197	4,645	4,487	3,839
Cash assets at the end of the reporting period.....	3,713	4,641	4,197	4,645	4,487	3,839	3,136

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

ZOOLOGICAL PARKS AUTHORITY

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 71

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 104 Net amount appropriated to deliver services	9,727	10,166	10,166	10,710	11,049	11,315	11,536
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	206	219	219	229	237	246	254
Total appropriations provided to deliver services	9,933	10,385	10,385	10,939	11,286	11,561	11,790
CAPITAL							
Item 162 Capital Appropriation	735	735	735	735	735	735	735
TOTAL APPROPRIATIONS.....	10,668	11,120	11,120	11,674	12,021	12,296	12,525
EXPENSES							
Total Cost of Services.....	21,540	21,832	21,857	22,953	23,874	24,081	24,330
Net Cost of Services ^(a)	9,110	9,053	9,031	10,782	11,372	11,030	10,634
CASH ASSETS ^(b)	4,676	4,103	2,496	2,283	1,973	2,333	3,226

(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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Community Engagement and Awareness in Conservation	19,216	19,594	19,325	20,373	21,193	21,391	21,627
2. Wildlife Management, Medicine and Research	2,324	2,238	2,532	2,580	2,681	2,690	2,703
Total Cost of Services	21,540	21,832	21,857	22,953	23,874	24,081	24,330

Significant Issues Impacting the Agency

- The Authority's strategic direction will continue to focus on achieving its goals in the conservation of wildlife and on improving the Zoo visitor experience. This includes continuing its work in conservation education, research and communication, fundraising to support conservation projects and breeding programs for threatened species. This also includes breeding for release into the wild. Seeking research, sponsorship and grant funding to supplement income will continue.
- The trend of decreased spending by Zoo visitors once in the park has challenged the Authority to deliver more attractive and affordable visitor experiences and products. In 2012-13 there will be a concentration on implementing new commercial visitor experiences and enhancing existing commercial areas.
- The ongoing implementation of an integrated water management strategy and the finalisation and installation of the Zoo's solar energy program will continue the Authority's emphasis on environmental sustainability.
- The Sumatran Orangutan visitor viewing project is prioritised for completion in 2012-13.

Outcomes and Key Effectiveness Indicators^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Conservation of wildlife:					
The Zoo as an educational/learning experience:					
- agree	94%	97%	95%	95%	
- neutral	4%	2%	4%	4%	
- disagree	1%	1%	1%	1%	
- no response	1%	0%	0%	0%	
Number of offspring produced by threatened animals for re-introduction:					
- western swamp tortoise	47	43	47	30	1
- numbat	14	12	19	12	
- dibbler	94	50	62	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. The 2012-13 Budget Target is based on that set independently by the Department of Environment and Conservation Recovery Team for this species. Recent higher levels of breeding are a result of some animals producing offspring earlier than expected.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 19,216	\$'000 19,594	\$'000 19,325	\$'000 20,373	
Less Income	11,646	12,400	12,242	11,832	
Net Cost of Service.....	7,570	7,194	7,083	8,541	
Employees (Full Time Equivalents).....	146	147	146	146	
Efficiency Indicators ^(a)					
Average Cost per Visitor	\$31.41	\$31.10	\$31.17	\$32.60	

(a) The total visitor numbers for 2010-11 Actual, 2011-12 Budget, 2011-12 Estimated Actual and 2012-13 Budget Target are 611,793, 630,000, 620,000 and 625,000 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 2,324	\$'000 2,238	\$'000 2,532	\$'000 2,580	
Less Income	784	379	584	339	
Net Cost of Service.....	1,540	1,859	1,948	2,241	
Employees (Full Time Equivalents).....	21	19	20	21	
Efficiency Indicators					
Research Communications Produced per Full Time Equivalent	1.36	1.05	0.99	0.90	

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. Planning over the past eighteen months has set a clear direction for the Authority in planning for exhibit upgrades/replacements and improving visitor facilities.

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. For the 2012-13 program, projects include:

- implementation of the first stage of the integrated water infrastructure management project (a six-year staged program), which will deliver long-term savings;
- construction of elevated visitor viewing and interpretation facilities at the Sumatran Orangutan exhibit;
- improved visitor amenities including an upgrade of the playground, front entry and ablution facilities resulting in better outcomes for families and other visitors to the Zoo;
- phased implementation of an upgrade of breeding facilities for Western Swamp Tortoise; and
- progression of planning for other exhibits and facility upgrades throughout the Zoo.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Animal Exhibits – Orangutan Exhibit.....	3,758	1,945	634	1,813	-	-	-
Facilities and Equipment - Water Infrastructure Management Project	11,900	1,000	1,000	2,600	3,500	3,200	1,000
COMPLETED WORKS							
Animal Exhibits and Park Facilities – 2008-09 to 2011-12 ...	6,251	6,251	2,471	-	-	-	-
Facilities and Equipment							
Computer Equipment 2011-12 Program	68	68	68	-	-	-	-
Minor Equipment and Works 2011-12 Program	276	276	276	-	-	-	-
Solar Energy	1,500	1,500	1,052	-	-	-	-
NEW WORKS							
Animal Exhibits and Park Facilities							
Animal Exhibits and Park Facilities - 2012-13 to 2015-16	5,858	-	-	100	1,955	1,868	1,935
Family Facilities - Visitor Amenities	1,500	-	-	1,500	-	-	-
Western Swamp Tortoise Breeding Facilities	1,060	-	-	250	260	270	280
Facilities and Equipment							
Computer Equipment							
2012-13 Program	70	-	-	70	-	-	-
2013-14 Program	70	-	-	-	70	-	-
2014-15 Program	70	-	-	-	-	70	-
2015-16 Program	70	-	-	-	-	-	70
Minor Equipment and Works							
2012-13 Program	115	-	-	115	-	-	-
2013-14 Program	112	-	-	-	112	-	-
2014-15 Program	130	-	-	-	-	130	-
2015-16 Program	63	-	-	-	-	-	63
Total Cost of Asset Investment Program	32,871	11,040	5,501	6,448	5,897	5,538	3,348
FUNDED BY							
Capital Appropriation			735	735	735	735	735
Drawdowns from the Holding Account			2,020	5,370	4,780	4,490	2,300
Internal Funds and Balances			2,746	228	270	183	250
Other			-	115	112	130	63
Total Funding			5,501	6,448	5,897	5,538	3,348

FINANCIAL STATEMENTS

Income Statement

Expenses

The Total Cost of Services in the Income Statement of \$22.9 million for the 2012-13 Budget Estimate is a \$1.1 million (5.0%) increase over the 2011-12 Estimated Actual. These cost increases are mainly associated with cost pressures from supplies, services and maintenance (\$451,000) as a result of planned increases to preventative maintenance programs and increased costs of contracted services. There is also an increase in employee benefit expenses (\$217,000) as a result of award rate increases. Accommodation expenses relate to the cost of electricity and water and these are expected to rise in 2012-13 due to tariff increases. While tariff increases are impacting on the budget, it should be noted that the Zoo's new solar energy installation began delivering savings to units of electricity consumption in 2011-12 and is expected to deliver increased savings in 2012-13.

Income

The Total Income in the Income Statement of \$12.2 million for the 2012-13 Budget Estimate represents a \$655,000 (5.0%) reduction over the 2011-12 Estimated Actual. Income from goods and services is expected to increase by \$290,000 (2.7%). Income from grants is expected to decrease by \$131,000 (47.0%) as ongoing commitments for 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 decrease by \$814,000 (47.6%) following the completion of the solar energy asset investment project in 2011-12. The solar energy project has resulted in a significant level of donated assets during 2010-11 and 2011-12 and no significant asset donations are expected in 2012-13.

Statement of Financial Position

Total Equity is expected to increase by \$1.2 million (2.5%) for the 2012-13 Budget Estimate compared to the 2011-12 Estimated Actual. The increase in equity is the net result of assets increasing by \$1.3 million (2.5%) and liabilities increasing by \$88,000 (2.4%).

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 affected by asset revaluations.

The increase in liabilities is mainly due to employee provisions for annual and long service leave increasing by \$38,000 (1.6%) as a result of award rate increases. Income in advance from membership subscriptions and payables associated with asset investment projects are also expected to result in minor increases to liabilities.

Statement of Cashflows

The closing cash balance of \$2.3 million for the 2012-13 Budget Estimate represents a decrease of \$213,000 (8.5%) compared to the Estimated Actual for 2011-12. The cash balance includes restricted funds associated with a provision for the 27th pay that will fall in 2015. The Authority has been allocating \$50,000 annually to ensure sufficient funding is available in 2015 to meet these costs. The cash balance also 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 \$250,000 per annum are targeted to be raised and retained for direction to future projects in the asset investment program.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	12,865	12,757	12,832	13,049	13,509	13,841	14,003
Grants and subsidies ^(c)	324	383	383	408	408	400	400
Supplies and services	2,648	2,876	2,826	3,037	3,459	3,332	3,409
Accommodation	442	470	470	515	565	570	570
Depreciation and amortisation	2,271	2,318	2,318	2,650	2,750	2,800	2,800
Equipment repairs and maintenance	2,341	2,493	2,493	2,745	2,625	2,570	2,570
Other expenses	649	535	535	549	558	568	578
TOTAL COST OF SERVICES	21,540	21,832	21,857	22,953	23,874	24,081	24,330
Income							
Sale of goods and services	10,325	10,840	10,840	11,130	11,540	12,058	12,702
Grants and subsidies	126	251	276	145	60	60	60
Other revenue	1,979	1,688	1,710	896	902	933	934
Total Income	12,430	12,779	12,826	12,171	12,502	13,051	13,696
NET COST OF SERVICES	9,110	9,053	9,031	10,782	11,372	11,030	10,634
INCOME FROM STATE GOVERNMENT							
Service appropriations	9,933	10,385	10,385	10,939	11,286	11,561	11,790
TOTAL INCOME FROM STATE GOVERNMENT	9,933	10,385	10,385	10,939	11,286	11,561	11,790
SURPLUS/(DEFICIENCY) FOR THE PERIOD	823	1,332	1,354	157	(86)	531	1,156

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 167, 166 and 167 respectively. In some cases the figures for 2010-11 and 2011-12 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

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Wildlife Conservation	324	383	383	408	408	400	400
TOTAL	324	383	383	408	408	400	400

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	4,347	3,597	2,117	1,854	1,494	1,854	3,153
Restricted cash.....	329	506	379	429	479	479	73
Holding account receivables	2,020	3,620	5,370	4,780	4,490	2,300	1,620
Receivables.....	496	797	584	669	689	699	699
Other.....	224	285	229	239	244	249	249
Total current assets	7,416	8,805	8,679	7,971	7,396	5,581	5,794
NON-CURRENT ASSETS							
Holding account receivables	7,576	6,314	4,564	2,474	774	1,314	2,534
Property, plant and equipment	15,279	16,346	14,727	14,659	13,811	12,963	12,265
Other.....	19,729	23,217	24,408	28,574	32,800	36,686	38,232
Total non-current assets.....	42,584	45,877	43,699	45,707	47,385	50,963	53,031
TOTAL ASSETS.....	50,000	54,682	52,378	53,678	54,781	56,544	58,825
CURRENT LIABILITIES							
Employee provisions.....	1,796	1,759	1,829	1,861	1,904	1,946	1,971
Payables.....	468	382	298	323	341	351	351
Other.....	961	1,252	1,060	1,084	1,150	1,241	1,271
Total current liabilities.....	3,225	3,393	3,187	3,268	3,395	3,538	3,593
NON-CURRENT LIABILITIES							
Employee provisions.....	539	463	546	552	558	588	603
Other.....	15	12	15	16	17	21	21
Total non-current liabilities	554	475	561	568	575	609	624
TOTAL LIABILITIES.....	3,779	3,868	3,748	3,836	3,970	4,147	4,217
EQUITY							
Contributed equity	25,270	26,005	26,005	26,740	27,475	28,210	28,945
Accumulated surplus/(deficit).....	14,039	15,459	15,393	15,550	15,464	15,995	17,151
Reserves.....	6,912	9,350	7,232	7,552	7,872	8,192	8,512
Total equity	46,221	50,814	48,630	49,842	50,811	52,397	54,608
TOTAL LIABILITIES AND EQUITY.....	50,000	54,682	52,378	53,678	54,781	56,544	58,825

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	7,665	8,027	8,027	8,249	8,496	8,721	8,950
Capital appropriation	735	735	735	735	735	735	735
Holding account drawdowns.....	970	2,020	2,020	5,370	4,780	4,490	2,300
Net cash provided by State Government.....	9,370	10,782	10,782	14,354	14,011	13,946	11,985
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(12,703)	(12,673)	(12,748)	(13,013)	(13,459)	(13,742)	(13,904)
Grants and subsidies	(324)	(383)	(383)	(408)	(408)	(400)	(400)
Supplies and services	(2,559)	(2,860)	(2,810)	(3,022)	(3,414)	(3,342)	(3,409)
Accommodation.....	(462)	(470)	(470)	(515)	(565)	(560)	(560)
Other payments.....	(3,557)	(4,104)	(4,223)	(4,421)	(4,523)	(4,304)	(4,020)
Receipts							
Grants and subsidies	192	251	276	145	60	60	60
Sale of goods and services	10,027	10,896	10,896	11,140	11,790	12,144	12,626
GST receipts	912	1,026	1,145	1,104	1,212	1,193	959
Other receipts.....	1,546	834	856	871	883	903	904
Net cash from operating activities	(6,928)	(7,483)	(7,461)	(8,119)	(8,424)	(8,048)	(7,744)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(2,360)	(3,265)	(5,501)	(6,448)	(5,897)	(5,538)	(3,348)
Proceeds from sale of non-current assets	14	-	-	-	-	-	-
Net cash from investing activities	(2,346)	(3,265)	(5,501)	(6,448)	(5,897)	(5,538)	(3,348)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	(13)	-	-	-	-	-	-
Net cash from financing activities.....	(13)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	83	34	(2,180)	(213)	(310)	360	893
Cash assets at the beginning of the reporting period.....	4,593	4,069	4,676	2,496	2,283	1,973	2,333
Cash assets at the end of the reporting period.....	4,676	4,103	2,496	2,283	1,973	2,333	3,226

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

WATER

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 72

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 105 Net amount appropriated to deliver services	72,268	74,114	78,536	71,158	67,539	68,251	68,674
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	225	233	233	240	247	255	263
Total appropriations provided to deliver services	72,493	74,347	78,769	71,398	67,786	68,506	68,937
ADMINISTERED TRANSACTIONS							
Item 106 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	1,388	605	605	161	56	-	-
CAPITAL							
Item 163 Capital Appropriation	3,625	2,791	2,791	4,382	5,016	4,653	5,858
TOTAL APPROPRIATIONS.....	77,506	77,743	82,165	75,941	72,858	73,159	74,795
EXPENSES							
Total Cost of Services.....	101,701	89,138	104,535	88,455	79,916	79,412	76,792
Net Cost of Services ^(a)	70,051	73,371	81,104	83,045	70,019	71,018	69,156
CASH ASSETS ^(b)	19,848	1,249	24,851	18,117	19,718	21,319	22,920

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
City of Geraldton Greenough Stormwater Harvesting and Efficiency	-	1,205	1,475	-	-
Gascoyne Irrigation Pipeline Project	-	7,245	-	-	-
Organisational Restructure and Voluntary Severance.....	(5,321)	(11,320)	(9,201)	(10,391)	(1,583)
Projects Funded from External Revenue.....	11,664	1,688	2,340	1,429	671
Water and Natural Resource Management (Royalties for Regions).....	872	4,170	3,178	3,450	1,150
Efficiency Dividend.....	-	(1,359)	(1,938)	(2,647)	(3,366)

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.	Sufficient quality water to support the needs of the community, environment and state development.	1. Urban Water Management and Industry Services 2. Water Use Allocation and Optimisation 3. Catchment and Waterways Health

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Urban Water Management and Industry Services.....	37,921	36,049	35,964	30,643	27,454	26,084	27,186
2. Water Use Allocation and Optimisation	47,388	42,732	59,470	51,528	48,340	49,800	46,514
3. Catchment and Waterways Health	16,392	10,357	9,101	7,643	6,060	6,175	6,458
4. Contribution to Responsible Financial Management.....	-	-	-	(1,359)	(1,938)	(2,647)	(3,366)
Total Cost of Services	101,701	89,138	104,535	88,455	79,916	79,412	76,792

Significant Issues Impacting the Agency

- The major challenges for the State's lead agency in water planning, policy and resource management are generated by a combination of a changing climate and increasing demand for water.
- Since the mid 1970s, average rainfall in Western Australia's South West has declined by more than 10.0%. Average runoff into dams in the South West has fallen from 338 gegalitres (GL) per year to 84 GLs/year. Climate forecasts project an average further 7.0% decline in the South West and increasing variability in the north of the State.
- Over the past 30 years the amount of water licensed to public water supply, agriculture, mining and industry has more than tripled from 750 GL/year to 2,340 GL/year.
- To meet these challenges and respond to an expanding population, the Department has strengthened its capacity especially in science, planning, policy and regulation. Business improvements have supported the targeting of resources to these priority areas.
- Over the next four years, the State Government will spend an additional \$35.3 million to improve the State's knowledge of groundwater sources in targeted areas in Perth, the South Coast, the Mid West, Pilbara and Kimberley. These investigations will result in better water planning and management now and for the future.

- Over \$13.6 million will be allocated to replacing the Department's ageing computer systems to improve the Department's water management, information provision and reporting. Specific improvements will be made to information that supports water allocation, the efficiency of licensing and compliance processes, and information provision for government, industry and the community.
- The State Government's priority of promoting innovation and water efficiency is a key part of ensuring there is sufficient water to support the State's economic and population growth, and protecting important dependent environments in the face of a changing climate. In 2012-13, this includes delivering a State recycling policy and working with agriculture and industry to maximise the efficient use of water in demonstration projects across the State.

Outcomes and Key Effectiveness Indicators^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Sufficient quality water to support the needs of the community, environment and state development:					
Proportion of water resource management areas that are planned appropriate to their water resource category	60%	80%	85%	86%	
Proportion of water resources with licensed allocations that are within the allocation limit	85%	85%	85%	85%	
Proportion of public water supplies covered by a drinking water source protection plan	89%	96%	90%	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: 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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	37,921	36,049	35,964	30,643	1
Less Income	17,730	10,029	8,786	2,567	
Net Cost of Service	20,191	26,020	27,178	28,076	
Employees (Full Time Equivalents).....	185	238	181	177	
Efficiency Indicators					
Average Cost per Industry Water Services Policy Instrument ^(b)	\$39,466	\$42,915	\$60,452	\$40,599	1
Average Cost per Drinking Water Source Protection Plan	\$651,193	\$577,737	\$785,631	\$643,619	1
Average Cost per Square km of Designated Proclaimed Water Supply Catchments where Salinity and Water Resource Recovery Measures are Implemented	\$636	\$250	\$528	\$442	1
Average Cost per Drainage and Water Management Plan and Assessment	\$5,802	\$6,797	\$6,761	\$5,092	1

- (a) This service is provided to urban, rural and remote areas. The term 'Urban Water Management' refers to the improved management of our 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 movement in service expenditure and associated key efficiency indicator average cost reflects the Department's implementation of structural reform and business improvements.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 47,388	\$'000 42,732	\$'000 59,470	\$'000 51,528	1
Less Income	8,070	3,610	11,982	1,842	
Net Cost of Service.....	39,318	39,122	47,488	49,686	
Employees (Full Time Equivalents).....	265	286	280	271	
Efficiency Indicators ^(a)					
Average Cost per Allocation Plan Completed	\$1,350,663	\$1,024,119	\$1,149,287	\$1,172,868	1
Average Time Taken (Days) to Process a License by Water Category Grouping:					
- Category 1	58	40	40	40	
- Category 2	56	40	40	40	
- Category 3	57	50	50	50	
- Category 4	60	60	60	60	
Expenditure on Water Licence Administration:					
- Average Cost per Water Licence (All Categories).....	\$2,061	\$1,786	\$2,534	\$2,149	1
- Total Number of Licences Processed by Category Grouping:					
- Category 1	930	1,000	1,000	1,000	
- Category 2	2,216	2,200	2,200	2,200	
- Category 3	4,877	5,000	5,000	5,000	
- Category 4	4,121	3,600	3,600	3,600	

(a) The term 'average' refers to a three year rolling average.

Explanation of Significant Movements

(Notes)

1. The movements in service expenditure and associated key efficiency indicator average cost reflect the Department's implementation of structural reform and business improvements.

3: Catchment and Waterways Health

Protecting the State's waterways and catchments through river management and recovery programs.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 16,392	\$'000 10,357	\$'000 9,101	\$'000 7,643	1
Less Income	5,850	2,128	2,663	1,001	
Net Cost of Service.....	10,542	8,229	6,438	6,642	
Employees (Full Time Equivalents).....	87	56	40	38	
Efficiency Indicators					
Average Cost per km Squared of Designated Inland Rural Catchments Where Dryland Salinity Management Measures are Implemented	\$518	\$779	\$262	\$200	1
Average Cost per Waterway Management Plan Developed.....	\$440,752	\$583,997	\$345,245	\$503,823	2

Explanation of Significant Movements

(Notes)

1. The movement in service expenditure and associated key efficiency indicator average cost reflects the Department's implementation of structural reform and business improvements.
2. Variation between 2012-13 Budget Target and 2011-12 Estimated Actual relates mainly to additional plans being completed in 2011-12 resulting from additional State Natural Resource Management funding received.

ASSET INVESTMENT PROGRAM

The 2012-13 asset investment program will see the Department investing in the replacement of the Department's current legacy water management system with the platform for contemporary water management. This will improve the Department's water management information provision and reporting. 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 computer hardware and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Computing and Office Equipment Replacement							
2011-12 Program	261	261	261	-	-	-	-
Groundwater Resources Investigation and Monitoring							
2011-12 Program	2,540	2,540	2,540	-	-	-	-
Land Acquisition - Land Purchase in Priority 1 Areas							
2011-12 Program	1,044	1,044	1,044	-	-	-	-
Pilbara Cities Initiative ^(a)	12,500	12,500	12,500	-	-	-	-
Replace and Maintain Monitoring Bores							
2011-12 Program	2,945	2,945	2,945	-	-	-	-
Replace and Maintain River Gauging Stations							
2011-12 Program	1,926	1,926	1,926	-	-	-	-
State-wide Metering							
2009-10 Program	1,871	1,871	216	-	-	-	-
NEW WORKS							
Collie Desalination - Phase 2 ^(a)	4,700	-	-	4,700	-	-	-
Computing and Office Equipment Replacement							
2012-13 Program	250	-	-	250	-	-	-
2013-14 Program	280	-	-	-	280	-	-
2014-15 Program	280	-	-	-	-	280	-
2015-16 Program	375	-	-	-	-	-	375
Groundwater Resources Investigation and Monitoring							
2012-13 Program	1,799	-	-	1,799	-	-	-
2013-14 Program	2,403	-	-	-	2,403	-	-
2014-15 Program	2,040	-	-	-	-	2,040	-
2015-16 Program	2,354	-	-	-	-	-	2,354
Land Acquisition - Land Purchase in Priority 1 Areas							
2012-13 Program	1,000	-	-	1,000	-	-	-
2013-14 Program	1,030	-	-	-	1,030	-	-
2014-15 Program	1,030	-	-	-	-	1,030	-
2015-16 Program	1,000	-	-	-	-	-	1,000
Platform for Contemporary Water Management.....	13,646	-	-	2,853	4,066	3,387	3,340
Replace and Maintain Monitoring Bores							
2012-13 Program	2,907	-	-	2,907	-	-	-
2013-14 Program	7,491	-	-	-	7,491	-	-
2014-15 Program	3,775	-	-	-	-	3,775	-
2015-16 Program	4,355	-	-	-	-	-	4,355
Replace and Maintain River Gauging Stations							
2012-13 Program	1,308	-	-	1,308	-	-	-
2013-14 Program	2,102	-	-	-	2,102	-	-
2014-15 Program	1,604	-	-	-	-	1,604	-
2015-16 Program	1,850	-	-	-	-	-	1,850
Total Cost of Asset Investment Program	80,666	23,087	21,432	14,817	17,372	12,116	13,274

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
FUNDED BY							
Capital Appropriation			2,791	4,382	5,016	4,653	5,858
Drawdowns from the Holding Account			4,996	4,465	9,873	5,659	5,659
Internal Funds and Balances			1,145	1,270	2,483	1,804	1,757
Drawdowns from Royalties for Regions Fund ^(b)			12,500	4,700	-	-	-
Total Funding			21,432	14,817	17,372	12,116	13,274

(a) 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 2012-13 Total Cost of Services of \$16.1 million (15.4%) when compared to 2011-12 Estimated Actual. This decrease is mainly attributable to a reduction in expenditure associated with salaries, wages and superannuation and supplies and services. The reduction in expenditure reflects the Department's progress on structural reform and business improvement and the completion of several State Natural Resource Management and Commonwealth Government funded projects.

Income

The Department's Total Income is estimated to decrease by \$18.0 million (76.9%) in 2012-13 when compared to 2011-12 Estimated Actual. A reduction in revenue from external funding providers including Commonwealth Government and Royalties for Regions (RfR) funding is forecast with projects including the Gascoyne Irrigation Pipeline having been completed.

Statement of Financial Position

The Department's Total equity is expected to increase by \$2.3 million (1.0%) in 2012-13. This is mainly attributable to an increase in property plant and equipment associated with the Platform for Contemporary Water Management project which will commence in 2012-13.

Statement of Cashflows

In 2012-13 cashflows from government are forecast to decrease by \$18.6 million (18.5%) compared to 2011-12 Estimated Actual reflecting a reduction in funding associated with the Department's structural reform and business improvements and RfR funding. A reduction of \$18.0 million in receipts associated with Grants and Subsidies is also forecast with several Commonwealth Government funded projects being completed.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	53,444	56,140	50,819	45,793	47,425	48,962	52,241
Grants and subsidies ^(c)	6,129	12,335	11,870	12,469	4,414	2,819	1,969
Supplies and services	22,727	7,251	24,882	13,294	11,138	11,092	6,751
Accommodation	3,867	4,338	4,425	4,558	4,694	4,835	4,981
Depreciation and amortisation	6,281	6,143	6,143	7,078	7,349	7,349	7,349
Efficiency dividend	-	-	-	(1,359)	(1,938)	(2,647)	(3,366)
Other expenses	9,253	2,931	6,396	6,622	6,834	7,002	6,867
TOTAL COST OF SERVICES	101,701	89,138	104,535	88,455	79,916	79,412	76,792
Income							
Sale of goods and services	466	-	-	-	-	-	-
Regulatory fees and fines ^(d)	44	55	55	55	5,854	5,854	5,854
Grants and subsidies	27,223	14,601	22,265	4,244	2,932	1,429	671
Other revenue	3,917	1,111	1,111	1,111	1,111	1,111	1,111
Total Income	31,650	15,767	23,431	5,410	9,897	8,394	7,636
NET COST OF SERVICES	70,051	73,371	81,104	83,045	70,019	71,018	69,156
INCOME FROM STATE GOVERNMENT							
Service appropriations	72,493	74,347	78,769	71,398	67,786	68,506	68,937
Resources received free of charge	908	451	451	451	451	451	451
Royalties for Regions Fund ^{(e)(f)}	1,445	6,565	8,032	4,462	3,383	3,662	1,369
TOTAL INCOME FROM STATE GOVERNMENT	74,846	81,363	87,252	76,311	71,620	72,619	70,757
SURPLUS/(DEFICIENCY) FOR THE PERIOD	4,795	7,992	6,148	(6,734)	1,601	1,601	1,601

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 537, 501 and 486 respectively.

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

(d) Depending on the Government's decision, the Department may implement cost recovery for water resource management and planning charges in 2013-14 and beyond.

(e) Regional Infrastructure and Headworks Fund - \$1.2 million (2010-11), \$6.6 million (2011-12), \$7.8 million (2011-12 Estimated Out Turn), \$4.3 million (2012-13), \$3.2 million (2013-14), \$3.5 million (2014-15) and \$1.2 million (2015-16).

(f) Regional Community Services Fund - \$0.3 million (2010-11), \$0 (2011-12), \$0.2 million (2011-12 Estimated Out Turn), \$0.2 million (2012-13), \$0.2 million (2013-14), \$0.2 million (2014-15) and \$0.2 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Aboriginal Rangers Reserve 31165	592	-	-	-	-	-	-
City of Geraldton Greenough Stormwater Harvesting and Efficiency.....	-	-	220	1,205	1,475	100	-
Community Development Employment Project.....	226	232	232	232	200	-	-
Gascoyne Irrigation Pipeline	-	8,050	7,045	6,885	-	-	-
Other Grants	1,286	-	-	-	-	-	-
Premier's Water Foundation	686	318	155	-	-	-	-
Rural Water Grants.....	747	2,140	2,040	2,980	2,040	2,040	1,290
State Water Strategy Grants.....	284	267	297	267	267	267	267
State-wide Water Efficiency Measures.....	308	262	305	262	262	262	262
Urban Drainage	73	150	113	120	150	150	150
Urban Waterways Renewal	1,927	916	1,143	258	-	-	-
Water and Natural Resource Management Initiative (RfR)	-	-	320	260	20	-	-
TOTAL.....	6,129	12,335	11,870	12,469	4,414	2,819	1,969

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	17,709	75	22,571	15,696	17,297	18,898	20,499
Restricted cash.....	1,211	107	1,211	1,211	1,211	1,211	1,211
Holding account receivables	4,996	4,465	4,465	9,873	5,659	5,659	5,659
Receivables.....	2,024	4,125	2,024	2,024	2,024	2,024	2,024
Other.....	882	1,386	882	882	882	882	882
Assets held for sale	3,695	5,486	3,695	3,695	3,695	3,695	3,695
Total current assets	30,517	15,644	34,848	33,381	30,768	32,369	33,970
NON-CURRENT ASSETS							
Holding account receivables	12,505	14,738	14,738	12,498	14,743	16,988	19,233
Property, plant and equipment	237,014	194,461	249,008	255,713	250,975	246,886	242,814
Intangibles	979	283	979	339	339	339	339
Restricted cash.....	928	1,067	1,069	1,210	1,210	1,210	1,210
Other.....	593	50,753	3,888	4,292	16,570	23,622	31,862
Total non-current assets.....	252,019	261,302	269,682	274,052	283,837	289,045	295,458
TOTAL ASSETS	282,536	276,946	304,530	307,433	314,605	321,414	329,428
CURRENT LIABILITIES							
Employee provisions.....	11,586	10,904	11,586	11,586	11,586	11,586	11,586
Payables.....	1,757	2,402	1,757	1,757	1,757	1,757	1,757
Other.....	3,018	3,764	3,018	3,018	3,018	3,018	3,018
Total current liabilities.....	16,361	17,070	16,361	16,361	16,361	16,361	16,361
NON-CURRENT LIABILITIES							
Employee provisions.....	4,786	5,627	5,341	5,896	6,451	7,006	7,561
Other.....	97	107	97	97	97	97	97
Total non-current liabilities	4,883	5,734	5,438	5,993	6,548	7,103	7,658
TOTAL LIABILITIES.....	21,244	22,804	21,799	22,354	22,909	23,464	24,019
EQUITY							
Contributed equity	232,334	243,249	247,625	256,707	261,723	266,376	272,234
Accumulated surplus/(deficit).....	(11,375)	(2,638)	(5,227)	(11,961)	(10,360)	(8,759)	(7,158)
Reserves.....	40,333	13,531	40,333	40,333	40,333	40,333	40,333
Total equity	261,292	254,142	282,731	285,079	291,696	297,950	305,409
TOTAL LIABILITIES AND EQUITY.....	282,536	276,946	304,530	307,433	314,605	321,414	329,428

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	66,115	67,649	72,071	63,765	59,882	60,602	61,033
Capital appropriation	3,625	2,791	2,791	4,382	5,016	4,653	5,858
Holding account drawdowns	2,200	4,996	4,996	4,465	9,873	5,659	5,659
Royalties for Regions Fund ^(b)	1,445	11,065	20,532	9,162	3,383	3,662	1,369
Net cash provided by State Government.....	73,385	86,501	100,390	81,774	78,154	74,576	73,919
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(56,786)	(55,516)	(50,195)	(45,169)	(46,805)	(48,339)	(51,618)
Grants and subsidies	(3,805)	(12,335)	(12,800)	(12,469)	(4,414)	(2,819)	(2,719)
Supplies and services	(20,747)	(7,302)	(24,580)	(13,920)	(11,760)	(11,714)	(6,622)
Accommodation.....	(3,220)	(4,338)	(4,425)	(4,558)	(4,694)	(4,835)	(4,981)
Efficiency dividend.....	-	-	-	1,359	1,938	2,647	3,366
Other payments.....	(11,157)	(6,198)	(9,086)	(9,314)	(9,526)	(9,697)	(9,563)
Receipts							
Regulatory fees and fines.....	41	55	55	55	5,854	5,854	5,854
Grants and subsidies	24,930	14,601	22,265	4,244	2,932	1,429	671
Sale of goods and services	236	-	-	-	-	-	-
GST receipts	4,521	2,750	2,750	2,750	2,750	2,750	2,750
Other receipts.....	4,073	2,061	2,061	2,061	2,061	2,061	2,061
Net cash from operating activities.....	(61,914)	(66,222)	(73,955)	(74,961)	(61,664)	(62,663)	(60,801)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(3,720)	(20,077)	(21,432)	(14,817)	(17,372)	(12,116)	(13,274)
Proceeds from sale of non-current assets	1,993	-	-	1,270	2,483	1,804	1,757
Net cash from investing activities.....	(1,727)	(20,077)	(21,432)	(13,547)	(14,889)	(10,312)	(11,517)
NET INCREASE/(DECREASE) IN CASH HELD	9,744	202	5,003	(6,734)	1,601	1,601	1,601
Cash assets at the beginning of the reporting period.....	10,104	1,047	19,848	24,851	18,117	19,718	21,319
Cash assets at the end of the reporting period.....	19,848	1,249	24,851	18,117	19,718	21,319	22,920

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

(b) Regional Infrastructure and Headworks Fund - \$1.2 million (2010-11), \$11.1 million (2011-12), \$20.3 million (2011-12 Estimated Out Turn), \$9.0 million (2012-13), \$3.2 million (2013-14), \$3.5 million (2014-15), \$1.2 million (2015-16), Regional Community Services Fund - \$0.3 million (2010-11), \$0.2 million (2011-12 Estimated Out Turn), \$0.2 million (2012-13), \$0.2 million (2013-14), \$0.2 million (2014-15) and \$0.2 million (2015-16).

DETAILS OF ADMINISTERED TRANSACTIONS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
INCOME							
Fines							
Regulatory Fines.....	58	25	25	25	25	25	25
Other							
Administered Appropriations	1,388	605	605	161	56	-	-
TOTAL INCOME	1,446	630	630	186	81	25	25
EXPENSES							
Carnarvon Irrigation Scheme.....	771	493	493	161	56	-	-
Ord River Subsidy Stage 1	612	112	112	-	-	-	-
Receipts Paid into Consolidated Account.....	58	25	25	25	25	25	25
TOTAL EXPENSES.....	1,441	630	630	186	81	25	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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Commonwealth Grants and Contributions.....	10,804	6,438	14,515	3,913	2,870	1,429	671
GST Receipts.....	4,521	2,750	2,750	2,750	2,750	2,750	2,750
Lease of Commercial Land and Buildings.....	327	227	227	227	227	227	227
Other Grants and Contributions.....	14,126	8,163	7,750	331	62	-	-
Other Receipts	3,982	1,834	1,834	1,834	1,834	1,834	1,834
Regulatory Fees - Receipts	41	55	55	55	5,854	5,854	5,854
TOTAL.....	33,801	19,467	27,131	9,110	13,597	12,094	11,336

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 approximately \$3.6 billion in 2012-13 and over the forward estimates period on major water and wastewater infrastructure developments essential to support Western Australia's growth. For the 2012-13 year, \$1,071.2 million is committed for projects that address growing community needs across the State.

The Government is extremely conscious of the ongoing challenges we are facing now and into the immediate future with maintaining water supply in the South West of the State where three quarters of our population live. In 2012-13, \$260.0 million has been allocated to ensure that the expansion of the Southern Seawater Desalination Plant near Binningup is commissioned in time to be supplying water for the 2012-13 summer. The expansion will double output from the plant to 100 billion litres of water annually. In 2012-13, \$2.5 million has been allocated to prepare the Groundwater Replenishment Trial at Beenyup to a point where it can move into Stage One of providing a major new water source.

In 2012-13, \$512.0 million has been committed to hundreds of projects across regional Western Australia. This will ensure country Western Australia continues to benefit strongly from the development and upgrading of water and wastewater infrastructure. This money will be spent on a broad suite of projects, particularly in the high-growth North West and South West regions.

Included in the 2012-13 Budget is a \$175.0 million commitment for water and wastewater asset investment projects in the North West to support the Pilbara Cities initiative. These works will be undertaken in both the West Pilbara and East Pilbara responding to rapid residential, commercial and industrial growth primarily driven by the resources sector and the Government's Pilbara Cities initiative. Major projects include: the relocation of the Port Hedland Wastewater Treatment Plant; upgrading of the Yule Borefield outside Port Hedland; and the upgrading of the Karratha Wastewater Treatment Plant.

Additionally, \$39.0 million will be spent on projects in the Mid West, \$69.0 million in areas from Mundaring Weir to Kalgoorlie-Boulder, \$91.0 million in the Great Southern, \$38.0 million in the North West (excluding the Pilbara region), and \$100.0 million in the South West.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Capitalised Borrowings Costs.....	241,557	85,727	36,027	32,214	39,072	44,278	40,266
Corporate Programs							
Infill Sewerage Program	134,448	64,448	25,000	20,000	20,000	15,000	15,000
Regional Infill Sewerage Program	15,000	5,000	5,000	5,000	5,000	-	-
Wastewater Program							
Country Wastewater Treatment and Conveyance	415,111	125,481	68,226	82,635	77,007	60,041	69,947
East Rockingham Wastewater Scheme	331,801	61,801	3,500	4,000	40,000	168,000	58,000
Metropolitan Wastewater Treatment and Conveyance.....	443,638	135,620	56,282	85,236	79,966	65,966	76,850
Water Programs							
Country Water Sources and Distribution	1,256,866	409,973	178,283	202,456	235,412	216,656	192,369
Metropolitan Water Sources and Distribution.....	313,573	108,107	32,628	43,956	40,962	61,605	58,943
East Metropolitan - Mundaring Water Treatment Plant	328,322	57,296	22,000	2,895	268,121	10	-
Pilbara							
Port Hedland Wastewater Treatment Plant – Relocation ^(a)	113,168	5,000	5,000	14,992	50,025	19,115	24,036
Regulated Program Future Estimates							
Global Allocations - Regulated Business	3,554,659	381,491	13,972	220,901	23,630	10,000	166,537
South Metropolitan							
Southern Seawater Desalination Plant Stage 2 Expansion ...	483,853	220,000	220,000	260,000	2,963	890	-
Strategic Programs							
Commercial Program - Minor Commercial Projects.....	22,930	18,930	1,000	1,000	1,000	1,000	1,000
Wastewater Program - Groundwater Replenishment Trial	58,904	55,983	6,800	2,921	-	-	-
Support Programs							
Capital Overheads - Capital Support Cost.....	292,245	160,842	33,637	34,604	34,015	35,305	27,479

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Corporate Programs							
Water Programs - Southern Seawater Desalination Plant.....	1,014,266	1,014,266	171,981	-	-	-	-
North Metropolitan - Carabooda Storage Reservoir.....	19,984	19,984	10,984	-	-	-	-
South Metropolitan - Southern Seawater Desalination Second Intake Tunnel.....	18,400	18,400	2,760	-	-	-	-
South West							
Picton Water Treatment Plant - Stage 1	40,179	40,179	12,843	-	-	-	-
Wellington Dam Remedial Works	42,733	42,733	7,000	-	-	-	-
Wheatbelt - Cunderdin Water Pump Station Replacement.....	15,319	15,319	375	-	-	-	-
NEW WORKS							
Pilbara							
Hedland Yule Upgrade	63,394	-	-	16,136	45,000	2,258	-
Karratha Wastewater Treatment Plant Upgrade.....	59,958	-	-	39,724	20,234	-	-
Strategic Programs							
Wastewater Program - Groundwater Replenishment Trial Stage 1.....	108,100	-	-	2,500	4,600	56,000	45,000
Total Cost of Asset Investment Program	9,388,408	3,046,580	913,298	1,071,170	987,007	756,124	775,427
FUNDED BY							
Borrowings			590,000	570,000	507,517	250,000	200,000
Internal Funds and Balances			320,630	499,299	477,563	504,139	575,427
Drawdowns from Royalties for Regions Fund ^(b)			2,668	1,871	1,927	1,985	-
Total Funding			913,298	1,071,170	987,007	756,124	775,427

(a) \$42 million funded by 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 2012-13 and the forward estimates is \$13.8 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 coastal region of Bunbury, as a result of increasing salinity levels and declining water levels. This initiative is fully supported by the Department of Water. To substitute the lost production capability, the second stage of a major project totalling \$7.9 million over the forward estimates period will be delivered in the design and construction of a water treatment plant to complement the recently constructed pump station and storage facility in the developing suburb of Glen Iris.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Mains Subdivisions - 2011-12 Program.....	22	22	22	-	-	-	-
Plant and Other Purchases - 2011-12 Program	610	610	610	-	-	-	-
Works							
Distribution and Reticulation - 2011-12 Program	1,436	1,436	1,436	-	-	-	-
Reservoirs - 2010-11 Program	1,120	1,120	1,120	-	-	-	-
Treatment Plants - 2011-12 Program	519	519	519	-	-	-	-
NEW WORKS							
Mains Subdivisions							
2012-13 Program	23	-	-	23	-	-	-
2013-14 Program	24	-	-	-	24	-	-
2014-15 Program	54	-	-	-	-	24	-
2015-16 Program	25	-	-	-	-	-	25
Plant and Other Purchases							
2012-13 Program	407	-	-	407	-	-	-
2013-14 Program	496	-	-	-	496	-	-
2014-15 Program	656	-	-	-	-	356	-
2015-16 Program	580	-	-	-	-	-	580
Works							
Distribution and Reticulation							
2012-13 Program	736	-	-	736	-	-	-
2013-14 Program	781	-	-	-	781	-	-
2014-15 Program	2,711	-	-	-	-	711	-
2015-16 Program	984	-	-	-	-	-	984
Treatment Plants							
2012-13 Program	1,034	-	-	1,034	-	-	-
2013-14 Program	5,487	-	-	-	5,487	-	-
2014-15 Program	1,990	-	-	-	-	1,990	-
2015-16 Program	189	-	-	-	-	-	189
Total Cost of Asset Investment Program	19,884	3,707	3,707	2,200	6,788	3,081	1,778
FUNDED BY							
Internal Funds and Balances			3,707	2,200	6,788	3,081	1,778
Total Funding			3,707	2,200	6,788	3,081	1,778

BUSSELTON WATER BOARD

ASSET INVESTMENT PROGRAM

The Board's asset investment program totals \$13.9 million for 2012-13 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:

- filter replacements and upgrades at various water treatment plants to increase water capacity;
- replacing aged asbestos mains cement pipes with new PVC pipes;
- installation of 'Programmable Logical Controller' and associated electrics Plant 11;
- new water transfer main from Plant 11 to Plant 2;
- installation of new mains to meet future requirements; and
- construction of a new administration building.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Chlorination.....	3,396	3,096	3,038	300	-	-	-
COMPLETED WORKS							
Office Equipment - 2011-12 Program	170	170	170	-	-	-	-
Plant, Mobile and Other Purchases - 2011-12 Program	240	240	240	-	-	-	-
Works							
New Mains and Services							
2010-11 Program	2,151	2,151	232	-	-	-	-
2011-12 Program	3,421	3,421	3,421	-	-	-	-
Treatment Plants							
2010-11 Program	1,068	1,068	136	-	-	-	-
2011-12 Program	2,321	2,321	2,321	-	-	-	-
NEW WORKS							
New Administration Building.....	2,500	-	-	500	2,000	-	-
Office Equipment							
2012-13 Program	23	-	-	23	-	-	-
2013-14 Program	54	-	-	-	54	-	-
2014-15 Program	10	-	-	-	-	10	-
2015-16 Program	6	-	-	-	-	-	6
Plant, Mobile and Other Purchases							
2012-13 Program	95	-	-	95	-	-	-
2013-14 Program	273	-	-	-	273	-	-
2014-15 Program	477	-	-	-	-	477	-
2015-16 Program	96	-	-	-	-	-	96
Works							
New Mains and Services							
2012-13 Program	1,579	-	-	1,579	-	-	-
2013-14 Program	2,069	-	-	-	2,069	-	-
2014-15 Program	1,474	-	-	-	-	1,474	-
2015-16 Program	1,244	-	-	-	-	-	1,244
Treatment Plants							
2012-13 Program	1,265	-	-	1,265	-	-	-
2013-14 Program	701	-	-	-	701	-	-
2014-15 Program	1,092	-	-	-	-	1,092	-
2015-16 Program	650	-	-	-	-	-	650
Total Cost of Asset Investment Program	26,375	12,467	9,558	3,762	5,097	3,053	1,996
FUNDED BY							
Borrowings			2,657	-	2,000	-	-
Internal Funds and Balances			6,901	3,762	3,097	3,053	1,996
Total Funding			9,558	3,762	5,097	3,053	1,996

Part 18

Minister for Mental Health; Disability Services

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2011-12 Budget \$' 000	2011-12 Estimated Actual \$' 000	2012-13 Budget Estimate \$' 000
867	Mental Health Commission			
	- Delivery of Services.....	433,473	440,309	466,522
	Total	433,473	440,309	466,522
879	Disability Services Commission			
	- Delivery of Services.....	486,990	534,146	585,641
	- Capital Appropriation.....	2,072	2,072	4,364
	Total	489,062	536,218	590,005
GRAND TOTAL				
	- Delivery of Services.....	920,463	974,455	1,052,163
	- Capital Appropriation.....	2,072	2,072	4,364
	Total.....	922,535	976,527	1,056,527

MENTAL HEALTH COMMISSION

PART 18 - MINISTER FOR MENTAL HEALTH; DISABILITY SERVICES

DIVISION 73

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual ^(c) \$'000	2011-12 Budget ^(c) \$'000	2011-12 Estimated Actual ^(c) \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 107 Net amount appropriated to deliver services	395,560	432,956	439,792	465,792	480,995	476,621	493,736
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	497	517	517	730	755	780	810
Total appropriations provided to deliver services	396,057	433,473	440,309	466,522	481,750	477,401	494,546
CAPITAL							
Capital Appropriation.....	-	-	150	-	-	-	-
TOTAL APPROPRIATIONS.....	396,057	433,473	440,459	466,522	481,750	477,401	494,546
EXPENSES							
Total Cost of Services.....	546,290	598,911	609,221	655,218	680,645	700,358	731,411
Net Cost of Services ^(a)	444,448	489,714	493,353	528,602	547,982	561,292	583,911
CASH ASSETS ^(b)	3,742	4,452	11,784	11,007	11,007	11,007	11,007

- (a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) As at 30 June each financial year.
- (c) The 2010-11 Actual, 2011-12 Budget and 2011-12 Estimated Actual have been recast to reflect the transfer of the Drug and Alcohol Office from the Department of Health that came into effect on 1 January 2012 and new funding arrangements as part of the Commonwealth National Health Reform to commence on 1 July 2012.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Australian Medical Procedures Research Foundation's Fresh Start Recovery Program	-	1,000	1,040	-	-
Community Living Support Services.....	-	906	1,647	2,363	2,465
Mental Health Diversion and Support Program in Adult and Juvenile Courts....	-	2,413	2,952	-	-
New Mental Health Bill.....	-	3,864	4,850	4,826	6,509
Provision of a Sub-Acute Service in the Goldfields-Esperance Region	-	-	-	1,238	1,288
Efficiency Dividend.....	-	(10,408)	(16,002)	(22,410)	(27,982)

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 and high quality mental health services and supports that are recovery focused and promote mental health and wellbeing.	1. Promotion and Prevention 2. Specialised Admitted Patient Services 3. Specialised Community Services 4. Accommodation and Support Services
	Prevent and delay the uptake, incidence of use and harm associated with alcohol and drug use.	5. Drug and Alcohol Services

Service Summary

Expense	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Promotion and Prevention	15,460	21,361	28,582	41,614	43,876	45,267	47,716
2. Specialised Admitted Patient Services.....	249,050	261,707	267,464	286,138	299,228	308,712	325,418
3. Specialised Community Services.....	195,545	208,102	206,197	221,315	233,344	240,740	253,767
4. Accommodation and Support Services	30,638	40,029	39,013	43,420	45,780	47,231	49,787
5. Drug and Alcohol Services	55,597	67,712	67,965	73,139	74,419	80,818	82,705
6. Contribution to Responsible Financial Management.....	-	-	-	(10,408)	(16,002)	(22,410)	(27,982)
Total Cost of Services	546,290	598,911	609,221	655,218	680,645	700,358	731,411

Significant Issues Impacting the Agency

Mental Health

Trends

- Recent data continues to highlight that approximately half of all Western Australians will experience one or more of the common mental disorders at some point in their lifetime. Young people are particularly vulnerable to developing mental health problems and/or mental illness, often combined with misusing drugs and alcohol. Approximately three quarters of all severe mental illness begins before the age of 24 years.

Mental Health Strategic Policy

- The Mental Health Commission's strategic policy document 'Mental Health 2020: Making it Personal and Everybody's Business' was launched in October 2011. This strategic policy forms a blueprint for major reform in mental health to deliver person-centred supports and services, connected approaches to supporting people and balanced investment to ensure a full range of support and services. A cornerstone of this is building the capacity of government and non-government services to better support people in the community and avoid unnecessary hospital admissions. The Mental Health Advisory Council provides independent advice to the Mental Health Commissioner on 'Mental Health 2020' annual Action Plans and the overall reform process.

Individualised Community Living

- This key service reform is now being implemented to provide 100 people living with mental illness with personalised packages of support, individualised funding and a home in the community. Successful delivery will require continued high levels of collaboration between the Mental Health Commission, the Department of Housing, Department of Health and community managed service providers to ensure seamless provision of housing, clinical and community support services.
- This reform will be expanded with the State Government Budget providing an additional social housing allocation of \$13.3 million over the next four years for the provision of 16 houses and 18 support packages for people with mental illness.

Consumer, Family and Carer Engagement

- The Commission has provided funding to Consumers of Mental Health WA (Inc) for the establishment of the Western Australian Association of Mental Health Consumers. The Association will provide systemic advocacy and will contribute to policy development and growth of the consumer workforce. Together with existing family and carer organisations, the Consumer Association is expected to contribute to the work of the Commission at all levels.

Suicide Prevention

- 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. Significant progress has been made in the development of Community Action Plans in more than 180 local communities and over 80 organisations have signed the One Life pledge to implement suicide prevention awareness and training in their organisations. Evaluation of the progress of the strategy will inform implementation post 2013.

Review of Discharge Practices

- Professor Bryant Stokes has been engaged to undertake an independent review of discharge practices in mental health inpatient facilities across Western Australia, reporting to the Mental Health Commissioner and Director General of Health. The final report will set out recommendations for the improvement of discharge policies and practices State-wide.

Mental Health Infrastructure

- The relocation of inpatient beds closer to regional communities will be achieved with the opening of the 14 bed Broome inpatient unit in 2012. The proposed development of sub-acute facilities in Joondalup, Rockingham and Broome will also assist patients in their transition to and from home.
- Additional funds have been allocated by the State Government for a new sub-acute service in the Goldfields region, commencing in 2014-15.

Mental Illness in the Criminal Justice System

- Based on national mental illness prevalence studies, it is estimated that 6% of adults (approximately 3,600 people per annum) attending the Perth Metropolitan Magistrates' Courts will have a serious mental illness and approximately one quarter of the young people who attend Perth Children's Courts (740 in 2009-10) have a mental illness.
- A total of \$5.4 million over two years has been provided to the Commission to trial a new mental health court diversion and support program servicing Perth Metropolitan Magistrates' Courts, which aims to limit re-offending, improve the mental health and well-being of offenders with mental illness, and prevent them from going to prison unnecessarily. This includes additional funding of \$1.7 million over two years to pilot the inclusion of a specialised mental health expert team within the Metropolitan Children's Court.

Mental Health Bill

- A total of \$20.0 million over four years will be spent on initiatives under the new Mental Health Act. Passage of the draft Mental Health Bill in 2012-13 will significantly improve human rights protection for people experiencing acute mental illness, particularly those being treated involuntarily. The Bill allows for much greater involvement of families and carers in supporting people experiencing mental illness. Successful implementation will also require transfer of some functions from other agencies to the Mental Health Commission.

Mental Illness and Indigenous People

- Whilst Indigenous people comprise 3.4% of the population in Western Australia, they make up approximately 7.4% of the population who received specialist mental health services in 2011. The State Government has committed \$22.5 million over three years to implement a State-wide Specialist Mental Health Service for Indigenous people with severe and persistent mental illnesses. State-wide implementation includes an innovative partnership between Kimberley Mental Health and Drug Services and Indigenous community managed health services.

National Agenda

- The Mental Health Commission joined Commonwealth and State and Territory government partners to draft the Ten Year Roadmap for Mental Health Reform. The draft roadmap details a commitment by governments to a long-term national reform plan for mental health to guide future action and investment across Australia. Work on this important document continues, ahead of the final Roadmap being presented for consideration by COAG in 2012.
- Implementation of the Fourth National Mental Health Plan 2009–2014 continues and the Mental Health Commission is actively involved in progressing this work, particularly in relation to flagship initiatives around social inclusion and services for children and youth.

Drug and Alcohol**Trends in Alcohol and Drug use**

- More Western Australians are drinking alcohol at levels that place them at risk of harm compared to national consumption figures. The 2010 National Drug Strategy Household Survey indicated that 43.4% of Western Australians aged 14 years and over reported drinking weekly and 7.5% reported drinking daily. The Drug and Alcohol Office (DAO) 'Alcohol. Think Again' campaigns and associated initiatives are part of a comprehensive response across government agencies to decrease both long-term and short-term harmful drinking and reduce the harms related to alcohol consumption.
- The percentage of Western Australians aged 14 years and over reporting recent use (last 12 months) of illicit drugs has declined over the past decade from 25.4% in 1998 to 18.6% in 2010. In that time, although cannabis use has declined, Western Australians (13.4%) reported recent use of cannabis at higher levels than the rest of the nation (10.3%).
- Whilst the use of illicit drugs, such as methamphetamines, ecstasy and heroin, is stable or declining, other issues are emerging such as the use of synthetic substances and the misuse of licit pharmaceuticals. The 'Drug Aware' campaigns and associated initiatives continue to aim to prevent and delay the onset of use and encourage increased access to treatment and support services.

Regional Responses

- Levels of alcohol consumption and related harm are disproportionately high in the Kimberley, Pilbara and Goldfields regions. There is an increasing demand for prevention and treatment services that significantly exceeds the current capacity. Alcohol and other drug services will be expanded to better meet the needs of communities through Royalties for Regions funding. The additional resources will build on prevention initiatives and allow for more comprehensive and sustained services, including improved access to treatment and support in remote locations.
- The training, attraction and retention of alcohol and other drug workers is essential to meet the demand for services. The DAO delivers a wide range of workforce development initiatives and is a Registered Training Organisation, delivering qualifications for the Indigenous workforce. The DAO is working with the Department of Housing to provide accommodation for workers in regional areas of high need and to help to retain workers in the workforce.

Treatment and Support

- The DAO will continue to support the development of integrated treatment and support services and meet future demands for services in metropolitan Perth. The DAO is working in partnership with the Community Services Sector to implement procurement reform in the alcohol and other drug sector to ensure that government objectives are met to maximise opportunities and minimise risks for the sector.
- The DAO will maintain the expansion of Indigenous alcohol and other drug prevention, treatment and support positions in the metropolitan area through funding from the Council of Australian Governments' (COAG) National Partnership Agreement for Closing the Gap. DAO provides additional workforce development support and prevention initiatives, with an emphasis on youth and alcohol and pregnancy.

Outcomes and Key Effectiveness Indicators^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Outcome: Accessible and high quality mental health services and supports that are recovery focused and promote mental health and wellbeing:					
Readmissions to hospital within 28 days of discharge ^(b)	14%	n/a	12%	<=12%	
Percent of contacts with community-based public mental health non-admitted services within seven days post discharge from public mental health inpatient units ^{(c)(d)}	59%	>=70%	60%	>=70%	
Proportion of service funding directed to publicly funded community mental health services ^(e)	40%	n/a	38%	>=40%	
Proportion of service funding directed to community organisations ^(e)	9%	n/a	13%	>=15%	
Proportion of service funding directed to non-metropolitan areas ^{(e)(f)}	14%	n/a	15%	>=15%	
Outcome: Prevent and delay the uptake, incidence of use and harm associated with alcohol and drug use:					
Number of open and opened treatment episodes (including inpatient and outpatient in government and non-government agencies) and the percentage not completed as planned (unplanned exits)	21%	26%	24%	26%	

(a) Further detail in support of the key effectiveness indicators is provided in the Annual Reports of the Mental Health Commission and Drug and Alcohol Office.

(b) A readmission for any of the separations identified as 'in scope' is defined as an admission to any other specialised mental health inpatient unit in Western Australia and includes admissions to specialised mental health inpatient units in publicly funded private hospitals. This indicator is constructed using the national definition. Readmission rates are also affected by other factors, such as the cyclic and episodic nature of some illnesses or other issues that are beyond the control of the health system.

(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 hospital readmission. The indicator was constructed using the national definition where the day of discharge is not included in the count resulting in a lower percentage. The nationally set target is considered aspirational, particularly as capacity is built in the community managed (non-government) sector and more patients are supported by these organisations following discharge.

(d) 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 practitioners in the private sector and non-government organisations. A proportion of consumers may also refuse follow up.

(e) New indicators for 2012-13 budget construction, therefore budget not previously established.

(f) Does not include funding for State-wide services provided by public mental health services (for example, Graylands and Princess Margaret Hospitals that are located in the metropolitan area). Includes funding provided to non-government organisations for State-wide services as they also have regional offices.

Services and Key Efficiency Indicators

1: Promotion and Prevention ^(a)

Promotion and prevention services focus on protecting, supporting, sustaining and maximising mental health among populations and individuals; and increasing protective factors and decreasing risk factors to reduce the incidence and prevalence of mental health problems and illness.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 15,460	\$'000 21,361	\$'000 28,582	\$'000 41,614	
Less Income	2,604	2,469	3,399	2,964	
Net Cost of Service.....	12,856	18,892	25,183	38,650	1
Employees (Full Time Equivalents).....	11	11	16	21	
Efficiency Indicators					
Cost per Capita of Activities to Enhance Mental Health and Wellbeing (Illness Prevention, Promotion and Protection Activities)	\$7	\$9	\$12	\$17	

(a) Includes the Mental Health Commission's corporate services and other indirect costs.

Explanation of Significant Movements

(Notes)

- The 2011-12 Estimated Actual and 2012-13 Budget Target includes additional funding provided for a key service reform initiative – Individualised Community Living Support. This initiative will provide 100 people living with mental illness with personalised packages of support services.

2: Specialised Admitted Patient Services ^{(a) (b)}

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 249,050	\$'000 261,707	\$'000 267,464	\$'000 286,138	
Less Income	28,948	28,688	32,787	32,321	
Net Cost of Service.....	220,102	233,019	234,677	253,817	1
Employees (Full Time Equivalents).....	12	12	17	22	
Efficiency Indicators					
Average Cost per Purchased Bedday in a Specialised Mental Health Unit.....	\$1,086	\$1,097	\$1,104	\$1,156	

(a) The 2010-11 Actual, 2011-12 Budget and 2011-12 Estimated Actual have been recast to reflect new funding arrangements as part of the Commonwealth National Health Reform to commence on 1 July 2012.

(b) Includes the Mental Health Commission's corporate services and other indirect costs.

Explanation of Significant Movements

(Notes)

- The 8.0% increase in admitted patients services expense in the 2012-13 Budget is largely due to the cost of Health Services generally increasing at a rate above the CPI (5.2%) and the increase in the National Partnership Agreement funding for improving Public Hospitals (1.6%).

3: Specialised Community Services ^{(a) (b)}

Specialised community services includes assessment, treatment and continuing care of non-admitted patients provided from a hospital or community mental health centre by public sector providers.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	195,545	208,102	206,197	221,315	
Less Income	68,779	77,528	76,690	86,472	
Net Cost of Service.....	126,766	130,574	129,507	134,843	
Employees (Full Time Equivalents).....	12	12	17	21	
Efficiency Indicators					
Average Cost per Episode of Community Care Provided by Public Mental Health Services	\$1,809	\$1,912	\$1,848	\$1,964	

- (a) The 2010-11 Actual, 2011-12 Budget and 2011-12 Estimated Actual have been recast to reflect the new funding arrangements as part of the Commonwealth National Health Reform to commence on 1 July 2012.
- (b) Includes the Mental Health Commission's corporate services and other indirect costs.

4: Accommodation and Support Services ^(a)

Accommodation and support services for mental health comprise services provided by community sector organisations including advocacy, psychosocial support, rehabilitation, day programs, respite care, housing support and accommodation services.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	30,638	40,029	39,013	43,420	
Less Income	-	-	931	2,281	
Net Cost of Service.....	30,638	40,029	38,082	41,139	
Employees (Full Time Equivalents).....	12	12	17	21	
Efficiency Indicators					
Average Cost per Hour for Community Support Provided by Non-Government Organisations to People with Mental Health Problems	\$67	\$82	\$71	\$78	
Average Mental Health Commission Subsidy per Bedday for People with Mental Illness Living in Community Supported Residential Accommodation.....	\$168	\$240	\$218	\$240	
Average Mental Health Commission Subsidy per Person to Support Residents in Metropolitan Licensed Private Psychiatric Hostel	\$6,836	\$9,361	\$8,295	\$9,270	

- (a) Includes the Mental Health Commission's corporate services and other indirect costs.

5: Drug and Alcohol Services

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 55,597	\$'000 67,712	\$'000 67,965	\$'000 73,139	
Less Income	1,511	512	2,061	2,574	
Net Cost of Service.....	54,086	67,200	65,904	70,565	
Employees (Full Time Equivalents).....	187	207	195	207	
Efficiency Indicators					
Cost per Capita of the Western Australian Population 14 Years and Above for Initiatives that Delay the Uptake and Reduce the Harm Associated with Alcohol and Other Drugs	\$5	\$5	\$4	\$5	
Cost per Treatment Episode that are Completed as Planned or Clients are Still in Treatment	\$1,510	\$1,703	\$2,158	\$2,125	1

Explanation of Significant Movements

(Notes)

- The higher than expected cost per treatment episode is primarily due to additional costs of \$4.4 million for service agreements with service providers. This cost increase is the result of the 2011-12 State Government budget initiative to provide a 15% funding increase to the price of existing contracts with the not-for-profit sector. This funding was provided to assist with sustainability, not to increase service outputs. The higher than expected cost is also due to fewer episodes being completed at Sobering-up Centres, due to reduced demand for these services in some communities.

ASSET INVESTMENT PROGRAM

The Drug and Alcohol Office's Carnarvon Dual Purpose Centre will be built in 2012-13 with an opening early in 2013-14.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
WORKS IN PROGRESS							
Carnarvon Dual Purpose Centre ^(a)	2,600	500	500	2,000	100	-	-
NEW WORKS							
Minor Building Works for RfR Programs in Kimberley and Pilbara ^(a)	300	-	-	300	-	-	-
Minor Works 2012-13	547	-	-	547	-	-	-
Total Cost of Asset Investment Program	3,447	500	500	2,847	100	-	-
FUNDED BY							
Capital appropriations.....			150	-	-	-	-
Internal Funds and Balances			350	547	-	-	-
Drawdowns from Royalties for Regions Fund ^(b)			-	2,300	100	-	-
Total Funding			500	2,847	100	-	-

(a) Asset investment funded from the Royalties for Regions Fund.

(b) Regional Community Services Fund - \$2.3 million and \$0.1 million (2013-14).

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement represents the combined data of the Mental Health Commission and the Drug and Alcohol Office (DAO). As a separate statutory authority, the DAO prepares its own annual report as does the Commission. The accounting presentation for the annual reports will reflect the separate identities, while the budget papers combine their data.

The total cost of services is increasing over the forward estimates due to escalation and activity growth in the health sector and a range of new initiatives, including the new Mental Health Bill, the mental health diversion and support program in Adult and Juvenile Courts and community living support.

INCOME STATEMENT ^{(a) (b)}
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	25,706	28,896	29,138	33,267	34,691	38,550	37,455
Grants and subsidies ^(d)	1,762	2,411	7,593	3,769	2,471	1,568	1,568
Supplies and services	29,243	40,618	89,314	86,000	91,480	86,097	95,356
Accommodation.....	236	144	146	1,255	1,310	1,435	1,351
Depreciation and amortisation	319	272	275	261	252	240	240
Efficiency dividend.....	-	-	-	(10,408)	(16,002)	(22,410)	(27,982)
Service Delivery Agreement – Health.....	433,313	457,487	462,797	490,803	522,108	550,798	582,381
Other expenses.....	55,711	69,083	19,958	50,271	44,335	44,080	41,042
TOTAL COST OF SERVICES	546,290	598,911	609,221	655,218	680,645	700,358	731,411
Income							
Sale of goods and services	-	-	-	119	126	212	-
Grants and subsidies	3,967	2,969	10,748	14,593	11,937	2,254	-
National Health Reform agreement - grant revenue.....	97,727	106,216	104,447	111,904	120,600	136,600	147,500
Other revenue	148	12	673	-	-	-	-
Total Income	101,842	109,197	115,868	126,616	132,663	139,066	147,500
NET COST OF SERVICES.....	444,448	489,714	493,353	528,602	547,982	561,292	583,911
INCOME FROM STATE GOVERNMENT							
Service appropriations	396,057	433,473	440,309	466,522	481,750	477,401	494,546
Resources received free of charge.....	47,474	53,217	52,328	59,200	62,900	76,400	81,600
Royalties for Regions Fund ^(e)	-	2,222	1,420	2,650	3,332	7,491	7,765
TOTAL INCOME FROM STATE GOVERNMENT.....	443,531	488,912	494,057	528,372	547,982	561,292	583,911
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(917)	(802)	704	(230)	-	-	-

(a) Full audited financial statements are published in the Annual Reports of the Mental Health Commission and Drug and Alcohol Office.

(b) The 2010-11 Actual, 2011-12 Budget and 2011-12 Estimated Actual have been recast to reflect the transfer of the Drug and Alcohol Office from the Department of Health that came into effect on 1 January 2012 and new funding arrangements as part of the Commonwealth National Health Reform to commence on 1 July 2012.

(c) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 234, 262 and 292 respectively. In some cases the figures for 2010-11 and 2011-12 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 Community Services Fund - \$1.4 million (2011-12), \$2.6 million (2012-13), \$3.3 million (2013-14), \$7.5 million (2014-15) and \$7.8 million (2015-16).

Details of Controlled Grants and Subsidies

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Health Department National Partnership Agreement - Capital Grants	-	-	3,169	2,331	800	-	-
Other Grants	1,762	500	4,424	1,438	1,671	1,568	1,568
Other Workforce Development Programs	-	1,411	-	-	-	-	-
Workforce Development - Lifeline WA	-	500	-	-	-	-	-
TOTAL	1,762	2,411	7,593	3,769	2,471	1,568	1,568

STATEMENT OF FINANCIAL POSITION ^{(a) (b)}
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	3,654	4,452	4,606	3,829	3,829	3,829	3,829
Restricted cash	-	-	7,090	7,090	7,090	7,090	7,090
Receivables	320	-	322	341	341	341	341
Other	54	54	54	22	22	22	22
Total current assets	4,028	4,506	12,072	11,282	11,282	11,282	11,282
NON-CURRENT ASSETS							
Holding account receivables	3,652	3,652	3,652	3,816	3,816	3,816	3,816
Property, plant and equipment	19,337	19,279	18,913	22,505	22,605	22,605	22,605
Restricted cash	88	-	88	88	88	88	88
Total non-current assets	23,077	22,931	22,653	26,409	26,409	26,409	26,409
TOTAL ASSETS	27,105	27,437	34,725	37,691	37,791	37,791	37,791
CURRENT LIABILITIES							
Employee provisions	4,354	3,805	4,352	4,633	4,633	4,633	4,633
Payables	1,835	1,334	1,772	2,583	2,583	2,583	2,583
Other	795	813	795	176	176	176	176
Total current liabilities	6,984	5,952	6,919	7,392	7,392	7,392	7,392
NON-CURRENT LIABILITIES							
Employee provisions	799	790	799	872	872	872	872
Total non-current liabilities	799	790	799	872	872	872	872
TOTAL LIABILITIES	7,783	6,742	7,718	8,264	8,264	8,264	8,264
EQUITY							
Contributed equity	4,183	5,805	11,164	13,814	13,814	13,814	13,814
Accumulated surplus/(deficit)	(2,713)	(2,962)	(2,009)	(2,239)	(2,239)	(2,239)	(2,239)
Reserves	17,852	17,852	17,852	17,852	17,852	17,852	17,852
Total equity	19,322	20,695	27,007	28,417	28,517	28,517	28,517
TOTAL LIABILITIES AND EQUITY	27,105	27,437	34,725	37,691	37,791	37,791	37,791

(a) Full audited financial statements are published in the Annual Reports of the Mental Health Commission and Drug and Alcohol Office.

(b) The 2010-11 Actual, 2011-12 Budget and 2011-12 Estimated Actual have been recast to reflect the transfer of the Drug and Alcohol Office from the Department of Health that came into effect on 1 January 2012 and new funding arrangements as part of the Commonwealth National Health Reform to commence on 1 July 2012.

STATEMENT OF CASHFLOWS ^{(a) (b)}
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	395,466	433,145	440,687	466,199	481,427	477,122	494,306
Capital appropriations	-	-	150	-	-	-	-
Royalties for Regions Fund ^(b)	-	3,222	1,420	4,950	3,432	7,491	7,765
Net cash provided by State Government.....	395,466	436,367	442,257	471,149	484,859	484,613	502,071
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(26,887)	(28,838)	(29,138)	(33,379)	(34,790)	(38,672)	(37,455)
Grants and subsidies	(50,307)	(2,411)	(7,593)	(3,769)	(2,471)	(1,568)	(1,568)
Supplies and services	(28,117)	(96,682)	(88,623)	(85,644)	(91,107)	(85,684)	(95,013)
Accommodation	(223)	(144)	(146)	(1,258)	(1,314)	(1,439)	(1,351)
Efficiency dividend	-	-	-	10,408	16,002	22,410	27,982
Service Delivery Agreement - Health	(385,932)	(404,270)	(410,469)	(431,603)	(459,208)	(474,398)	(500,781)
Other payments	(6,738)	(13,019)	(20,704)	(50,450)	(33,119)	(44,328)	(41,385)
Receipts							
Grants and subsidies	3,650	2,969	17,838	14,593	11,937	2,254	-
Sale of goods and services	-	12	673	119	126	212	-
National Health Reform agreement - grant receipts	97,727	106,216	104,447	111,904	120,600	136,600	147,500
Other receipts	148	-	-	-	-	-	-
Net cash from operating activities	(396,679)	(436,167)	(433,715)	(469,079)	(484,759)	(484,613)	(502,071)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	-	(700)	(500)	(2,847)	(100)	-	-
Net cash from investing activities	-	(700)	(500)	(2,847)	(100)	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(1,213)	(500)	8,042	(777)	-	-	-
Cash assets at the beginning of the reporting period	4,898	4,952	3,742	11,784	11,007	11,007	11,007
Net cash transferred to/from other agencies	57	-	-	-	-	-	-
Cash assets at the end of the reporting period	3,742	4,452	11,784	11,007	11,007	11,007	11,007

(a) Full audited financial statements are published in the Annual Reports of the Mental Health Commission and Drug and Alcohol Office.

(b) Regional Community Services Fund - \$1.4 million (2011-12), \$4.9 million (2012-13), \$3.4 million (2013-14), \$7.5 million (2014-15) and \$7.8 million (2015-16).

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS

State Managed Fund Special Purpose Account ^(a)

The State Health Funding Special Purpose Account provides a mechanism to receive Commonwealth funding for mental health related activity from the State Pool Special Purpose Account, for non-activity based hospital services and State funding for non-activity based hospital services, as required under the National Health Reform Agreement.

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000
Opening Balance	-	-	-	-
Receipts:				
State Contributions	-	-	-	204,572
Commonwealth Contributions	-	-	-	111,904
	-	-	-	316,476
Payments	-	-	-	316,476
CLOSING BALANCE	-	-	-	-

- (a) The new payment arrangements involving the State Health Funding Special Purpose Account as part of the National Health Reform Agreement will take effect from 1 July 2012.

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:

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Child Protection - Street-to-Home Program Clinical							
Outreach	385	620	620	634	634	634	-
Commonwealth Grants and Contributions	-	-	6,891	11,453	11,078	1,570	-
Disability Services Commission - Supported							
Accommodation Program	1,799	1,799	1,799	-	-	-	-
Other Funded Programs	91	50	50	50	50	50	-
TOTAL	2,275	2,469	9,360	12,137	11,762	2,254	-

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements. Revenue retained by the Drug and Alcohol Office is authorised under the *Alcohol and Drug Authority Act 1974* and as such does not require a net appropriation determination.

DISABILITY SERVICES COMMISSION

PART 18 - MINISTER FOR MENTAL HEALTH; DISABILITY SERVICES

DIVISION 74

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 108 Net amount appropriated to deliver services	432,963	486,674	533,830	585,316	616,977	639,987	665,422
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	282	316	316	325	335	345	345
Total appropriations provided to deliver services	433,245	486,990	534,146	585,641	617,312	640,332	665,767
CAPITAL							
Item 164 Capital Appropriation	965	2,072	2,072	4,364	1,860	1,700	1,999
TOTAL APPROPRIATIONS.....	434,210	489,062	536,218	590,005	619,172	642,032	667,766
EXPENSES							
Total Cost of Services.....	541,146	610,780	656,005	722,594	772,316	804,869	830,569
Net Cost of Services ^(a)	434,308	486,432	533,935	586,697	618,354	641,334	666,774
CASH ASSETS ^(b)	6,353	9,193	7,717	8,497	9,277	10,057	10,837

(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 2011-12 Budget to Parliament on 19 May 2011 are outlined below.

	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Additional Indexation to the Disability Non-Government Human Services Sector	-	-	-	-	19,502
Association for the Blind of Western Australia - Accessible Information Services	-	698	698	698	-
Declared Places Program: Disability Justice Centres ^(a)	-	90	190	2,530	5,000
Declared Places Program: In-Reach	-	1,000	1,000	1,000	1,000
Growth – Accommodation Support Services	-	2,372	2,455	2,541	2,734
Growth – Preventative Support Services	-	7,223	7,503	7,793	8,094
School Holiday Respite	-	1,090	-	-	-
Sustainable Funding and Contracting with the Not-For-Profit Sector ^{(b)(c)}	45,360	51,770	53,971	56,265	56,265
Efficiency Dividend.....	-	(3,844)	(6,746)	(9,783)	(12,549)

(a) Excludes capital expenditure of \$1.5 million provided in 2012-13 for the purchase of land, and \$4.4 million for construction in 2013-14.

(b) These amounts are reflective of funding allocated in the 2011-12 Budget to Treasury Administered Item 36 – Sustainable Funding and Contracting with the Not-For-Profit Sector, which has now been transferred to the agency's Budget based on eligible service delivery contracts with Not-For-Profit organisations.

(c) Of this amount, \$11.1 million was provided directly to the Commission over four years to address additional Not-For-Profit organisation contracts that were identified as eligible under the Sustainable Funding and Contracting with the Not-For-Profit Sector Initiative.

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	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
1. Accommodation Support Services.....	327,646	374,666	396,525	435,075	468,193	489,629	508,203
2. Individual Support	135,635	145,125	165,281	183,940	197,345	207,137	213,576
3. Individual Coordination.....	22,810	27,483	24,979	27,032	28,142	28,741	29,305
4. Family and Carer Support.....	53,318	61,521	67,096	78,226	83,173	86,909	89,775
5. Community Access and Inclusion.....	1,737	1,985	2,124	2,165	2,209	2,236	2,259
6. Contribution to Responsible Financial Management	-	-	-	(3,844)	(6,746)	(9,783)	(12,549)
Total Cost of Services	541,146	610,780	656,005	722,594	772,316	804,869	830,569

Significant Issues Impacting the Agency

- The Federal Government has announced its commitment to disability services reform and the introduction of a National Disability Insurance Scheme. The State Government remains supportive of the policy, however it is noted that there is a current lack of detail on implementation and funding from the Commonwealth. The Commission will remain actively involved at all levels of policy development to ensure that any future scheme will be responsive to the needs of Western Australian's with a disability, and not dilute current services.
- The Commission is nationally recognised as a leader in individualised and self-directed funding approaches, however it needs to respond to the changing expectations of the community. It is currently trialling new approaches to better support individual planning and to promote the expansion of self-directed supports and services.
- The State Government has provided \$17.7 million over four years to establish Western Australia's first declared places for those people with intellectual or cognitive disability who are accused of a crime but deemed unable to plead as a result of their disability. Currently these people are retained indefinitely in jail. Two centres will be built and operated by the Commission to provide secure accommodation and specialist programs and interventions.

- More than 70.0% of the Commission's budget is used to purchase services from non-government disability sector organisations. The Commission is working in partnership with these organisations and the peak body (National Disability Services Western Australia) to implement reforms consistent with the State Government's Delivering Community Services in Partnership Policy. This includes contract reviews that will increase the sustainability of non-government disability sector organisations.
- In 2011-12 the Commission will provide an extra \$45.0 million to 89 non-government disability sector organisations and individuals under the Sustainable Funding and Contracting with the Not-For-Profit Sector Initiative, by 2015-16 the additional funding provided under this policy within the disability sector will amount to more than \$263.0 million. This policy was a cornerstone of the 2011-12 Budget.
- The Commission is engaged with the non-government disability services sector in the development of a comprehensive Sector Development Plan that will guide the future development of disability services throughout the State.
- The 'Count Me In: Disability Future Directions' strategy will continue to guide a wide range of initiatives in the community and across government to promote the inclusion, contribution and participation of people with disability in aspects of community life.

Outcomes and Key Effectiveness Indicators ^(a)

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 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.....	71%	70%	70%	70%	1
Percentage of service users and/or carers who are satisfied with the service and level and quality of support.....	79%	85%	85%	89%	
Ratio of service users in hostels to other community accommodation options ...	1:9	1:7	1:8	1:8	
Take-up rate (proportion of potential population accessing disability services, per 1,000)	308	310	374	380	
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.....	71%	70%	70%	70%	1
Percentage of services users and/or carers who are satisfied with the service and level and quality of support.....	89%	85%	85%	89%	
Take-up rate (proportion of potential population accessing disability services, per 1,000)	308	310	374	380	
Percentage of service users in receipt of over three months of full coordination services who have an individual service agreement	90%	91%	89%	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 Disability Services Commission	98%	100%	100%	100%	
Percentage of key stakeholders satisfied with assistance provided on Disability Access and Inclusion Plans.....	n/a	90%	90%	90%	2
Percentage of service users and/or carers who feel included and accepted by the community as a whole.....	74%	65%	75%	75%	

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

Explanation of Significant Movements

(Notes)

- 70% of service points (groups of service outlets) across 65 organisations evaluated in 2011-12 received no Required Actions in relation to the Disability Services Standards. A Required Action results when a service point does not meet one of the nine Disability Service Standards. Required Actions focus on the minimum satisfactory level of service and refer to action necessary to address matters that have serious implications for the safety, wellbeing and dignity of people with a disability. Required Actions may cover but are not limited to matters of duty of care, safety and legal requirements.
- Data for this indicator is incomplete, hence no measure has been provided for 2010-11.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
Total Cost of Service	\$'000 327,646	\$'000 374,666	\$'000 396,525	\$'000 435,075	1
Less Income	67,762	81,188	70,766	79,092	
Net Cost of Service.....	259,884	293,478	325,759	355,983	
Employees (Full Time Equivalents).....	1,198	1,228	1,228	1,228	
Efficiency Indicators					
Average Cost per Service User Year	\$104,914	\$103,843	\$116,797	\$120,519	
Percentage of Services within Hourly Funding Benchmark Rate	80%	95%	90%	90%	

Explanation of Significant Movements

(Notes)

- The increase in the 2012-13 Budget Target, compared to the 2011-12 Estimated Actual represents additional growth, indexation provided to disability sector organisations, cost escalation and Commonwealth National Disability Agreement funding.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	135,635	145,125	165,281	183,940	1
Less Income	24,823	24,926	29,590	33,446	
Net Cost of Service.....	110,812	120,199	135,691	150,494	
Employees (Full Time Equivalents).....	230	233	233	233	
Efficiency Indicators					
Average Cost per Service User	\$8,143	\$7,757	\$9,154	\$9,727	
Percentage of Services within Hourly Funding Benchmark Rate	48%	85%	68%	85%	

Explanation of Significant Movements

(Notes)

1. The increase in the 2012-13 Budget Target, compared to the 2011-12 Estimated Actual represents additional growth, indexation provided to disability sector organisations, cost escalation and Commonwealth National Disability Agreement funding.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	22,810	27,483	24,979	27,032	
Less Income	4,178	4,055	4,147	4,147	
Net Cost of Service.....	18,632	23,428	20,832	22,885	
Employees (Full Time Equivalents).....	227	243	243	243	
Efficiency Indicators					
Average Cost per Service Contact (Information and Advocacy)	\$72	\$74	\$62	\$69	
Average Cost per Service User (Registered Service Users)	\$2,461	\$2,920	\$2,574	\$2,692	

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	53,318	61,521	67,096	78,226	1
Less Income	9,757	13,930	17,066	18,711	
Net Cost of Service.....	43,561	47,591	50,030	59,515	
Employees (Full Time Equivalents).....	9	11	11	11	
Efficiency Indicators					
Average Cost per Service User	\$11,018	\$11,858	\$12,655	\$13,607	
Percentage of Services within Hourly Funding Benchmark Rate	89%	90%	91%	90%	

Explanation of Significant Movements

(Notes)

1. The increase in the 2012-13 Budget Target, compared to the 2011-12 Estimated Actual represents additional growth, indexation provided to disability sector organisations, cost escalation and Commonwealth National Disability Agreement funding.

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.

	2010-11 Actual	2011-12 Budget	2011-12 Estimated Actual	2012-13 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,737	1,985	2,124	2,165	
Less Income	318	249	501	501	
Net Cost of Service.....	1,419	1,736	1,623	1,664	
Employees (Full Time Equivalents).....	8	8	8	8	
Efficiency Indicators					
Average Cost per Community Access and Inclusion Project/Initiative.....	\$11,979	\$12,977	\$14,957	\$15,247	

ASSET INVESTMENT PROGRAM

The Commission's asset investment program expenditure for 2012-13 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 30-6-12 \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Estimated Expenditure \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COMPLETED WORKS							
Community Disability Housing Program - 2011-12	964	964	964	-	-	-	-
Computer Replacement Program - 2011-12	550	550	550	-	-	-	-
Group Homes Asset Replacement Program - 2011-12	200	200	200	-	-	-	-
Hostels Redevelopment Program - 2011-12	450	450	450	-	-	-	-
Renovation Program - 2011-12	700	700	700	-	-	-	-
NEW WORKS							
Community Disability Housing Program							
2012-13	910	-	-	910	-	-	-
2013-14	900	-	-	-	900	-	-
2014-15	925	-	-	-	-	925	-
2015-16	923	-	-	-	-	-	923
Computer Replacement Program							
2013-14	800	-	-	-	800	-	-
2014-15	670	-	-	-	-	670	-
2015-16	575	-	-	-	-	-	575
Declared Places Program	5,900	-	-	1,500	4,400	-	-
Group Homes Asset Replacement Program							
2012-13	365	-	-	365	-	-	-
2013-14	300	-	-	-	300	-	-
2014-15	575	-	-	-	-	575	-
2015-16	430	-	-	-	-	-	430
Hostels Redevelopment Program							
2012-13	920	-	-	920	-	-	-
2013-14	400	-	-	-	400	-	-
Renovation Program							
2012-13	669	-	-	669	-	-	-
2013-14	450	-	-	-	450	-	-
2014-15	650	-	-	-	-	650	-
2015-16	975	-	-	-	-	-	975
Total Cost of Asset Investment Program	20,201	2,864	2,864	4,364	7,250	2,820	2,903
FUNDED BY							
Capital Appropriation			2,072	4,364	1,860	1,700	1,999
Asset Sales			-	-	4,400	-	-
Drawdowns from the Holding Account			792	-	990	1,120	904
Total Funding			2,864	4,364	7,250	2,820	2,903

FINANCIAL STATEMENTS**Income Statement***Expenses*

The estimated increase in the Total Cost of Services from 2011-12 Estimated Actual to 2012-13 Budget Estimate of \$66.0 million (10.0%) is mainly represented by:

- State growth funding for accommodation and preventative support services (\$32.2 million);
- Commonwealth growth and indexation funding received under the National Disability Agreement (\$13.3 million);
- Sustainable Funding and Contracting with the Not-For-Profit Sector Initiative (\$6.4 million); and
- Indexation to disability sector organisations, salary increases and cost escalations (\$19.6 million).

Income

The estimated increase in Total Income from 2011-12 Estimated Actual to 2012-13 Budget Estimate is mainly due to Commonwealth growth and indexation funding received under the National Disability Agreement (\$13.3 million).

Statement of Cashflows

The estimated increase in net cash provided by the State Government from 2011-12 Estimated Actual to 2012-13 Budget Estimate is due to the provision of growth funding for accommodation and preventative support services, indexation funding for disability sector organisations (including the Sustainable Funding and Contracting with the Not-For-Profit Sector Initiative), salary increases and cost escalation.

INCOME STATEMENT ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	143,238	148,694	146,458	153,370	160,258	166,729	169,565
Grants and subsidies ^(c)	360,627	424,895	-	-	-	-	-
Supplies and services ^(d)	17,772	18,072	488,845	551,657	596,831	625,066	650,254
Accommodation.....	10,051	9,235	10,608	11,025	11,202	11,592	12,015
Depreciation and amortisation	4,694	5,102	5,381	5,598	5,933	6,282	6,282
Efficiency dividend.....	-	-	-	(3,844)	(6,746)	(9,783)	(12,549)
Other expenses.....	4,764	4,782	4,713	4,788	4,838	4,983	5,002
TOTAL COST OF SERVICES	541,146	610,780	656,005	722,594	772,316	804,869	830,569
Income							
Sale of goods and services	7,791	8,248	8,248	8,772	9,018	9,270	9,530
Grants and subsidies	94,408	113,100	109,859	123,162	140,981	150,302	150,302
Other revenue	4,639	3,000	3,963	3,963	3,963	3,963	3,963
Total Income	106,838	124,348	122,070	135,897	153,962	163,535	163,795
NET COST OF SERVICES.....	434,308	486,432	533,935	586,697	618,354	641,334	666,774
INCOME FROM STATE GOVERNMENT							
Service appropriations	433,245	486,990	534,146	585,641	617,312	640,332	665,767
Resources received free of charge.....	1,052	1,298	1,052	1,052	1,052	1,052	1,052
Royalties for Regions Fund ^(e)	83	-	147	152	159	164	169
TOTAL INCOME FROM STATE GOVERNMENT.....	434,380	488,288	535,345	586,845	618,523	641,548	666,988
SURPLUS/(DEFICIENCY) FOR THE PERIOD	72	1,856	1,410	148	169	214	214

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

(b) The Full Time Equivalents (FTEs) for 2010-11 Actual, 2011-12 Estimated Actual and 2012-13 Estimates are 1,672, 1,723 and 1,723 respectively. In some cases the figures for 2010-11 and 2011-12 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) Supplies and Services now include payments to disability services organisations and individuals (previously reported as Grants and Subsidies).

(e) Regional Community Services Fund - \$0.1 million (2010-11), \$0 million (2011-12), \$0.1 million (2011-12 Estimated Out Turn), \$0.2 million (2012-13), \$0.2 million (2013-14), \$0.2 million (2014-15) and \$0.2 million (2015-16). Royalties for Regions Fund represents revenue for District Allowances.

Details of Controlled Grants and Subsidies ^(a)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
Grants to External Service Providers	348,173	409,483	-	-	-	-	-
Grants to Internal Service Providers	12,454	15,412	-	-	-	-	-
TOTAL.....	360,627	424,895	-	-	-	-	-

(a) The implementation of the Sustainable Funding and Contracting with the Not-For-Profit Sector Initiative has resulted in all expenditure now being reported under supplies and services.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	663	2,041	2,377	2,377	2,377	2,377	2,377
Restricted cash.....	1,790	1,692	660	660	660	660	660
Holding account receivables	792	-	-	990	1,120	-	-
Receivables	3,471	2,986	3,473	3,473	3,473	3,473	3,473
Other.....	1,436	-	1,373	844	946	1,188	623
Total current assets	8,152	6,719	7,883	8,344	8,576	7,698	7,133
NON-CURRENT ASSETS							
Holding account receivables	22,557	28,485	28,485	34,201	40,157	47,620	54,217
Property, plant and equipment	49,319	46,122	47,897	47,726	46,448	44,365	42,187
Intangibles	3,133	750	1,678	224	-	-	-
Restricted cash.....	3,900	5,460	4,680	5,460	6,240	7,020	7,800
Other.....	6,313	8,677	6,606	6,996	5,417	4,039	2,838
Total non-current assets.....	85,222	89,494	89,346	94,607	98,262	103,044	107,042
TOTAL ASSETS	93,374	96,213	97,229	102,951	106,838	110,742	114,175
CURRENT LIABILITIES							
Employee provisions.....	27,724	24,981	28,622	29,601	30,667	31,775	32,854
Payables	557	70	153	123	104	124	125
Other.....	3,466	3,068	3,205	3,326	3,997	4,719	4,719
Total current liabilities.....	31,747	28,119	31,980	33,050	34,768	36,618	37,698
NON-CURRENT LIABILITIES							
Employee provisions.....	5,603	9,086	5,743	5,883	6,023	6,163	6,303
Total non-current liabilities	5,603	9,086	5,743	5,883	6,023	6,163	6,303
TOTAL LIABILITIES.....	37,350	37,205	37,723	38,933	40,791	42,781	44,001
EQUITY							
Contributed equity	17,808	19,880	19,880	24,244	26,104	27,804	29,803
Accumulated surplus/(deficit).....	(19,251)	(19,467)	(17,841)	(17,693)	(17,524)	(17,310)	(17,096)
Reserves.....	57,467	58,595	57,467	57,467	57,467	57,467	57,467
Total equity	56,024	59,008	59,506	64,018	66,047	67,961	70,174
TOTAL LIABILITIES AND EQUITY.....	93,374	96,213	97,229	102,951	106,838	110,742	114,175

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2010-11 Actual \$'000	2011-12 Budget \$'000	2011-12 Estimated Actual \$'000	2012-13 Budget Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	2015-16 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	427,624	481,062	528,218	578,935	610,236	632,869	658,266
Capital appropriation	965	2,072	2,072	4,364	1,860	1,700	1,999
Holding account drawdowns	1,504	792	792	-	990	1,120	904
Royalties for Regions Fund ^(b)	83	-	147	152	159	164	169
Net cash provided by State Government.....	430,176	483,926	531,229	583,451	613,245	635,853	661,338
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(141,553)	(147,261)	(147,054)	(152,974)	(159,327)	(165,948)	(168,968)
Grants and subsidies	(360,627)	(424,895)	-	-	-	-	-
Supplies and services	(16,814)	(16,988)	(487,373)	(549,974)	(595,408)	(623,532)	(648,618)
Accommodation.....	(9,610)	(8,774)	(9,898)	(10,220)	(10,553)	(10,896)	(11,250)
Efficiency dividend.....	-	-	-	3,844	6,746	9,783	12,549
Other payments.....	(42,269)	(50,055)	(53,845)	(59,710)	(64,191)	(66,842)	(69,069)
Receipts							
Grants and subsidies	94,408	113,100	109,859	123,162	140,981	150,302	150,302
Sale of goods and services	7,787	8,239	8,212	8,715	8,938	9,168	9,448
GST receipts	37,812	45,066	49,135	54,887	59,236	61,749	63,988
Other receipts.....	3,963	3,000	3,963	3,963	3,963	3,963	3,963
Net cash from operating activities	(426,903)	(478,568)	(527,001)	(578,307)	(609,615)	(632,253)	(657,655)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(4,839)	(2,864)	(2,864)	(4,364)	(7,250)	(2,820)	(2,903)
Proceeds from sale of non-current assets	-	-	-	-	4,400	-	-
Net cash from investing activities	(4,839)	(2,864)	(2,864)	(4,364)	(2,850)	(2,820)	(2,903)
NET INCREASE/(DECREASE) IN CASH HELD	(1,566)	2,494	1,364	780	780	780	780
Cash assets at the beginning of the reporting period.....	7,919	6,699	6,353	7,717	8,497	9,277	10,057
Cash assets at the end of the reporting period.....	6,353	9,193	7,717	8,497	9,277	10,057	10,837

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

(b) Regional Community Services Fund - \$0.1 million (2010-11), \$0.1 million (2011-12 Estimated Out Turn), \$0.2 million (2012-13), \$0.2 million (2013-14), \$0.2 million (2014-15) and \$0.2 million (2015-16). Royalties for Regions Fund represent funding for District Allowances.

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Education Services	1	409	State-wide Initiatives	1	214
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Forest Products Commission	2	780	State Development	1	114
Fremantle Port Authority	2	669	State Training Providers	2	611
Gascoyne Development Commission	1	215	Swan River Trust	2	830
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Geraldton Port Authority	2	672	Training and Workforce Development	2	600
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Great Southern Development Commission	1	228	Water	2	848
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Horizon Power	2	594	Western Australia Health Promotion		
Housing Authority	2	674	Foundation	1	153
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Legislative Assembly	1	55	Western Australian Meat Industry Authority	2	778
Legislative Council	1	49	Western Australian Planning Commission	2	560
Local Government	2	725	Western Australian Sports Centre Trust	2	521
Lotteries Commission	1	107	Western Australian Tourism Commission	1	155
Mental Health Commission	2	867	Western Australian Treasury Corporation	1	328
Metropolitan Cemeteries Board	2	735	Western Power	2	598
Metropolitan Redevelopment Authority	2	558	Wheatbelt Development Commission	1	274
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