



2014-15

BUDGET

Paper No. 2

Budget Statements
Volume 2

Presented to the
Legislative Assembly on 8 May 2014



2014-15 BUDGET

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**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 8 MAY 2014**

2014-15 Budget Statements
(Budget Paper No. 2 Volume 2)
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BUDGET STATEMENTS

TABLE OF CONTENTS

	Volume	Page
Chapter 1: Consolidated Account Expenditure Estimates	1	1
Chapter 2: Net Appropriation Determinations	1	29
Chapter 3: Agency Information in Support of the Estimates.....	1	41
PART 1 – PARLIAMENT		
Parliament	1	45
Parliamentary Commissioner for Administrative Investigations	1	64
PART 2 – PREMIER; MINISTER FOR STATE DEVELOPMENT; SCIENCE		
Premier and Cabinet.....	1	73
Public Sector Commission	1	84
Gold Corporation	1	92
Governor's Establishment.....	1	93
Lotteries Commission	1	99
Salaries and Allowances Tribunal	1	100
State Development	1	105
Chemistry Centre (WA)	1	116
PART 3 – DEPUTY PREMIER; MINISTER FOR HEALTH; TRAINING AND WORKFORCE DEVELOPMENT		
WA Health	1	127
Western Australia Health Promotion Foundation	1	154
Animal Resources Authority	1	155
Training and Workforce Development.....	1	156
State Training Providers.....	1	167
PART 4 – MINISTER FOR REGIONAL DEVELOPMENT; LANDS; MINISTER ASSISTING THE MINISTER FOR STATE DEVELOPMENT		
Regional Development.....	1	171
Royalties for Regions - Regional and State-wide Initiatives.....	1	182
Gascoyne Development Commission.....	1	183
Goldfields-Esperance Development Commission.....	1	189
Great Southern Development Commission	1	196
Kimberley Development Commission	1	203
Mid West Development Commission	1	210
Peel Development Commission	1	218
Pilbara Development Commission	1	224
South West Development Commission.....	1	232
Wheatbelt Development Commission.....	1	239
Lands	1	247
Western Australian Land Authority	1	255
Western Australian Land Information Authority	1	257

	Volume	Page
PART 5 – MINISTER FOR EDUCATION; ABORIGINAL AFFAIRS; ELECTORAL AFFAIRS		
Education	1	269
Education Services	1	284
School Curriculum and Standards Authority	1	293
Country High School Hostels Authority	1	301
Aboriginal Affairs	1	308
Western Australian Electoral Commission	1	317
PART 6 – MINISTER FOR PLANNING; CULTURE AND THE ARTS		
Planning	1	329
Metropolitan Redevelopment Authority.....	1	342
Western Australian Planning Commission.....	1	343
Culture and the Arts	1	353
PART 7 – MINISTER FOR POLICE; TOURISM; ROAD SAFETY; WOMEN’S INTERESTS		
Western Australia Police.....	1	369
Western Australian Tourism Commission	1	380
Rottneest Island Authority	1	389
PART 8 – MINISTER FOR MENTAL HEALTH; DISABILITY SERVICES; CHILD PROTECTION		
Mental Health Commission.....	1	393
Disability Services Commission	1	405
Child Protection and Family Support.....	1	415
PART 9 – ATTORNEY GENERAL; MINISTER FOR COMMERCE		
Attorney General	2	431
Corruption and Crime Commission	2	447
Commissioner for Equal Opportunity	2	455
Office of the Director of Public Prosecutions	2	462
Commissioner for Children and Young People.....	2	470
Office of the Information Commissioner	2	476
Parliamentary Inspector of the Corruption and Crime Commission	2	482
Legal Aid Commission of Western Australia	2	487
Commerce	2	488
Registrar, Western Australian Industrial Relations Commission	2	500
WorkCover WA Authority.....	2	506
PART 10 – MINISTER FOR MINES AND PETROLEUM; HOUSING		
Mines and Petroleum.....	2	509
Housing Authority.....	2	520
Keystart Housing Scheme Trust.....	2	532

	Volume	Page
PART 11 – MINISTER FOR SPORT AND RECREATION; RACING AND GAMING		
Sport and Recreation	2	535
Western Australian Sports Centre Trust.....	2	547
Western Australian Institute of Sport.....	2	555
Racing, Gaming and Liquor	2	556
Racing and Wagering Western Australia	2	564
Western Australian Greyhound Racing Association	2	565
Burswood Park Board	2	566
PART 12 – MINISTER FOR AGRICULTURE AND FOOD; FISHERIES		
Agriculture and Food	2	569
Rural Business Development Corporation	2	580
Western Australian Meat Industry Authority	2	587
Perth Market Authority	2	588
Fisheries	2	589
PART 13 – TREASURER; MINISTER FOR ENERGY; CITIZENSHIP AND MULTICULTURAL INTERESTS		
Treasury	2	603
Economic Regulation Authority.....	2	619
Insurance Commission of Western Australia.....	2	626
Office of the Auditor General	2	627
Western Australian Treasury Corporation.....	2	633
Independent Market Operator	2	634
Horizon Power	2	635
Synergy	2	637
Western Power Networks	2	639
Western Power Provisions	2	641
Electricity Sector Provisions	2	642
PART 14 – MINISTER FOR LOCAL GOVERNMENT; COMMUNITY SERVICES; SENIORS AND VOLUNTEERING; YOUTH		
Local Government and Communities.....	2	645
Metropolitan Cemeteries Board	2	658
PART 15 – MINISTER FOR ENVIRONMENT; HERITAGE		
Parks and Wildlife.....	2	661
Environment Regulation	2	671
Botanic Gardens and Parks Authority	2	679
Office of the Environmental Protection Authority	2	687
Swan River Trust.....	2	695
Zoological Parks Authority	2	704
Heritage Council of Western Australia	2	713
National Trust of Australia (WA)	2	720
PART 16 – MINISTER FOR EMERGENCY SERVICES; CORRECTIVE SERVICES; SMALL BUSINESS; VETERANS		
Fire and Emergency Services	2	731
State Emergency Management Committee Secretariat	2	741
Corrective Services	2	747
Office of the Inspector of Custodial Services.....	2	757
Small Business Development Corporation.....	2	762

	Volume	Page
PART 17 – MINISTER FOR WATER; FORESTRY		
Water	2	773
Water Corporation.....	2	785
Bunbury Water Corporation.....	2	787
Busselton Water Corporation	2	788
Forest Products Commission.....	2	789
PART 18 – MINISTER FOR TRANSPORT; FINANCE		
Transport	2	793
Commissioner of Main Roads.....	2	810
Public Transport Authority of Western Australia.....	2	825
Albany Port Authority	2	837
Broome Port Authority.....	2	838
Bunbury Port Authority.....	2	839
Dampier Port Authority.....	2	840
Esperance Port Authority	2	841
Fremantle Port Authority	2	842
Geraldton Port Authority.....	2	844
Port Hedland Port Authority	2	845
Finance	2	846

CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

Part 9 - 18

Further information pertaining to the 2014-15 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 9

Attorney General; Minister for Commerce

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
431	Attorney General			
	– Delivery of Services	339,648	340,374	343,295
	– Capital Appropriation.....	48,140	48,140	11,183
	Total.....	387,788	388,514	354,478
447	Corruption and Crime Commission			
	– Delivery of Services	34,123	33,146	33,794
	– Capital Appropriation.....	514	514	-
	Total.....	34,637	33,660	33,794
455	Commissioner for Equal Opportunity			
	– Delivery of Services	3,941	5,172	3,525
	– Capital Appropriation.....	76	86	-
	Total.....	4,017	5,258	3,525
462	Office of the Director of Public Prosecutions			
	– Delivery of Services	32,752	34,899	34,723
	Total.....	32,752	34,899	34,723
470	Commissioner for Children and Young People			
	– Delivery of Services	2,873	2,891	2,962
	Total.....	2,873	2,891	2,962
476	Office of the Information Commissioner			
	– Delivery of Services	2,037	2,142	2,317
	Total.....	2,037	2,142	2,317
482	Parliamentary Inspector of the Corruption and Crime Commission			
	– Delivery of Services	527	527	540
	Total.....	527	527	540

Part 9

Attorney General; Minister for Commerce

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
488	Commerce			
	– Delivery of Services	75,068	85,135	80,616
	– Administered Grants, Subsidies and Other Transfer Payments.....	1,200	713	556
	– Capital Appropriation.....	-	3,000	-
	Total	76,268	88,848	81,172
500	Registrar, Western Australian Industrial Relations Commission			
	– Delivery of Services	11,273	11,343	11,845
	Total	11,273	11,343	11,845
	GRAND TOTAL			
	– Delivery of Services	502,242	515,629	513,617
	– Administered Grants, Subsidies and Other Transfer Payments.....	1,200	713	556
	– Capital Appropriation.....	48,730	51,740	11,183
	Total	552,172	568,082	525,356

ATTORNEY GENERAL

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 37

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 46 Net amount appropriated to deliver services.....	245,827	248,967	249,693	249,542	260,984	260,167	266,178
Amount Authorised by Other Statutes							
- State Administrative Tribunal Act 2004.....	5,179	5,549	5,549	5,730	5,872	5,878	5,878
- Salaries and Allowances Act 1975.....	29,190	30,633	31,133	32,619	32,714	32,781	32,781
- Children's Court of Western Australia Act 1988.....	380	416	416	430	438	438	438
- Criminal Injuries Compensation Act 2003..	30,132	31,604	31,604	31,817	31,817	31,817	31,817
- District Court of Western Australia Act 1969.....	11,076	11,212	11,212	11,575	11,772	11,772	11,772
- Judges' Salaries and Pensions Act 1950.....	10,298	10,678	10,178	10,975	11,186	11,186	11,186
- Solicitor General Act 1969.....	433	559	559	576	590	594	594
- Suitor's Fund Act 1964.....	29	30	30	31	31	31	31
Total appropriations provided to deliver services	332,544	339,648	340,374	343,295	355,404	354,664	360,675
CAPITAL							
Item 133 Capital Appropriation.....	30,555	48,140	48,140	11,183	3,345	3,375	3,377
Equity Contribution ^(a)	15,000	-	-	-	-	-	-
TOTAL APPROPRIATIONS.....	378,099	387,788	388,514	354,478	358,749	358,039	364,052
EXPENSES							
Total Cost of Services.....	493,780	526,302	532,522	535,833	547,479	549,113	557,549
Net Cost of Services ^(b)	364,046	392,878	399,098	400,552	411,874	411,312	417,507
CASH ASSETS ^(c)	27,092	22,413	19,374	12,855	11,232	8,127	8,242

(a) In 2012-13, an equity injection of \$15 million was allocated to rectify the Department's cash balance deficit position.

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(2,291)	-	-	-	-
2014-15 Procurement Savings	-	(4,759)	-	-	-
2014-15 Tariffs, Fees and Charges	-	-	-	829	3,070
Accommodation Rental Increases.....	604	646	669	303	311
Copyright Payment on behalf of the State - Extension of Term.....	853	-	-	-	-
Coroner's Court - Increases in Forensic Pathology and Toxicology Services, Body Removal and Medical Reports	950	1,010	929	988	1,049
Corporate Services - Transition to Standalone Corporate Systems	500	500	-	(7,088)	(7,265)
Ex-Gratia Payment	110	-	-	-	-
Kalgoorlie, Kununurra and Carnarvon Court Buildings - Increased Operational Costs.....	-	597	656	672	689
Legal Aid					
2013-14 Procurement Savings	(364)	-	-	-	-
2014-15 Procurement Savings	-	(767)	-	-	-
Magistrate's Court Duty Lawyer Services.....	-	359	378	403	413
New Head Office Accommodation	-	-	2,255	2,345	2,439
State Expensive Cases	1,000	1,025	1,025	1,077	1,077
Mental Health Court Diversion and Support Program Pilot.....	-	800	-	-	-
Royalties for Regions - District Allowance Adjustment	(387)	(573)	(715)	(735)	184
State Solicitor's Office					
Browse Project Implementation and Corrective Measure	(889)	(1,283)	(1,444)	(1,508)	-
Child Sexual Abuse - Royal Commission into Institutional Responses to Child Sexual Abuse.....	944	577	-	-	-
South West Native Title Agreement	791	321	-	-	-
Supreme Court - Rayney Appeal	53	-	-	-	-

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.	An efficient, accessible court and tribunal system. ^(a)	1. Court and Tribunal Services
	Trustee, Guardianship and Administration services are accessible to all Western Australians.	2. Advocacy, Guardianship and Administration Services 3. Trustee Services
	Western Australian birth, death and marriage certificates are accurate and accessible.	4. Births, Deaths and Marriages
	Government receives quality, timely legal and legislative drafting services.	5. Services to Government
	Equitable access to legal services and information.	6. Legal Aid Assistance

(a) Accessible means able to access the court and tribunal system in a timely manner to achieve a resolution of a matter before the courts and tribunals.

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Court and Tribunal Services	338,313	374,523	375,701	379,131	385,937	386,240	391,903
2. Advocacy, Guardianship and Administration Services	5,933	5,762	5,967	6,196	6,415	6,533	6,668
3. Trustee Services.....	23,591	23,344	22,629	22,315	21,930	21,556	21,492
4. Births, Deaths and Marriages.....	7,590	7,822	7,501	7,487	7,852	8,209	8,497
5. Services to Government.....	82,340	78,499	83,736	82,335	83,242	83,562	85,242
6. Legal Aid Assistance	36,013	36,352	36,988	38,369	42,103	43,013	43,747
Total Cost of Services	493,780	526,302	532,522	535,833	547,479	549,113	557,549

Significant Issues Impacting the Agency

- The Department continues to develop, implement and coordinate legislation supporting the Government's law and order reform agenda, including budget priorities to strengthen laws around dangerous sex offenders, introduce post sentence supervision orders, amend laws relating to mentally impaired accused persons and improve the effectiveness of the operation of the legislation that governs the State's justice system.
- Magistrates Court sittings on Sundays will commence at the Perth Police Complex to deal with bail and remand decisions.
- The State Solicitor's Office will need to respond to the increasing volume of requests associated with the Commonwealth's Royal Commission into Institutional Responses to Child Sexual Abuse.
- The Department continues to work towards reducing the over-representation of Aboriginal people in the justice system. The three main focus areas of the Department relate to Aboriginal people either in or at risk of entering the justice system or prison because of driver's license offences, or unpaid fines and the provision of victim support services for Aboriginal people in remote areas.
- The Commissioner for Victims of Crime will continue to progress a range of operational reforms including improvements in victim notification processes and enhanced guidelines for prosecutors dealing with victims of crime. Work will also focus on enhancing safety for victims and improving the whole-of-government provision of information to victims of crime.
- Enhanced measures for the enforcement of fines and infringements were implemented in the metropolitan area in August 2013 and expanded into parts of the South West region in April 2014. The use of enhanced sanctions will continue to have a positive impact on payments to the Fines Enforcement Registry.
- Western Australia's increasing and ageing population combined with the prevalence of dementia is resulting in a continued increase in demand for services provided by the Public Trustee. Similarly, the Public Advocate is continuing to experience increased demand for services to vulnerable adults with decision-making disabilities.
- The administration of the Law Reform Commission of Western Australia (the Commission) is to be transferred to the Department of the Attorney General from 1 July 2014. The Commission will remain a statutory authority and retain its legal independence with respect to its findings.
- The Registry of Births, Deaths and Marriages commitment to the National Identity Security Strategy continues to grow as new policy initiatives are developed, and more private sector entities commit to the prevention of identity fraud and data integrity.
- Demand for Legal Aid services in the State criminal jurisdiction continues to increase as a consequence of the withdrawal of Commonwealth funded services by the Aboriginal Legal Service of Western Australia (ALSWA) in some parts of metropolitan and regional Western Australia. This situation is likely to be exacerbated by the recent reduction in funding for ALSWA and a number of community legal centres announced by the Commonwealth in December 2013.
- The Department continues to undertake an extensive Asset Investment Program in regional areas with the construction of Kununurra Courthouse, Carnarvon Police and Justice Complex and Fitzroy Crossing Courthouse.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: An efficient, accessible court and tribunal system:					
Supreme Court - Criminal - Time to trial ^(b)	26 weeks	28 weeks	28 weeks	28 weeks	
Supreme Court - Civil - Time to finalise non-trial matters ^(c)	20 weeks	19 weeks	19 weeks	19 weeks	
District Court - Criminal - Time to trial ^(b)	25 weeks	32 weeks	26 weeks	32 weeks	1
State Administrative Tribunal - Time to finalise ^(c)	13 weeks	15 weeks	14 weeks	15 weeks	
Family Court of Western Australia - Time to finalise non-trial matters ^(b)	47 weeks	27 weeks	66 weeks	27 weeks	2
Magistrates Court - Criminal and Civil - Time to trial ^(b)	17 weeks	19 weeks	18 weeks	19 weeks	
Coroner's Court - Time to trial ^(b)	137 weeks	128 weeks	128 weeks	128 weeks	
Fines Enforcement Registry - Percentage of fines satisfied within 12 months Fines and costs	41%	35%	35%	35%	
Fines Enforcement Registry - Percentage of fines satisfied within 12 months infringements	62%	57%	57%	57%	
Outcome: Trustee, Guardianship and Administration services are accessible to all Western Australians:					
Percentage of Guardians of last resort allocated in one day	96%	95%	95%	95%	
Percentage of Western Australian deceased estates administered by the Public Trustee	5.7%	6.5%	5.5%	6.5%	3
Percentage of clients who have services provided by the Public Trustee under an operating subsidy	46%	35%	48%	35%	4
Outcome: Western Australian birth, death and marriage certificates are accurate and accessible:					
Percentage of certificates of birth, death or marriage issued within 2 days	96%	90%	95%	90%	
Extent to which births, deaths and marriages source information is recorded error free	97%	97%	97%	97%	
Outcome: Government receives quality, timely legal and legislative drafting services:					
Extent to which government agencies are satisfied with legal services	100%	90%	95%	90%	
Extent to which legislation is drafted in a timely manner to effect the Government's legislative program	98%	90%	100%	90%	5
Outcome: Equitable access to legal services and information:					
Percentage of eligible applicants who receive a grant of legal aid	75%	73%	78%	78%	
Percentage of persons who are provided with a duty lawyer service	25%	22%	24%	23%	
Percentage of callers successfully accessing Infoline services	78%	89%	87%	87%	

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

(b) Time to trial is defined as the median time from when a matter enters the court in question to the first trial/hearing date. However, in the case of the Coroner's Court it is defined as the median time from death to the first inquest hearing (for those cases when an inquest is held).

(c) Time to finalise non-trial matters is defined as the median time from the date of lodgement to the first date of finalisation, excluding matters finalised by trial and matters finalised administratively.

Explanation of Significant Movements

(Notes)

1. The District Court - Criminal - Time to trial is expected to be lower than Budget in 2013-14 as a result of sustained improvements in criminal listing practices.
2. The Family Court of Western Australia - Time to finalise non-trial matters is expected to exceed the 2013-14 Budget due to a continued focus on clearing inactive and old matters, an increase in the complexity and volume of final order parenting applications; and increased involvement of Magistrates in trial work which has impacted their capacity to undertake non-trial work and ongoing issues with parties completing the steps required to finalise matters.
3. The percentage of deceased estates administered by the Public Trustee is expected to remain lower than Budget in 2013-14 as a result of an increase in the number of beneficiaries opting to administer the estate themselves.
4. The percentage of clients who have services provided by the Public Trustee under an operating subsidy is expected to remain higher than Budget in 2013-14 due to the record number of appointments from the State Administrative Tribunal (SAT) where the Public Trustee provides services at a subsidised cost or no cost to vulnerable clients.
5. The extent to which legislation is drafted in a timely manner to effect the Government's legislative program is expected to exceed Budget in 2013-14 as the Parliamentary Counsel's Office is able to satisfy its commitments to meet the Government's timeframes.

Services and Key Efficiency Indicators

1. Court and Tribunal Services

A prime task of the justice system in serving the community is the determination of cases brought before a court or tribunal. This service relates to financing the cost of delivering court facilities, administrative support and judicial staff to enable these determinations to be made. Part of this function also involves the delivery of court counselling services and a range of civil and criminal enforcement services.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000	\$'000	\$'000	\$'000	
Less Income	338,313	374,523	375,701	379,131	
Net Cost of Service.....	78,937	83,258	83,275	84,416	
Net Cost of Service.....	259,376	291,265	292,426	294,715	
Employees (Full Time Equivalents) ^(a)	1,202	1,278	1,274	1,277	
Efficiency Indicators ^(b)					
Supreme Court - Criminal - Cost per Case	\$30,327	\$36,034	\$37,865	\$37,478	
Supreme Court - Civil - Cost per Case.....	\$7,363	\$9,095	\$8,710	\$9,255	
Court of Appeal - Cost per Case ^(c)	n/a	\$23,468	\$22,850	\$23,377	
District Court - Criminal - Cost per Case.....	\$18,170	\$19,064	\$19,272	\$21,036	1
District Court - Civil - Cost per Case.....	\$6,381	\$7,822	\$7,401	\$7,832	
State Administrative Tribunal - Cost per Case.....	\$3,265	\$3,339	\$3,559	\$3,463	
Family Court - Cost per Case	\$2,052	\$1,768	\$1,925	\$1,860	
Magistrates Court - Criminal - Cost per Case	\$961	\$1,005	\$1,042	\$1,237	2
Magistrates Court - Civil - Cost per Case	\$339	\$345	\$348	\$366	
Coroner's Court - Cost per Case	\$5,485	\$4,671	\$6,122	\$5,427	3
Children's Court - Criminal - Cost per Case	\$862	\$785	\$857	\$970	4
Children's Court - Civil - Cost per Case	\$488	\$422	\$467	\$429	
Fines Enforcement Registry - Cost per Enforcement.....	\$22	\$21	\$27	\$21	5

(a) This includes judicial staff that are not employees of the Department.

(b) Cost per case is calculated as the total gross cost divided by finalisations (with the exception of the Fines Enforcement Registry indicator which is based on lodgements). This measures the average cost per case for all matters finalised by the court (including matters finalised without trial and those finalised administratively). As such, this is not a measure of the cost per trial. A trial matter in itself could be expected to cost significantly in excess of the average cost figures outlined in this table.

(c) The Key Performance Indicators for the 'Court of Appeal - Criminal - Cost per Case' and 'Court of Appeal - Civil - Cost per Case' indicators have been merged into one indicator.

Explanation of Significant Movements

(Notes)

1. The higher District Court - Criminal - Cost per Case is due to a reduction in the number of cases expected to be finalised and higher costs from the District Court Building contract.
2. The higher Magistrates Court - Criminal - Cost per Case is due to a reduction in the number of expected finalisations as a result of lower demand and lodgements arising from minor criminal offences being dealt with by way of an infringement notice.
3. The higher Coroner's Court – Cost per Case in 2013-14 is due to a reduced number of finalisations and change in priority for one Coroner to complete the Graylands Inquest.
4. The higher Children's Court - Criminal - Cost per Case is due to a reduction in the number of expected finalisations as a result of lower demand and lodgements arising from minor criminal offences being dealt with by way of an infringement notice.
5. The lower Fines Enforcement Registry - Cost per Case is due to costs associated with the enhanced enforcement measures project introduced in 2013-14.

2. Advocacy, Guardianship and Administration Services

Advocacy, guardianship and administration services protect and promote the financial interests and welfare of people with decision-making disabilities by providing:

- access to investigation and advocacy services;
- appropriate appointment of guardians and administrators and appropriate interventions in relation to enduring Powers of Attorney;
- guardianship and administration community education services; and
- guardianship and administration services provided by the Public Advocate.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 5,933	\$'000 5,762	\$'000 5,967	\$'000 6,196	
Less Income	57	83	83	84	
Net Cost of Service.....	5,876	5,679	5,884	6,112	
Employees (Full Time Equivalents).....	47	50	49	51	
Efficiency Indicators					
Average Cost of Providing Advocacy and Guardianship Services	\$1,776	\$1,720	\$1,760	\$1,800	

3. Trustee Services

The Public Trustee is a statutory authority within the provisions of the *Financial Management Act 2006*. It provides a funds management and investment service. It acts as trustee or financial administrator pursuant to the orders of courts or tribunals. It also administers the estates of people who die with or without a will, in accordance with the terms of the will or the relevant law and under the authority of the Supreme Court. The Public Trustee offers high quality, personalised trustee services to meet the needs of all sectors of the Western Australian community.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	23,591	23,344	22,629	22,315	
Less Income	24,172	23,248	23,248	22,666	
Net Cost of Service.....	(581)	96	(619)	(351)	
Employees (Full Time Equivalents).....	168	172	173	173	
Efficiency Indicators					
Average Cost per Deceased Estate Administered	\$2,810	\$2,758	\$2,703	\$2,591	
Average Cost per Trust Managed	\$1,998	\$2,038	\$1,911	\$1,911	
Average Cost per Will Prepared	\$780	\$580	\$820	\$597	1

Explanation of Significant Movements

(Notes)

- The average cost of preparing a Will increased in 2013-14 as a lower number of Wills were prepared.

4. Births, Deaths and Marriages

The purpose of the Registrar of Births, Deaths and Marriages is to create and permanently store birth, death and marriage records to enable the public to obtain documentary proof of key life events for legal, personal and historical purposes and also to enable approved organisations to obtain information for research and statistical purposes.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	7,590	7,822	7,501	7,487	
Less Income	7,906	8,443	8,444	8,445	
Net Cost of Service.....	(316)	(621)	(943)	(958)	
Employees (Full Time Equivalents).....	51	52	55	55	
Efficiency Indicators					
Average Cost of Registration Services	\$1.99	\$2.01	\$1.93	\$1.90	

5. Services to Government

Services directly provided by the Department to support the outcomes and activities of other government agencies.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service ^(a)	\$'000 82,340	\$'000 78,499	\$'000 83,736	\$'000 82,335	
Less Income	18,662	18,392	18,374	19,670	
Net Cost of Service.....	63,678	60,107	65,362	62,665	
Employees (Full Time Equivalents).....	378	438	444	440	
Efficiency Indicators					
Average Cost per Legal Matter ^(b)	\$3,462	\$3,700	\$4,000	\$3,800	
Average Cost per Page of Output ^(c)	\$229	\$243	\$228	\$226	

(a) This includes the cost of shared services provided to other agencies, including the Department of Corrective Services, Law Reform Commission, Commissioner for Children and Young People and Parliamentary Inspector of the Corruption and Crime Commission.

(b) This indicator is calculated by dividing the State Solicitor's Office total cost of services by the number of recorded matters.

(c) This indicator is calculated by dividing the Parliamentary Counsel's Office total operating expenses by the number of new or changed pages of bills, subsidiary legislation and reprinted texts produced each financial year.

6. Legal Aid Assistance

The community and target groups require access to and the provision of quality legal services. This service responds to the demand for legal assistance through application of priority guidelines. This is achieved through the provision of eligibility and merit tests to enable legal representation to be provided to legally aided clients by grants of aid and assignment of cases to in-house or private practitioners. Legal advice, duty lawyer services and community legal education is provided to assist the wider community to access fair solutions to legal problems at the earliest opportunity.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 36,013	\$'000 36,352	\$'000 36,988	\$'000 38,369	
Less Income	-	-	-	-	
Net Cost of Service.....	36,013	36,352	36,988	38,369	
Employees (Full Time Equivalents).....	307	336	336	341	
Efficiency Indicators					
Average Cost per Legal Representation.....	\$3,759	\$3,790	\$3,700	\$3,700	
Average Cost per Legal Information Service.....	\$34	\$32	\$41	\$36	1
Average Cost per Legal Advice.....	\$199	\$212	\$215	\$215	
Average Cost per Application for a Grant of Legal Aid Processed.....	\$396	\$382	\$370	\$370	
Average Cost of Delivering Regional Initiatives for Legal Practice	\$11,220	\$11,636	\$11,912	\$11,912	

Explanation of Significant Movements

(Notes)

1. Additional resources have been allocated in 2013-14 to address the high abandoned call rate for the Infoline in 2012-13 and a new telephone system has been implemented in February 2014.

ASSET INVESTMENT PROGRAM

Funding for the Department's Information Projects will allow for the structured upgrade and ongoing support of existing business systems and improve systems across the organisation. In 2011-12, \$10 million was provided to progress the eCourts strategy and replace a number of unsupported legacy court systems. This will see the completion of the criminal case management component of the Integrated Court Management System for the Magistrates Court and Children's Court. The project is on schedule for completion and the *Courts and Tribunals (Electronic Processes Facilitation) Act 2013* has been enacted to support the implementation of the project.

The Registry of Births, Deaths and Marriages will replace its ageing Western Australian Registration System. Detailed planning and analysis is expected to occur in 2014-15, with system development expected to commence in 2015-16.

The Department has audio visual facilities in court locations across the metropolitan and regional areas which are aimed at improving service delivery to regional sites, as well as reducing the risks associated with transporting people in custody over long distances. This is an ongoing program to update or install such facilities across the State.

Construction of the \$52.5 million Carnarvon Police and Justice Complex (partly funded through Royalties for Regions (RfR)) is in the construction stage and the building is expected to be completed in 2015.

Construction of the \$41.8 million Kununurra Courthouse redevelopment (funded through RfR) commenced in 2012 and completion is scheduled for late 2014.

The retender process for the Fitzroy Crossing Courthouse will proceed during 2014 and construction is expected to commence in late 2014. A transfer of \$1.2 million in RfR funds from the Kununurra Courthouse project to the Fitzroy Crossing Courthouse project was approved in 2013-14.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Administrative							
Information Projects							
Business Systems - Corporate Information							
Management Systems.....	10,973	8,030	620	912	658	678	695
Information and Communications Technology							
Infrastructure Upgrade	24,978	19,819	1,126	1,473	1,195	1,230	1,261
Physical Infrastructure							
Building Infrastructure and Maintenance 2013-14	1,378	1,174	1,174	204	-	-	-
Replacement Office Equipment 2013-14	4,433	2,951	2,951	-	-	1,482	-
Services							
Information Projects							
Court Audio/Visual Maintenance and Enhancements	15,850	10,222	1,308	1,347	1,387	1,429	1,465
eCourts - Integrated Courts Management System	10,000	9,598	4,130	402	-	-	-
Physical Infrastructure							
Carnarvon Police and Justice Complex ^(a)	52,500	39,345	29,114	13,155	-	-	-
Court and Judicial Security	7,137	4,852	531	547	563	580	595
Fitzroy Crossing Courthouse ^(b)	5,100	450	279	4,650	-	-	-
Kununurra Courthouse ^(b)	41,800	32,450	20,542	9,350	-	-	-
Mount Magnet Court Facility Replacement	1,715	1,465	1,465	250	-	-	-
COMPLETED WORKS							
Administrative							
Information Projects							
Upgrading of Alesco, Financial and Budgeting System	4,224	4,224	3,559	-	-	-	-
Physical Infrastructure							
CBD Courts Construction and Central Law Courts							
Refurbishment	59,372	59,372	1,146	-	-	-	-
Kalgoorlie Court Upgrade	41,719	41,719	7,477	-	-	-	-
State Solicitor's Office Equipment for Commercial							
Law Resources	38	38	38	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
NEW WORKS							
Administrative - Physical Infrastructure							
Building Infrastructure and Maintenance							
2014-15 Program	1,209	-	-	1,209	-	-	-
2015-16 Program	1,245	-	-	-	1,245	-	-
2016-17 Program	1,282	-	-	-	-	1,282	-
2017-18 Program	1,314	-	-	-	-	-	1,314
Replacement Office Equipment							
2014-15 Program	1,572	-	-	1,572	-	-	-
2015-16 Program	1,619	-	-	-	1,619	-	-
2016-17 Program	1,668	-	-	-	-	1,668	-
2017-18 Program	1,710	-	-	-	-	-	1,710
Services - Information Projects - Replacement of Western Australian Registration System (WARS).....							
	6,000	-	-	500	2,500	2,500	500
Asset Investment Program Efficiency Measure							
	(2,068)	-	-	(691)	(458)	(542)	(377)
Total Cost of Asset Investment Program	296,768	235,709	75,460	34,880	8,709	10,307	7,163
FUNDED BY							
Capital Appropriation			48,140	11,183	3,345	3,375	3,377
Drawdowns from the Holding Account			2,660	2,781	2,864	2,950	3,024
Internal Funds and Balances			7,147	7,561	2,500	3,982	762
Drawdowns from Royalties for Regions Fund ^(c)			17,513	13,355	-	-	-
Total Funding			75,460	34,880	8,709	10,307	7,163

(a) Partially funded from the Royalties for Regions Fund.

(b) Funded from the Royalties for Regions Fund.

(c) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS

Income Statement

Expenses

The income statement shows an estimated increase in the Total Cost of Services of \$3.3 million (0.6%) in 2014-15 compared to the 2013-14 Estimated Actual. This mainly relates to spending changes for Mental Health Court Diversion and Support program, Sunday Court initiative, Legal Aid increases and provision for increases in salaries of judicial staff and other employees.

Income

Total income is expected to be \$135.3 million in 2014-15, an increase of \$1.9 million (1.4%) compared to the 2013-14 Estimated Actual. This largely relates to changes in the Fines Enforcement Registry fees, and the Public Trustee's fees.

Statement of Financial Position

The Department's contributed equity is expected to increase by \$24.5 million (10.5%) between the 2013-14 Estimated Actual and the 2014-15 Budget Estimate. This is mainly to fund capital projects disclosed in the Asset Investment Program.

The expected increase in fixed assets mainly relates to building works for the Carnarvon, Kununurra and Fitzroy Courthouse projects.

Statement of Cashflows

The 2014-15 closing cash assets balance of \$12.9 million represents a decrease of \$6.5 million in comparison to the 2013-14 Estimated Actual. The decrease is mainly attributable to asset investment projects being funded from internal funds and balances.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	221,226	264,213	263,779	269,414	275,243	273,937	276,441
Grants and subsidies ^(c)	74,383	75,624	76,370	77,900	81,682	82,641	83,375
Supplies and services.....	94,148	96,598	99,882	98,565	96,602	97,207	99,218
Accommodation.....	39,739	37,401	38,002	38,426	39,026	39,598	39,985
Depreciation and amortisation.....	17,744	14,961	17,163	16,956	17,973	18,004	18,807
Finance Costs ^(d)	18,063	17,211	17,118	16,817	16,469	16,469	16,469
Other expenses.....	28,477	20,294	20,208	17,755	20,484	21,257	23,254
TOTAL COST OF SERVICES.....	493,780	526,302	532,522	535,833	547,479	549,113	557,549
Income							
Sale of goods and services.....	27,831	27,787	27,787	30,496	31,797	33,231	33,748
Regulatory fees and fines.....	52,104	61,332	61,332	62,735	62,990	65,010	66,934
Grants and subsidies.....	18,956	13,331	13,331	13,677	14,022	14,268	14,519
Other revenue.....	30,843	30,974	30,974	28,373	26,796	25,292	24,841
Total Income.....	129,734	133,424	133,424	135,281	135,605	137,801	140,042
NET COST OF SERVICES.....	364,046	392,878	399,098	400,552	411,874	411,312	417,507
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	332,544	339,648	340,374	343,295	355,404	354,664	360,675
Resources received free of charge.....	20,562	23,169	26,268	26,607	26,772	26,941	26,941
Liabilities assumed by the Treasurer.....	-	27,800	27,800	27,800	27,800	27,800	27,800
Royalties for Regions Fund ^(e)	1,652	3,108	1,383	2,892	2,775	2,784	2,968
TOTAL INCOME FROM STATE GOVERNMENT.....	354,758	393,725	395,825	400,594	412,751	412,189	418,384
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(9,288)	847	(3,273)	42	877	877	877

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 2,153, 2,331 and 2,337 respectively.

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

(d) In previous years, Finance Costs have been reported as part of Other Expenses in the Budget Papers.

(e) Regional Community Services Fund - \$1.7 million (2012-13), \$3.1 million (2013-14 Budget), \$1.4 million (2013-14 estimated outturn), \$2.9 million (2014-15), \$2.8 million (2015-16), \$2.8 million (2016-17) and \$3 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Accused Costs Payments.....	4,975	5,847	5,847	6,009	6,093	6,148	6,148
Criminal Injuries Compensation Payments.....	30,775	31,604	31,604	31,817	31,817	31,817	31,817
Ex-Gratia and Act of Grace Payments.....	1,425	-	110	-	-	-	-
Legal Aid Assistance Grant.....	36,013	36,352	36,988	38,369	42,103	43,013	43,747
Other Grants, Subsidies and Transfer Payments...	1,195	1,821	1,821	1,705	1,669	1,663	1,663
TOTAL.....	74,383	75,624	76,370	77,900	81,682	82,641	83,375

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	18,411	16,151	11,934	4,805	9,149	5,444	4,944
Restricted cash.....	3,934	862	2,083	2,083	2,083	2,083	2,083
Holding account receivables.....	2,652	2,781	2,781	2,864	2,950	3,024	3,104
Receivables.....	7,817	12,341	7,817	7,317	7,317	7,317	7,317
Other.....	3,655	1,153	3,655	3,655	3,655	3,655	3,655
Assets held for sale ^(b)	2,451	-	2,451	2,451	2,451	2,451	2,451
Total current assets.....	38,920	33,288	30,721	23,175	27,605	23,974	23,554
NON-CURRENT ASSETS							
Holding account receivables.....	129,061	141,233	141,233	155,325	170,348	185,328	201,031
Property, plant and equipment.....	621,520	689,145	678,571	709,401	709,875	712,164	713,286
Intangibles.....	3,936	11,970	6,912	4,282	5,768	7,006	7,006
Restricted cash.....	4,747	5,400	5,357	5,967	-	600	1,215
Total non-current assets.....	759,264	847,748	832,073	874,975	885,991	905,098	922,538
TOTAL ASSETS.....	798,184	881,036	862,794	898,150	913,596	929,072	946,092
CURRENT LIABILITIES							
Employee provisions.....	47,504	45,541	47,504	47,504	47,504	47,504	47,504
Payables.....	15,502	23,686	16,002	16,502	16,502	16,502	16,502
Other.....	8,650	9,621	9,190	9,837	10,436	10,436	10,436
Total current liabilities.....	71,656	78,848	72,696	73,843	74,442	74,442	74,442
NON-CURRENT LIABILITIES							
Employee provisions.....	8,616	8,702	8,616	8,616	8,616	8,616	8,616
Borrowings.....	215,885	207,870	211,911	207,290	202,070	202,070	202,070
Other.....	93	80	93	93	93	93	93
Total non-current liabilities.....	224,594	216,652	220,620	215,999	210,779	210,779	210,779
TOTAL LIABILITIES.....	296,250	295,500	293,316	289,842	285,221	285,221	285,221
EQUITY							
Contributed equity.....	172,694	248,878	232,747	257,285	260,630	264,005	267,382
Accumulated surplus/(deficit).....	60,430	69,241	57,157	57,199	58,076	58,953	59,830
Reserves.....	268,810	267,417	279,574	293,824	309,669	320,893	333,659
Total equity.....	501,934	585,536	569,478	608,308	628,375	643,851	660,871
TOTAL LIABILITIES AND EQUITY.....	798,184	881,036	862,794	898,150	913,596	929,072	946,092

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

(b) Assets held for distribution to owner.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	314,736	324,687	325,413	326,339	337,431	336,660	341,868
Capital appropriation	30,555	48,140	48,140	11,183	3,345	3,375	3,377
Equity Contribution ^(b)	15,000	-	-	-	-	-	-
Holding account drawdowns	2,582	2,660	2,660	2,781	2,864	2,950	3,024
Royalties for Regions Fund ^(c)	15,868	31,159	18,896	16,247	2,775	2,784	2,968
Net cash provided by State Government.....	378,741	406,646	395,109	356,550	346,415	345,769	351,237
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(219,259)	(236,413)	(235,979)	(241,614)	(247,443)	(246,137)	(248,641)
Grants and subsidies	(74,383)	(75,624)	(76,370)	(77,900)	(81,682)	(82,641)	(83,375)
Supplies and services	(94,060)	(77,892)	(78,077)	(76,759)	(75,318)	(75,921)	(77,930)
Accommodation.....	(34,577)	(32,814)	(33,415)	(33,500)	(33,385)	(33,788)	(34,175)
Other payments.....	(57,701)	(59,942)	(59,763)	(56,510)	(59,919)	(60,694)	(62,693)
Receipts							
Regulatory fees and fines.....	52,104	61,332	61,332	62,735	62,990	65,010	66,934
Grants and subsidies	18,956	13,331	13,331	13,677	14,022	14,268	14,519
Sale of goods and services	27,831	27,787	27,787	30,496	31,797	33,231	33,748
GST receipts	22,248	22,813	22,813	22,813	22,813	22,813	22,813
Other receipts.....	32,732	30,974	30,974	28,373	26,796	25,292	24,841
Net cash from operating activities	(326,109)	(326,448)	(327,367)	(328,189)	(339,329)	(338,567)	(343,959)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(34,888)	(81,173)	(75,460)	(34,880)	(8,709)	(10,307)	(7,163)
Proceeds from sale of non-current assets	7	-	-	-	-	-	-
Net cash from investing activities	(34,881)	(81,173)	(75,460)	(34,880)	(8,709)	(10,307)	(7,163)
NET INCREASE/(DECREASE) IN CASH HELD	17,751	(975)	(7,718)	(6,519)	(1,623)	(3,105)	115
Cash assets at the beginning of the reporting period.....	9,341	23,388	27,092	19,374	12,855	11,232	8,127
Cash assets at the end of the reporting period.....	27,092	22,413	19,374	12,855	11,232	8,127	8,242

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

(b) In 2012-13, an equity injection of \$15 million was allocated to rectify the Department's cash balance deficit position.

(c) Regional Infrastructure and Headworks Fund - \$14.2 million (2012-13), \$28.1 million (2013-14 Budget), \$17.5 million (2013-14 estimated outturn), \$13.4 million (2014-15), Regional Community Services Fund - \$1.7 million (2012-13), \$3.1 million (2013-14 Budget), \$1.4 million (2013-14 estimated outturn), \$2.9 million (2014-15), \$2.8 million (2015-16), \$2.8 million (2016-17) and \$3 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Other							
Confiscation of Assets	9,359	7,500	7,500	7,500	7,500	7,500	7,500
Fines and Penalties ^(a)	34,909	36,951	36,950	36,950	36,950	36,950	36,950
Speed and Red Light Fines ^(b)	14,564	14,323	14,323	14,323	14,323	14,323	14,323
Other Revenue ^(c)	11,993	11,579	11,580	11,580	11,580	11,580	11,580
TOTAL INCOME	70,825	70,353	70,353	70,353	70,353	70,353	70,353
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants Paid from the Confiscation Proceeds Account	2,928	4,000	1,900	1,900	1,900	1,900	1,900
Other							
Confiscation Expenses Paid from the Confiscation Proceeds Account	6,360	3,500	5,600	5,600	5,600	5,600	5,600
Receipts Paid into Consolidated Account	46,442	46,411	46,411	46,411	46,411	46,411	46,411
Payment to Road Trauma Trust Account	14,564	14,323	14,323	14,323	14,323	14,323	14,323
Other Expenses	2,791	2,119	2,119	2,119	2,119	2,119	2,119
TOTAL EXPENSES.....	73,085	70,353	70,353	70,353	70,353	70,353	70,353

(a) Fines and Penalties imposed by the Courts.

(b) Relates to collections of Speed and Red Light Fines. From 1 July 2012, 100% of speed and red light camera fine revenue is transferred to the Road Trauma Trust Account as per the *Road Safety Council Amendment Act 2011*.

(c) Relates to collections and disbursements on behalf of government agencies.

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
District Court Fees.....	4,463	5,466	5,466	5,648	5,795	5,945	6,100
Family Court Commonwealth Grant.....	18,069	13,063	12,952	13,440	13,682	13,928	14,179
Family Court Fees	4,509	6,216	6,216	6,223	6,217	6,372	6,372
Fines Enforcement Registry Fees	26,486	30,031	30,031	34,704	34,362	35,607	36,892
GST Receipts from Australian Taxation Office.....	19,480	21,513	21,513	21,513	21,513	21,513	21,513
GST Receipts on Sales	2,768	1,300	1,300	1,300	1,300	1,300	1,300
Indian Ocean Territories Commonwealth Grant.....	384	165	205	237	237	237	237
Magistrates' Court Fees	9,270	10,310	10,362	7,625	7,818	8,016	8,219
Other Grants Received.....	503	103	-	-	103	103	103
Other Receipts	-	192	-	171	171	171	171
Public Trustee Contribution - Common Account Surplus Interest ^(a)	5,651	5,206	5,206	5,404	3,964	2,499	1,973
Public Trustee Contribution - Estate Fees and Other Revenues ^(a)	15,484	14,961	14,961	16,536	17,817	19,243	19,753
Recoup of Building Disputes Revenue ^(b)	2,840	-	3,330	2,686	2,686	2,686	2,686
Recoup of Criminal Injury Awards.....	1,657	1,643	1,643	1,666	1,666	1,666	1,666
Recoup of Legal Costs.....	329	300	300	300	300	300	300
Recoup of Other Costs.....	18,859	21,543	18,545	15,847	15,669	15,576	15,596
Recoup of Residential Tenancy Payments.....	2,300	1,752	1,752	2,021	2,074	2,128	2,183
Recoup of Salary Costs.....	829	366	348	324	324	324	324
Recoup of Workers Compensation Payments.....	353	155	155	155	155	155	155
Registry of Births, Deaths and Marriages Fees...	7,862	8,363	8,363	8,379	8,387	8,395	8,402
Sheriff's Office Fees	405	310	310	301	309	317	326
State Administrative Tribunal Fees.....	433	600	600	527	544	563	582
State Solicitor's Fees.....	4,405	4,280	4,280	5,380	5,380	5,380	5,380
Supreme Court Fees.....	6,532	8,399	8,399	7,707	7,945	8,190	8,443
TOTAL.....	153,871	156,237	156,237	158,094	158,418	160,614	162,855

(a) The Public Trustee's contribution to the Consolidated Account under the net appropriation agreement in 2014-15 is \$21.9 million.

(b) In previous years, Recoup of Building Disputes Revenue has been reported as part of Recoup of Other Costs.

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

CORRUPTION AND CRIME COMMISSION

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 38

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 47 Net amount appropriated to deliver services.....	29,607	33,651	32,674	33,308	34,142	35,135	35,509
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003.....	460	472	472	486	502	502	502
Total appropriations provided to deliver services	30,067	34,123	33,146	33,794	34,644	35,637	36,011
CAPITAL							
Capital Appropriation.....	1,735	514	514	-	-	-	-
TOTAL APPROPRIATIONS.....	31,802	34,637	33,660	33,794	34,644	35,637	36,011
EXPENSES							
Total Cost of Services.....	29,673	34,247	33,270	33,918	34,664	35,515	36,151
Net Cost of Services ^(a)	29,483	34,227	33,201	33,878	34,624	35,475	36,111
CASH ASSETS ^(b)	9,882	6,053	8,642	8,332	7,967	8,023	5,609

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2014-15 Procurement Savings	-	(278)	-	-	-
Asset Investment Plan Realignment - Depreciation.....	(977)	(535)	(424)	836	1,040

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.	The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced.	1. Building Public Sector Agency Integrity and Capacity to Deal with Misconduct
	Reduced incidence of organised crime.	2. Organised Crime Function

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Building Public Sector Agency Integrity and Capacity to Deal with Misconduct.....	29,673	33,797	33,270	33,918	34,664	35,515	36,151
2. Organised Crime Function.....	-	450	-	-	-	-	-
Total Cost of Services	29,673	34,247	33,270	33,918	34,664	35,515	36,151

Significant Issues Impacting the Agency

- The Commission is reviewing the way it performs its misconduct, prevention and education functions and delivers its internal information technology services and systems to seek improvements in efficiency and effectiveness. This review will also ensure that the Commission's structure and processes align to the outcome of any amendments to the *Corruption and Crime Commission Act 2003* (the Act).
- Allegations of misconduct, received by the Commission, have continued to increase. This is partly due to one-off events in target agencies that result in a short-term surge of allegations. However, there is also a continuing and consistent increase in allegations from across the sector. The trend reflects a growing understanding of the mandatory reporting requirements by public officers.
- There have been no applications from the Western Australia Police service for access to the exceptional powers provisions of the Act since March 2012.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced:					
Number of allegations received	6,148	5,100	6,500	7,000	1
Number of reports published in accordance with the Act	7	5	5	4	
Outcome: Reduced incidence of organised crime:					
Number of applications for exceptional powers findings or fortification warning notices received within the financial year	0	1	0	0	2
Number of applications for exceptional powers findings or fortification warning notices dealt with within the financial year	0	1	0	0	2
Average time taken to deal with applications for exceptional powers findings or fortification warning notices	0	14 days	0	0	2

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

Explanation of Significant Movements

(Notes)

1. The Commission anticipates an increase in the number of allegations received as a result of a new notification regime implemented by the Department of Corrective Services as well as a general increase in the reporting of allegations of misconduct across the sector, reflecting a growing understanding of the mandatory reporting requirements by public officers.
2. Responsibility for making applications for exceptional powers lies with the Western Australia Police service. The use of the exceptional powers provisions of the Act is the subject of a Joint Standing Committee of the Corruption and Crime Commission inquiry. The Committee is due to report its findings to Parliament during 2014. The Commission does not expect to receive any applications in the coming financial year.

Services and Key Efficiency Indicators**1. Building public sector agency integrity and capacity to deal with misconduct**

To assist public authorities to build their capacity to prevent, identify and deal with misconduct and all associated risks through research, education, analysis and investigation.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 29,673	\$'000 33,797	\$'000 33,270	\$'000 33,918	
Less Income	190	20	69	40	
Net Cost of Service.....	29,483	33,777	33,201	33,878	
Employees (Full Time Equivalents).....	156	155	156	156	
Efficiency Indicators					
Average Cost of Service per Full Time Equivalent Employed within Public Authorities under the Commission's Jurisdiction	\$195	\$224	\$219	\$225	

2. Organised Crime Function

To facilitate investigations into organised crime by dealing with applications received from the Western Australia Police for exceptional powers findings and fortification warning notices; to support, monitor and review the use of such powers; and, where required, to participate in the processes of considering charges, prosecutions and appeals.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	-	450	-	-	1
Less Income	-	-	-	-	
Net Cost of Service.....	-	450	-	-	
Employees (Full Time Equivalents).....	-	1	-	-	
Efficiency Indicators					
Average Cost per Matter Involving the Use of Exceptional Power and Fortification Warning Notices over the Financial Year.....	-	\$225,000	-	-	1

Explanation of Significant Movements

(Notes)

1. Responsibility for making applications for exceptional powers lies with the Western Australia Police service. The use of the exceptional powers provisions of the Act is the subject of a Joint Standing Committee of the Corruption and Crime Commission inquiry. The Committee is due to report its findings to Parliament during 2014. The Commission does not expect to receive any applications in the coming financial year.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Business Support Systems - Financial Management							
Information Systems	150	150	150	-	-	-	-
Computing Hardware - 2013-14 Program.....	180	180	180	-	-	-	-
Network Infrastructure - 2013-14 Program.....	200	200	200	-	-	-	-
Office Equipment and Replacement - 2013-14 Program	125	125	125	-	-	-	-
Operations Support Equipment - 2013-14 Program.....	1,489	1,489	1,489	-	-	-	-
NEW WORKS							
Buildings and Operational Security							
2014-15 Program	3,140	-	-	3,140	-	-	-
2015-16 Program	906	-	-	-	906	-	-
2017-18 Program	430	-	-	-	-	-	430
Business Support Systems							
2014-15 Program	100	-	-	100	-	-	-
2016-17 Program	100	-	-	-	-	100	-
2017-18 Program	180	-	-	-	-	-	180
Information Technology Systems							
2014-15 Program	550	-	-	550	-	-	-
2015-16 Program	275	-	-	-	275	-	-
2016-17 Program	250	-	-	-	-	250	-
2017-18 Program	400	-	-	-	-	-	400
Office Equipment and Replacement							
2014-15 Program	50	-	-	50	-	-	-
2015-16 Program	50	-	-	-	50	-	-
2016-17 Program	50	-	-	-	-	50	-
2017-18 Program	50	-	-	-	-	-	50
Operations Support Equipment							
2014-15 Program	1,586	-	-	1,586	-	-	-
2015-16 Program	1,196	-	-	-	1,196	-	-
2016-17 Program	1,121	-	-	-	-	1,121	-
2017-18 Program	1,200	-	-	-	-	-	1,200
Total Cost of Asset Investment Program	13,778	2,144	2,144	5,426	2,427	1,521	2,260
FUNDED BY							
Capital Appropriation.....			514	-	-	-	-
Drawdowns from the Holding Account			1,415	5,211	2,427	1,470	-
Internal Funds and Balances			215	215	-	51	2,260
Total Funding			2,144	5,426	2,427	1,521	2,260

FINANCIAL STATEMENTS**Income Statement***Expenses*

The 2012-13 Actual and the 2013-14 Estimated Actual Total Cost of Services are lower than the 2013-14 Budget and forward estimates due to refunds made to the Consolidated Account and reduced depreciation as a result of the realignment of the asset budget.

Income

The 2012-13 Actual and the 2013-14 Estimated Actual includes revenue derived from the sale of assets, insurance adjustments and a large refund.

Statement of Financial Position

The Commission has reviewed its Asset Investment Program (AIP) and deferred \$6.5 million of expenditure over the forward estimates into the future. This is reflected in the movements between 2013-14 Budget and 2014-15 Estimated Actual in the areas of property, plant and equipment and both current and non-current holding account receivables.

An amount of \$0.5 million relating to other non-current fixed assets has been reclassified to property, plant and equipment.

An amount of \$0.3 million relating to other non-current liabilities relating to lease incentive has been amortised.

Statement of Cashflows

The 2012-13 Actual Cash Assets included capital carryovers and payable provisions for rent and superannuation arrears. The 2013-14 Estimated Actual reflects the expensing of the rent and superannuation as well as funding a component of the AIP. The 2017-18 Forward Estimate reflects the funding of the AIP from internal funds and balances.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	20,943	21,749	22,677	23,197	23,871	24,404	25,010
Supplies and services.....	2,855	5,315	3,388	2,914	2,705	2,781	2,729
Accommodation.....	3,078	2,882	3,889	4,030	4,178	4,330	4,486
Depreciation and amortisation	1,920	3,321	2,344	2,786	2,897	2,963	2,865
Other expenses.....	877	980	972	991	1,013	1,037	1,061
TOTAL COST OF SERVICES.....	29,673	34,247	33,270	33,918	34,664	35,515	36,151
Income							
Other revenue	190	20	69	40	40	40	40
Total Income	190	20	69	40	40	40	40
NET COST OF SERVICES.....	29,483	34,227	33,201	33,878	34,624	35,475	36,111
INCOME FROM STATE GOVERNMENT							
Service appropriations	30,067	34,123	33,146	33,794	34,644	35,637	36,011
Resources received free of charge.....	8	-	8	8	8	8	8
TOTAL INCOME FROM STATE GOVERNMENT.....	30,075	34,123	33,154	33,802	34,652	35,645	36,019
SURPLUS/(DEFICIENCY) FOR THE PERIOD	592	(104)	(47)	(76)	28	170	(92)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 156, 156 and 156 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	9,313	5,485	7,965	7,547	7,967	7,943	5,444
Restricted cash.....	-	-	-	785	-	-	-
Holding account receivables.....	9,455	1,671	5,211	2,427	1,470	-	-
Receivables.....	397	460	397	416	390	383	380
Other.....	498	317	498	498	498	498	498
Total current assets.....	19,663	7,933	14,071	11,673	10,325	8,824	6,322
NON-CURRENT ASSETS							
Holding account receivables.....	7,400	9,050	12,573	12,932	14,359	17,472	20,487
Property, plant and equipment.....	5,011	14,395	4,753	7,400	7,034	5,569	4,889
Intangibles.....	247	328	305	298	194	217	292
Restricted cash.....	569	568	677	-	-	80	165
Other.....	-	474	-	-	-	-	-
Total non-current assets.....	13,227	24,815	18,308	20,630	21,587	23,338	25,833
TOTAL ASSETS.....	32,890	32,748	32,379	32,303	31,912	32,162	32,155
CURRENT LIABILITIES							
Employee provisions.....	4,430	4,345	4,247	4,247	4,247	4,247	4,247
Payables.....	344	353	344	344	344	344	344
Other.....	1,214	496	419	419	-	80	165
Total current liabilities.....	5,988	5,194	5,010	5,010	4,591	4,671	4,756
NON-CURRENT LIABILITIES							
Employee provisions.....	812	943	812	812	812	812	812
Other.....	-	290	-	-	-	-	-
Total non-current liabilities.....	812	1,233	812	812	812	812	812
TOTAL LIABILITIES.....	6,800	6,427	5,822	5,822	5,403	5,483	5,568
EQUITY							
Contributed equity.....	18,969	19,483	19,483	19,483	19,483	19,483	19,483
Accumulated surplus/(deficit).....	7,121	6,838	7,074	6,998	7,026	7,196	7,104
Total equity.....	26,090	26,321	26,557	26,481	26,509	26,679	26,587
TOTAL LIABILITIES AND EQUITY.....	32,890	32,748	32,379	32,303	31,912	32,162	32,155

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	28,038	30,802	30,802	31,008	31,747	32,524	32,996
Capital appropriation	1,735	514	514	-	-	-	-
Holding account drawdowns.....	828	9,455	1,415	5,211	2,427	1,470	-
Net cash provided by State Government.....	30,601	40,771	32,731	36,219	34,174	33,994	32,996
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(20,665)	(21,749)	(22,990)	(23,197)	(24,290)	(24,324)	(24,925)
Supplies and services.....	(3,192)	(4,456)	(3,388)	(2,914)	(2,705)	(2,781)	(2,729)
Accommodation.....	(2,622)	(2,882)	(4,548)	(4,024)	(4,172)	(4,324)	(4,480)
Other payments.....	(1,799)	(1,944)	(1,925)	(2,214)	(1,961)	(1,933)	(2,031)
Receipts							
GST receipts	814	305	955	1,206	976	905	975
Other receipts.....	135	20	69	40	40	40	40
Net cash from operating activities	(27,329)	(30,706)	(31,827)	(31,103)	(32,112)	(32,417)	(33,150)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,862)	(10,184)	(2,144)	(5,426)	(2,427)	(1,521)	(2,260)
Proceeds from sale of non-current assets	84	-	-	-	-	-	-
Net cash from investing activities	(1,778)	(10,184)	(2,144)	(5,426)	(2,427)	(1,521)	(2,260)
NET INCREASE/(DECREASE) IN CASH HELD							
	1,494	(119)	(1,240)	(310)	(365)	56	(2,414)
Cash assets at the beginning of the reporting period.....	8,388	6,172	9,882	8,642	8,332	7,967	8,023
Cash assets at the end of the reporting period.....	9,882	6,053	8,642	8,332	7,967	8,023	5,609

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

COMMISSIONER FOR EQUAL OPPORTUNITY

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 39

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 48 Net amount appropriated to deliver services.....	3,569	3,672	4,853	3,248	3,094	3,249	3,605
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	254	269	319	277	285	293	293
Total appropriations provided to deliver services	3,823	3,941	5,172	3,525	3,379	3,542	3,898
CAPITAL							
Capital Appropriation.....	37	76	86	-	-	-	-
TOTAL APPROPRIATIONS.....	3,860	4,017	5,258	3,525	3,379	3,542	3,898
EXPENSES							
Total Cost of Services.....	4,430	4,331	5,451	3,918	3,772	3,935	4,291
Net Cost of Services ^(a)	4,142	3,949	5,069	3,533	3,387	3,550	3,906
CASH ASSETS ^(b)	317	279	317	317	317	317	317

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Voluntary Separation Scheme	534	(334)	(323)	(293)	-
Additional Resources Required to Provide Services.....	520	300	-	-	-
Termination Payout of Retiring Commissioner	50	-	-	-	-

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	The people of Western Australia are provided with information and advice about equal opportunity and human rights issues, and have accessible avenues of redress under relevant legislation.	1. Provision of Information and Advice Regarding Equal Opportunity and Human Rights 2. Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Provision of Information and Advice Regarding Equal Opportunity and Human Rights.....	2,602	2,546	3,182	2,058	1,981	2,144	2,342
2. Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment.....	1,828	1,785	2,269	1,860	1,791	1,791	1,949
Total Cost of Services.....	4,430	4,331	5,451	3,918	3,772	3,935	4,291

Significant Issues Impacting the Agency

- The development of greater flexibility in the arrangements of conciliation conferences to assist disadvantaged people and those in regional and remote areas.
- Parts of the role of the Substantive Equality Unit are being incorporated into the Commission's core functions to prevent and address systemic discrimination across government, not-for-profit and private sector organisations.
- Seeking options for further development of online education and associated software to support the incorporation of substantive equality training and to expand the reach of programs into regional and remote communities in Western Australia.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: The people of Western Australia are provided with information and advice about equal opportunity and human rights issues and have accessible avenues of redress under relevant legislation:					
Community awareness of the Act and belief it is of benefit.....	82%	80%	82%	82%	
Percentage of complaints finalised within:					
6 months	89%	90%	90%	90%	
12 months	99%	95%	100%	100%	

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

Services and Key Efficiency Indicators**1. Provision of Information and Advice Regarding Equal Opportunity and Human Rights**

Dissemination of relevant and appropriate information on the *Equal Opportunity Act 1984*, other relevant laws and human rights issues generally, provision of accurate advice on equal opportunity matters and the identification of discriminatory policies and practices.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 2,602	\$'000 2,546	\$'000 3,182	\$'000 2,058	
Less Income	151	214	201	202	
Net Cost of Service.....	2,451	2,332	2,981	1,856	
Employees (Full Time Equivalents).....	16	16	15	12	
Efficiency Indicators					
Average Hourly Cost of Development and Delivery of Training Courses	\$938	\$920	\$1,401	\$962	1

Explanation of Significant Movements

(Notes)

- The increase in costs between 2013-14 Budget and 2013-14 Estimated Actual is due to supplementary funding for the enhanced voluntary separation scheme and also a 12% decrease in the hours of development and delivery of training courses.

2. Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment

Investigating and attempting to conciliate complaints that fall within the jurisdiction of the *Equal Opportunity Act 1984* and other legislation administered by the Commissioner and providing assistance to complainants referred to the State Administrative Tribunal.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,828	1,785	2,269	1,860	
Less Income	137	168	181	183	
Net Cost of Service	1,691	1,617	2,088	1,677	
Employees (Full Time Equivalents).....	13	13	12	12	
Efficiency Indicators					
Average Cost per Complaint.....	\$1,465	\$1,438	\$2,276	\$1,776	1

Explanation of Significant Movements

(Notes)

- The variation between 2013-14 Budget and 2013-14 Estimated Actual is due to a drop of 20% in the number of complaints received and an increase in expenses for the cost of the 2013-14 Voluntary Separation Scheme.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software							
2013-14 Program	79	79	79	-	-	-	-
The Decommissioning of the Office of Shared Services.....	121	121	86	-	-	-	-
NEW WORKS							
Computer Hardware and Software							
2014-15 Program	79	-	-	79	-	-	-
2015-16 Program	79	-	-	-	79	-	-
2016-17 Program	79	-	-	-	-	79	-
2017-18 Program	79	-	-	-	-	-	79
Total Cost of Asset Investment Program	516	200	165	79	79	79	79
FUNDED BY							
Capital Appropriation.....			86	-	-	-	-
Drawdowns from the Holding Account			79	79	79	79	79
Total Funding			165	79	79	79	79

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,934	3,032	3,566	2,313	2,414	2,535	2,886
Supplies and services.....	505	265	686	446	203	202	202
Accommodation.....	663	873	901	923	934	962	971
Depreciation and amortisation.....	70	42	94	102	102	102	79
Other expenses.....	258	119	204	134	119	134	153
TOTAL COST OF SERVICES.....	4,430	4,331	5,451	3,918	3,772	3,935	4,291
Income							
Sale of goods and services.....	261	347	347	350	350	350	350
Grants and subsidies.....	-	35	35	35	35	35	35
Other revenue.....	27	-	-	-	-	-	-
Total Income.....	288	382	382	385	385	385	385
NET COST OF SERVICES.....	4,142	3,949	5,069	3,533	3,387	3,550	3,906
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,823	3,941	5,172	3,525	3,379	3,542	3,898
Resources received free of charge.....	7	8	8	8	8	8	8
TOTAL INCOME FROM STATE GOVERNMENT.....	3,830	3,949	5,180	3,533	3,387	3,550	3,906
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(312)	-	111	-	-	-	-

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

(b) The Full Time Equivalent (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 29, 27 and 24 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	232	216	232	232	232	232	232
Holding account receivables	34	71	79	79	79	79	79
Receivables.....	89	130	89	89	89	89	89
Other.....	20	18	20	20	20	20	20
Total current assets	375	435	420	420	420	420	420
NON-CURRENT ASSETS							
Holding account receivables	260	223	230	253	276	299	299
Property, plant and equipment	162	187	162	199	199	199	199
Intangibles	43	145	114	91	68	45	45
Restricted cash.....	85	64	85	85	85	85	85
Total non-current assets.....	550	619	591	628	628	628	628
TOTAL ASSETS	925	1,054	1,011	1,048	1,048	1,048	1,048
CURRENT LIABILITIES							
Employee provisions	676	623	565	565	565	565	565
Payables.....	162	57	162	199	199	199	199
Other.....	291	159	291	291	291	291	291
Total current liabilities.....	1,129	839	1,018	1,055	1,055	1,055	1,055
NON-CURRENT LIABILITIES							
Employee provisions	139	133	139	139	139	139	139
Other.....	1	1	1	1	1	1	1
Total non-current liabilities	140	134	140	140	140	140	140
TOTAL LIABILITIES.....	1,269	973	1,158	1,195	1,195	1,195	1,195
EQUITY							
Contributed equity	518	594	604	604	604	604	604
Accumulated surplus/(deficit).....	(1,020)	(671)	(909)	(909)	(909)	(909)	(909)
Reserves.....	158	158	158	158	158	158	158
Total equity	(344)	81	(147)	(147)	(147)	(147)	(147)
TOTAL LIABILITIES AND EQUITY.....	925	1,054	1,011	1,048	1,048	1,048	1,048

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	3,709	3,862	5,078	3,423	3,277	3,440	3,819
Capital appropriation	37	76	86	-	-	-	-
Holding account drawdowns.....	79	79	79	79	79	79	79
Net cash provided by State Government.....	3,825	4,017	5,243	3,502	3,356	3,519	3,898
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,898)	(3,067)	(3,712)	(2,348)	(2,449)	(2,570)	(2,921)
Supplies and services.....	(394)	(195)	(653)	(409)	(166)	(165)	(165)
Accommodation.....	(551)	(873)	(901)	(923)	(934)	(962)	(971)
Other payments.....	(331)	(208)	(293)	(227)	(212)	(227)	(246)
Receipts							
Grants and subsidies	15	35	35	35	35	35	35
Sale of goods and services.....	288	347	347	350	350	350	350
GST receipts.....	88	78	78	78	78	78	78
Other receipts.....	50	21	21	21	21	21	21
Net cash from operating activities	(3,733)	(3,862)	(5,078)	(3,423)	(3,277)	(3,440)	(3,819)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(55)	(155)	(165)	(79)	(79)	(79)	(79)
Net cash from investing activities	(55)	(155)	(165)	(79)	(79)	(79)	(79)
NET INCREASE/(DECREASE) IN CASH HELD	37	-	-	-	-	-	-
Cash assets at the beginning of the reporting period.....	280	279	317	317	317	317	317
Cash assets at the end of the reporting period.....	317	279	317	317	317	317	317

(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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
GST Input Credits.....	65	61	61	61	61	61	61
GST Receipts on Sale.....	23	17	17	17	17	17	17
Other Receipts	50	21	21	21	21	21	21
Proceeds from the Provision of Services to the Indian Ocean Territories	15	35	35	35	35	35	35
Services Rendered	288	347	347	350	350	350	350
TOTAL.....	441	481	481	484	484	484	484

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

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 40

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 49 Net amount appropriated to deliver services.....	31,344	29,891	31,668	31,382	32,003	33,080	32,920
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	3,068	2,861	3,231	3,341	3,463	3,589	3,186
Total appropriations provided to deliver services	34,412	32,752	34,899	34,723	35,466	36,669	36,106
CAPITAL							
Capital Appropriation.....	165	-	-	-	-	-	-
TOTAL APPROPRIATIONS.....	34,577	32,752	34,899	34,723	35,466	36,669	36,106
EXPENSES							
Total Cost of Services.....	40,151	36,846	40,143	38,817	39,560	40,763	40,200
Net Cost of Services ^(a)	35,448	33,196	35,343	35,167	35,910	37,113	36,550
CASH ASSETS ^(b)	2,630	2,756	2,546	2,627	2,708	2,789	2,870

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Estimated Outturn.....	1,150	-	-	-	-
Appeal Costs for Lloyd Rayney Prosecution	240	-	-	-	-
Appeals Team – Continuation of Funding	1,255	1,286	1,319	1,351	-
Increase in Dangerous Sexual Offenders Case Load	232	477	489	501	513

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.	That the people of Western Australia are provided with a fair and just criminal prosecution service.	1. Criminal Prosecutions 2. Confiscation of Assets

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Criminal Prosecutions.....	37,023	33,746	37,143	35,817	36,519	37,629	37,110
2. Confiscation of Assets.....	3,128	3,100	3,000	3,000	3,041	3,134	3,090
Total Cost of Services.....	40,151	36,846	40,143	38,817	39,560	40,763	40,200

Significant Issues Impacting the Agency

- The Office continues to prosecute the most serious offences committed against the State's criminal laws. During 2013-14, the Office conducted an extensive legal practice that included a significant number of high profile and resource intensive murder and drug-related prosecutions. In 2012-13, the Office received 59 new homicide cases, which was up by 17 (40%) from the previous year. Due to criminal prosecution processes and court listings many of these cases are impacting on the work of the Office in 2013-14. The Office anticipates a similar number this year with a further 27 new homicide cases being received before the end of February 2014, adding to the workload in 2013-14 and 2014-15.
- The Office continued to assess and make applications under the *Dangerous Sexual Offenders Act 2006*. The workload continues to increase cumulatively. In 2006-07, three offenders were subject to an ongoing detention or supervision order. That figure increased to 37 by the end of February 2014. Additional resources are provided in this budget to meet these increasing workload demands.
- In 2011-12, the Office established a specialised Appeals Team (Team) to conduct the growing appellate practice with finite funding provided in 2011-12 and 2012-13. The need for a well-resourced specialised Team is reflected in the separate appellate jurisdiction of the Supreme Court and the growing number of appeals being lodged by offenders. In response to these demands, this budget provides the funding to sustain the Team.
- The prosecution of Mr Lloyd Patrick Rayney for the offence of wilful murder was concluded in 2013-14 with the acquittal of Mr Rayney being upheld on appeal. The final cost to the Office of the trial and appeal, conducted by the New South Wales Office of the Director of Public Prosecutions on behalf of Western Australia, was approximately \$1.9 million.
- During 2013-14, the Office transitioned from arrangements where financial and payroll services were provided by the Office of Shared Services (OSS). The roll-out from the OSS was seamless and reflected the very effective and collaborative project management by the Office and the Department of Finance's decommissioning team.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: That the people of Western Australia are provided with a fair and just criminal prosecution service:					
Early advice to Court on charges:					
Indictment filed within three months of committal	83%	85%	83%	85%	
Establishing a case to answer.....	100%	98%	99%	98%	
Convictions after trial	65%	50%	64%	50%	1
Application for a Declaration of Confiscations filed within four months of the Drug Trafficker Declaration.....	71%	60%	60%	60%	2

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

Explanation of Significant Movements

(Notes)

- Although the Budget Target of 50% is generally consistent with comparable jurisdictions, the Western Australia Office has, in recent years, achieved a conviction rate after trial of over 60%. This reflects the competence of the Office in terms of case management, trial preparation and advocacy.
- The 2012-13 Actual exceeded the 2012-13 Budget Target, following a successful program in the previous year to clear a backlog of historical confiscation matters. This has enabled a greater focus on current matters.

Services and Key Efficiency Indicators**1. Criminal Prosecutions**

The Office conducts prosecutions against people accused of serious breaches of the State's criminal laws. These prosecutions are principally conducted on indictment in the Supreme and District Courts sitting in Perth and also in major country locations. Prosecutions are conducted on behalf of the State, independently of external influences and in accordance with the law and a published statement of the Office's Statement of Prosecution Policy and Guidelines 2005.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 37,023	\$'000 33,746	\$'000 37,143	\$'000 35,817	
Less Income	1,500	1,050	1,500	1,050	1
Net Cost of Service.....	35,523	32,696	35,643	34,767	
Employees (Full Time Equivalents).....	214	209	217	218	
Efficiency Indicators					
Cost per Prosecution.....	\$14,964	\$14,500	\$16,400	\$16,400	2

Explanation of Significant Movements

(Notes)

- The decrease in Income between the 2013-14 Estimated Actual and the 2014-15 Budget Target by \$450,000 (30%) is primarily due to a one-off contribution from the Confiscation Proceeds Account totalling \$1.2 million in 2013-14, which has been partly allocated to the activities under this service. At the time of finalising this Budget a decision had not yet been made on the amounts to be paid to the Office from the Confiscation Proceeds Account in 2014-15 and across the forward estimates. The 2014-15 Budget Target includes a base level of funding representing the amount approved under an expired agreement.
- The variation between the 2013-14 Budget to the 2013-14 Estimated Actual is essentially due to a decrease in the total number of new prosecutions received by the Office in 2013-14 relative to 2012-13. The volume of complex prosecutions (such as murder and drug cases) increased, and in combination with increasing costs had the effect of increasing the cost per prosecution.

2. Confiscation of Assets

The Office institutes and conducts proceedings in a fair and just manner to confiscate property acquired as a result of criminal activity, property used for criminal activity and property of declared drug traffickers. The cost to operate the Office's Confiscations Team and manage confiscations legal work is generally recouped from the Confiscation Proceeds Account established under the *Criminal Property Confiscation Act 2000*.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	3,128	3,100	3,000	3,000	
Less Income	3,203	2,600	3,300	2,600	1
Net Cost of Service.....	(75)	500	(300)	400	
Employees (Full Time Equivalents).....	18	18	18	18	
Efficiency Indicators					
Ratio of Cost to Return ^(a)	33.4%	25%	33%	25%	2

(a) The Ratio of Cost to Return is the cost of providing the confiscation of assets service divided by the total funds paid to the Confiscation Proceeds Account by the Office, expressed as a percentage.

Explanation of Significant Movements

(Notes)

- The decrease in Income between the 2013-14 Estimated Actual and the 2014-15 Budget Target by \$700,000 (21.2%) is primarily due to a one-off contribution from the Confiscation Proceeds Account totalling \$1.2 million in 2013-14, which has been partly allocated to the activities under this service. At the time of finalising this Budget, a decision had not yet been made on the amounts to be paid to the Office from the Confiscation Proceeds Account in 2014-15 and across the forward estimates. The 2014-15 Budget Target includes a base level of funding representing the amount approved under an expired agreement.
- This indicator is most significantly influenced by the quantum of funds paid into the Confiscation Proceeds Account. While the costs to maintain the Office's confiscation of assets service are relatively stable, the proceeds paid to the Account can vary annually.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Asset Replacement Program.....	447	247	50	50	50	50	50
Computer and Office Equipment Replacement - Replacement of Computers, Servers, Telephony, and Photocopiers.....	2,310	465	465	490	255	550	550
COMPLETED WORKS							
Computer and Office Equipment Replacement Server for Housing New Financial Management Information System Software and Data	30	30	30	-	-	-	-
Information Technology and Records Systems Upgrade New Software (Technology One Financial System)	135	135	135	-	-	-	-
Total Cost of Asset Investment Program	2,922	877	680	540	305	600	600
FUNDED BY							
Drawdowns from the Holding Account			515	540	305	600	600
Internal Funds and Balances			165	-	-	-	-
Total Funding			680	540	305	600	600

FINANCIAL STATEMENTS**Income Statement***Expenses*

Total Cost of Services decreases by \$1.3 million (3.3%) between the 2013-14 Estimated Actual and the 2014-15 Budget Estimate. This is primarily due to expenditure funded from the Confiscation Proceeds Account from 2014-15 to 2017-18 not yet being finalised.

Income

Total income is forecast to decrease by \$1.2 million between the 2013-14 Estimated Actual and the 2014-15 Budget Estimate due to a one-off contribution of \$1.2 million from the Confiscation Proceeds Account in 2013-14. This is in addition to \$3.6 million received under an expired agreement. At the time of finalising the Budget, a decision had not yet been made on the amounts to be paid to the Office from the Confiscations Proceeds Account for 2014-15 and the forward estimates.

Statement of Financial Position

Increases in property, plant and equipment and intangibles relate to spending on projects in the approved Asset Investment Program, offset by depreciation.

Statement of Cashflows

Total purchase of non-current assets reflects planned investment in accordance with the Office's Strategic Asset Plan to replace computer and office equipment.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	28,242	27,046	28,468	29,205	29,841	30,758	30,048
Supplies and services	4,258	4,036	5,628	3,650	3,701	3,765	3,824
Accommodation.....	2,878	2,790	2,790	2,850	2,899	2,954	3,027
Depreciation and amortisation	607	805	805	869	847	957	957
Other expenses.....	4,166	2,169	2,452	2,243	2,272	2,329	2,344
TOTAL COST OF SERVICES.....	40,151	36,846	40,143	38,817	39,560	40,763	40,200
Income							
Grants and subsidies	4,600	3,600	4,750	3,600	3,600	3,600	3,600
Other revenue	103	50	50	50	50	50	50
Total Income	4,703	3,650	4,800	3,650	3,650	3,650	3,650
NET COST OF SERVICES.....	35,448	33,196	35,343	35,167	35,910	37,113	36,550
INCOME FROM STATE GOVERNMENT							
Service appropriations	34,412	32,752	34,899	34,723	35,466	36,669	36,106
Resources received free of charge.....	1,165	525	525	525	525	525	525
TOTAL INCOME FROM STATE GOVERNMENT.....	35,577	33,277	35,424	35,248	35,991	37,194	36,631
SURPLUS/(DEFICIENCY) FOR THE PERIOD	129	81	81	81	81	81	81

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 232, 235 and 236 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	1,834	1,938	1,684	1,699	1,714	1,729	1,810
Holding account receivables	-	50	540	305	600	600	600
Receivables.....	159	283	159	159	159	159	159
Other.....	18	18	18	18	18	18	18
Total current assets	2,011	2,289	2,401	2,181	2,491	2,506	2,587
NON-CURRENT ASSETS							
Holding account receivables.....	3,497	3,737	3,247	3,811	4,058	4,415	4,772
Property, plant and equipment	131	250	331	257	220	188	156
Intangibles	270	273	244	100	67	34	1
Restricted cash.....	796	818	862	928	994	1,060	1,060
Other.....	2,634	2,393	2,335	2,224	1,752	1,460	1,168
Total non-current assets.....	7,328	7,471	7,019	7,320	7,091	7,157	7,157
TOTAL ASSETS	9,339	9,760	9,420	9,501	9,582	9,663	9,744
CURRENT LIABILITIES							
Employee provisions	5,977	5,909	5,977	5,977	5,977	5,977	5,977
Payables.....	214	991	214	214	214	214	214
Other.....	1,048	1,105	1,048	1,048	1,048	1,048	1,048
Total current liabilities.....	7,239	8,005	7,239	7,239	7,239	7,239	7,239
NON-CURRENT LIABILITIES							
Employee provisions	1,665	1,756	1,665	1,665	1,665	1,665	1,665
Other.....	2	2	2	2	2	2	2
Total non-current liabilities	1,667	1,758	1,667	1,667	1,667	1,667	1,667
TOTAL LIABILITIES.....	8,906	9,763	8,906	8,906	8,906	8,906	8,906
EQUITY							
Contributed equity	7,138	7,138	7,138	7,138	7,138	7,138	7,138
Accumulated surplus/(deficit).....	(6,705)	(7,141)	(6,624)	(6,543)	(6,462)	(6,381)	(6,300)
Total equity	433	(3)	514	595	676	757	838
TOTAL LIABILITIES AND EQUITY.....	9,339	9,760	9,420	9,501	9,582	9,663	9,744

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	33,812	31,947	34,094	33,854	34,619	35,712	35,149
Capital appropriation	165	-	-	-	-	-	-
Holding account drawdowns.....	50	515	515	540	305	600	600
Net cash provided by State Government.....	34,027	32,462	34,609	34,394	34,924	36,312	35,749
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(27,755)	(26,939)	(28,361)	(29,098)	(29,734)	(30,651)	(29,941)
Supplies and services.....	(2,679)	(3,705)	(5,275)	(3,307)	(3,348)	(3,412)	(3,484)
Accommodation.....	(2,885)	(2,760)	(2,760)	(2,782)	(2,831)	(2,886)	(2,959)
Other payments.....	(5,550)	(2,741)	(3,046)	(2,865)	(2,904)	(2,961)	(2,968)
Receipts							
Grants and subsidies	4,600	3,600	4,750	3,600	3,600	3,600	3,600
GST receipts.....	953	629	629	629	629	629	634
Other receipts.....	208	50	50	50	50	50	50
Net cash from operating activities.....	(33,108)	(31,866)	(34,013)	(33,773)	(34,538)	(35,631)	(35,068)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(50)	(515)	(680)	(540)	(305)	(600)	(600)
Net cash from investing activities.....	(50)	(515)	(680)	(540)	(305)	(600)	(600)
NET INCREASE/(DECREASE) IN CASH HELD							
	869	81	(84)	81	81	81	81
Cash assets at the beginning of the reporting period.....	1,761	2,675	2,630	2,546	2,627	2,708	2,789
Cash assets at the end of the reporting period.....	2,630	2,756	2,546	2,627	2,708	2,789	2,870

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Other							
Proceeds of Crime (Misuse of Drugs Act 1981).....	-	100	100	100	100	100	100
TOTAL INCOME	-	100	100	100	100	100	100
EXPENSES							
Other							
Receipts Paid to the Consolidated Account	-	100	100	100	100	100	100
TOTAL EXPENSES.....	-	100	100	100	100	100	100

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Contribution from the Confiscation Proceeds Account	4,600	3,600	4,750	3,600	3,600	3,600	3,600
Employee Contributions to the Executive Vehicle Scheme	48	50	50	50	50	50	50
GST Receipts.....	953	629	629	629	629	629	634
Other Receipts.....	160	-	-	-	-	-	-
TOTAL.....	5,761	4,279	5,429	4,279	4,279	4,279	4,284

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

COMMISSIONER FOR CHILDREN AND YOUNG PEOPLE

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 41

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 50 Net amount appropriated to deliver services.....	2,619	2,630	2,630	2,700	2,772	2,850	2,921
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	235	243	261	262	255	255	255
Total appropriations provided to deliver services	2,854	2,873	2,891	2,962	3,027	3,105	3,176
TOTAL APPROPRIATIONS.....	2,854	2,873	2,891	2,962	3,027	3,105	3,176
EXPENSES							
Total Cost of Services.....	3,065	3,095	3,113	3,103	3,129	3,207	3,278
Net Cost of Services ^(a)	3,063	3,095	3,113	3,103	3,129	3,207	3,278
CASH ASSETS ^(b)	787	718	667	628	628	628	628

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Additional Remuneration Costs for Acting Commissioner.....	18	15	-	-	-

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	The views and issues of children and young people are heard and acted upon.	1. Consultation, Research and Promotion of the Wellbeing of Children and Young People

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Consultation, Research and Promotion of the Wellbeing of Children and Young People	3,065	3,095	3,113	3,103	3,129	3,207	3,278
Total Cost of Services	3,065	3,095	3,113	3,103	3,129	3,207	3,278

Significant Issues Impacting the Agency

- There are 575,000 Western Australian children and young people under the age of 18 years, representing 23% of the total population. This includes an estimated 36,000 Aboriginal children and young people, who make up over 40% of the Aboriginal population in Western Australia. Western Australia's population of children and young people is projected to double over the next 40 years.
- Children and young people are entitled to live in a caring and nurturing environment, protected from harm and exploitation. The Commissioner will develop and promote resources to support the implementation of child friendly complaints systems and child safe organisations.
- Generally, children and young people in Western Australia fare well. However, there continues to be disparities in outcomes for Aboriginal children and young people, and their non-Aboriginal counterparts. The Commissioner's Wellbeing Monitoring Framework brings together information on a range of wellbeing indicators and best practice examples to support improved outcomes for children and young people.
- The contributions made by children and young people to the community should be recognised for their value and merit, and the views of children and young people on all matters affecting them should be given serious consideration and taken into account. The Commissioner's Participation Guidelines and consultations with young people throughout the State provide the opportunity for the voices of children and young people to be heard, and inform the development of policies and programs that deliver better outcomes.
- Parents, families and communities have the primary role in safeguarding and promoting the wellbeing of their children and young people, and should be supported in carrying out their role. The Commissioner's Thinker in Residence program helps to translate research into good practice information for parents, professionals and policy makers.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: The views and issues of children and young people are heard and acted upon:					
The extent to which children and young people in various regions of the State are consulted.....	23	25	36	25	1
The extent to which issues impacting upon children and young people are identified through consultation and research.....	143	90	90	90	1

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

Explanation of Significant Movements

(Notes)

- The estimated increase in the number of consultations conducted with children and young people in 2013-14 (36) compared with the 2013-14 Budget Target (25) is due to the timing of two major consultation projects occurring during the financial year. Usually there would be only one major consultation project per financial year. The 2014-15 Budget Targets are consistent with the available resources of the Office to undertake 25 consultations and to prepare and develop 90 representations/submissions annually. The number of children and young people consulted with, and the research, knowledge and capacity of the Office will aggregate over time.

Services and Key Efficiency Indicators**1. Consultation, Research and Promotion of the Wellbeing of Children and Young People**

Consultation, research and the promotion of the wellbeing of children and young people are a responsibility of the Commissioner and the scope and goals for this are prescribed in the *Commissioner for Children and Young People Act 2006*.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	3,065	3,095	3,113	3,103	
Less Income.....	2	-	-	-	
Net Cost of Service.....	3,063	3,095	3,113	3,103	
Employees (Full Time Equivalents).....	16	16	16	16	
Efficiency Indicators ^(a)					
Average Cost per Consultation Exercise with Children and Young People.....	\$37,395	\$39,160	\$32,176	\$39,718	1
Average Cost of Conducting Research and Consultation.....	\$15,412	\$23,511	\$21,719	\$23,445	

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

Explanation of Significant Movements

(Notes)

- The decrease in the estimated Average Cost per Consultation Exercise with Children and Young People in 2013-14, compared with the 2013-14 Budget, is due to the timing of two major consultation projects occurring during the financial year. Usually there would be only one major consultation project per financial year. As there has been a greater number than usual of consultations in 2013-14 (36), this results in a lower average cost per consultation exercise.

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	1,893	1,810	1,828	1,877	1,916	1,964	2,007
Supplies and services.....	486	632	632	654	675	705	719
Accommodation.....	445	417	417	417	417	417	427
Depreciation and amortisation.....	75	115	115	34	-	-	-
Other expenses.....	166	121	121	121	121	121	125
TOTAL COST OF SERVICES.....	3,065	3,095	3,113	3,103	3,129	3,207	3,278
Income							
Other revenue.....	2	-	-	-	-	-	-
Total Income.....	2	-	-	-	-	-	-
NET COST OF SERVICES.....	3,063	3,095	3,113	3,103	3,129	3,207	3,278
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	2,854	2,873	2,891	2,962	3,027	3,105	3,176
Resources received free of charge.....	171	102	102	102	102	102	102
TOTAL INCOME FROM STATE GOVERNMENT.....	3,025	2,975	2,993	3,064	3,129	3,207	3,278
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(38)	(120)	(120)	(39)	-	-	-

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 16, 16 and 16 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	740	664	614	575	575	575	575
Receivables.....	43	55	43	43	43	43	43
Total current assets.....	783	719	657	618	618	618	618
NON-CURRENT ASSETS							
Holding account receivables.....	285	400	400	434	434	434	434
Property, plant and equipment.....	159	46	44	10	10	10	10
Restricted cash.....	47	54	53	53	53	53	53
Total non-current assets.....	491	500	497	497	497	497	497
TOTAL ASSETS.....	1,274	1,219	1,154	1,115	1,115	1,115	1,115
CURRENT LIABILITIES							
Employee provisions.....	223	297	223	223	223	223	223
Payables.....	12	53	12	12	12	12	12
Other.....	97	101	97	97	97	97	97
Total current liabilities.....	332	451	332	332	332	332	332
NON-CURRENT LIABILITIES							
Employee provisions.....	106	96	106	106	106	106	106
Other.....	1	1	1	1	1	1	1
Total non-current liabilities.....	107	97	107	107	107	107	107
TOTAL LIABILITIES.....	439	548	439	439	439	439	439
EQUITY							
Contributed equity.....	420	420	420	420	420	420	420
Accumulated surplus/(deficit).....	415	251	295	256	256	256	256
Total equity.....	835	671	715	676	676	676	676
TOTAL LIABILITIES AND EQUITY.....	1,274	1,219	1,154	1,115	1,115	1,115	1,115

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,781	2,758	2,776	2,928	3,027	3,105	3,176
Net cash provided by State Government.....	2,781	2,758	2,776	2,928	3,027	3,105	3,176
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(1,959)	(1,810)	(1,828)	(1,877)	(1,916)	(1,964)	(2,007)
Supplies and services	(307)	(530)	(530)	(552)	(573)	(603)	(617)
Accommodation.....	(381)	(417)	(417)	(417)	(417)	(417)	(427)
Other payments.....	(359)	(251)	(251)	(251)	(251)	(251)	(255)
Receipts							
GST receipts	92	130	130	130	130	130	130
Net cash from operating activities	(2,914)	(2,878)	(2,896)	(2,967)	(3,027)	(3,105)	(3,176)
NET INCREASE/(DECREASE) IN CASH HELD	(133)	(120)	(120)	(39)	-	-	-
Cash assets at the beginning of the reporting period.....	920	838	787	667	628	628	628
Cash assets at the end of the reporting period.....	787	718	667	628	628	628	628

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

OFFICE OF THE INFORMATION COMMISSIONER

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 42

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 51 Net amount appropriated to deliver services.....	1,800	1,759	1,864	2,039	2,072	1,929	1,977
Amount Authorised by Other Statutes - Freedom of Information Act 1992.....	262	278	278	278	278	278	278
Total appropriations provided to deliver services	2,062	2,037	2,142	2,317	2,350	2,207	2,255
TOTAL APPROPRIATIONS.....	2,062	2,037	2,142	2,317	2,350	2,207	2,255
EXPENSES							
Total Cost of Services.....	2,332	2,054	2,159	2,304	2,367	2,224	2,272
Net Cost of Services ^(a)	2,271	2,050	2,155	2,300	2,363	2,220	2,268
CASH ASSETS ^(b)	97	192	89	81	73	65	57

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Accommodation Costs Increase.....	105	194	198	-	-

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.	Access to documents and observance of processes in accordance with the Freedom of Information Act 1992.	1. Resolution of Complaints 2. Advice and Awareness

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Resolution of Complaints	1,632	1,438	1,511	1,613	1,657	1,557	1,591
2. Advice and Awareness	700	616	648	691	710	667	681
Total Cost of Services	2,332	2,054	2,159	2,304	2,367	2,224	2,272

Significant Issues Impacting the Agency

- During 2013-14, the Office introduced significant changes to the external review process. These changes draw heavily on alternative dispute resolution principles and have been successful in increasing the number of external review matters finalised by the Office each month to the highest level in 14 years.
- The Office continues its efforts to support State and local government agencies in improving their practices under the *Freedom of Information Act 1992* through its advice and awareness efforts in both metropolitan and regional Western Australia.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Access to documents and observance of processes in accordance with the Freedom of Information Act 1992:					
Participants satisfied with complaint resolution and external review processes adopted by the Information Commissioner	86%	80%	76%	80%	
Agencies satisfied with the advice and guidance provided by the Information Commissioner	98%	98%	98%	98%	

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

Services and Key Efficiency Indicators

1. Resolution of Complaints

Provides an independent review and complaint resolution process, which resolves cases in a timely manner and balances the competing needs and expectations of applicants, agencies and Parliament within legislative requirements prescribed by the *Freedom of Information Act 1992*.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 1,632	\$'000 1,438	\$'000 1,511	\$'000 1,613	
Less Income	43	3	3	3	
Net Cost of Service.....	1,589	1,435	1,508	1,610	
Employees (Full Time Equivalents).....	10	10	9	10	
Efficiency Indicators					
Applications for External Review Resolved by Conciliation.....	68%	60%	73%	60%	1
Average Cost per Complaint and External Review Finalised	\$9,909	\$8,067	\$8,168	\$7,946	

Explanation of Significant Movements

(Notes)

1. A concerted effort to use conciliation conferences in the dispute resolution process for current matters in 2013-14 has increased the proportion of matters resolved by conciliation in that year.

2. Advice and Awareness

Provide objective advice and information to members of the public and agencies to assist in the proper lodgement and processing of applications under the *Freedom of Information Act 1992*. Propose initiatives to enhance efficiency in agency administration when dealing with applications received and conduct briefings and training sessions for agency staff.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 700	\$'000 616	\$'000 648	\$'000 691	
Less Income	18	1	1	1	
Net Cost of Service.....	682	615	647	690	
Employees (Full Time Equivalents).....	2	2	2	2	
Efficiency Indicators					
Average Cost of Service per Application Lodged ^(a)	\$294	\$240	\$293	\$312	1

(a) Applications lodged encompass the total number of direct advisory services that were provided (telephone calls where advice is given, email advice, counter enquiries, recipients of training and briefings, and other matters).

Explanation of Significant Movements

(Notes)

1. The cost per advice unit estimated in the 2013-14 Budget was significantly lower than the 2012-13 Actual. This was due to an expected funding shortfall caused by the accommodation cost increase. However, the additional appropriations provided to address accommodation costs, noted under the Spending Changes table above, will increase the actual cost per advice unit in 2013-14 Estimated Actual to a level close to the 2012-13 Actual.

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	1,642	1,587	1,587	1,635	1,684	1,729	1,766
Supplies and services.....	346	211	252	308	316	222	227
Accommodation.....	266	201	265	306	312	215	221
Depreciation and amortisation.....	8	-	-	-	-	-	-
Other expenses.....	70	55	55	55	55	58	58
TOTAL COST OF SERVICES.....	2,332	2,054	2,159	2,304	2,367	2,224	2,272
Income							
Other revenue.....	61	4	4	4	4	4	4
Total Income.....	61	4	4	4	4	4	4
NET COST OF SERVICES.....	2,271	2,050	2,155	2,300	2,363	2,220	2,268
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	2,062	2,037	2,142	2,317	2,350	2,207	2,255
Resources received free of charge.....	86	5	5	5	5	5	5
TOTAL INCOME FROM STATE GOVERNMENT.....	2,148	2,042	2,147	2,322	2,355	2,212	2,260
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(123)	(8)	(8)	22	(8)	(8)	(8)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 12, 11 and 12 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	59	156	46	38	30	22	14
Receivables.....	21	36	21	21	21	21	21
Other.....	7	6	7	7	7	7	7
Total current assets.....	87	198	74	66	58	50	42
NON-CURRENT ASSETS							
Holding account receivables.....	36	36	36	36	36	36	36
Property, plant and equipment.....	9	11	9	39	39	39	39
Restricted cash.....	38	36	43	43	43	43	43
Total non-current assets.....	83	83	88	118	118	118	118
TOTAL ASSETS.....	170	281	162	184	176	168	160
CURRENT LIABILITIES							
Employee provisions.....	233	143	233	233	233	233	233
Payables.....	4	21	4	4	4	4	4
Other.....	47	117	47	47	47	47	47
Total current liabilities.....	284	281	284	284	284	284	284
NON-CURRENT LIABILITIES							
Employee provisions.....	64	71	64	64	64	64	64
Total non-current liabilities.....	64	71	64	64	64	64	64
TOTAL LIABILITIES.....	348	352	348	348	348	348	348
EQUITY							
Contributed equity.....	37	37	37	37	37	37	37
Accumulated surplus/(deficit).....	(215)	(108)	(223)	(201)	(209)	(217)	(225)
Total equity.....	(178)	(71)	(186)	(164)	(172)	(180)	(188)
TOTAL LIABILITIES AND EQUITY.....	170	281	162	184	176	168	160

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,056	2,037	2,142	2,317	2,350	2,207	2,255
Net cash provided by State Government.....	2,056	2,037	2,142	2,317	2,350	2,207	2,255
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(1,556)	(1,587)	(1,587)	(1,665)	(1,684)	(1,729)	(1,766)
Supplies and services	(207)	(193)	(234)	(294)	(302)	(208)	(213)
Accommodation.....	(266)	(216)	(222)	(224)	(228)	(226)	(232)
Other payments.....	(252)	(101)	(159)	(194)	(196)	(104)	(104)
Receipts							
GST receipts	83	48	48	48	48	48	48
Other receipts.....	31	4	4	4	4	4	4
Net cash from operating activities	(2,167)	(2,045)	(2,150)	(2,325)	(2,358)	(2,215)	(2,263)
NET INCREASE/(DECREASE) IN CASH HELD	(111)	(8)	(8)	(8)	(8)	(8)	(8)
Cash assets at the beginning of the reporting period.....	208	200	97	89	81	73	65
Cash assets at the end of the reporting period.....	97	192	89	81	73	65	57

(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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
GST Input Credits.....	83	48	48	48	48	48	48
Other Receipts.....	31	4	4	4	4	4	4
TOTAL.....	114	52	52	52	52	52	52

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

PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 43

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 52 Net amount appropriated to deliver services.....	356	360	360	369	380	392	402
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003.....	163	167	167	171	175	179	179
Total appropriations provided to deliver services	519	527	527	540	555	571	581
TOTAL APPROPRIATIONS.....	519	527	527	540	555	571	581
EXPENSES							
Total Cost of Services.....	601	618	618	633	651	670	680
Net Cost of Services ^(a)	601	618	618	633	651	670	680
CASH ASSETS ^(b)	481	423	481	481	481	481	481

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

(b) As at 30 June each financial year.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	An informed Parliament on the integrity of the Corruption and Crime Commission.	1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations	601	618	618	633	651	670	680
Total Cost of Services	601	618	618	633	651	670	680

Significant Issues Impacting the Agency

- There has been an increase in the number of matters undertaken by the Parliamentary Inspector due largely to an increase in the number of allegations against Corruption and Crime Commission (Commission) officers being reported by the Commission to the Parliamentary Inspector.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: An informed Parliament on the integrity of the Corruption and Crime Commission:					
Number of reports completed and tabled in Parliament within target timeframes	1	1	1	1	

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

Services and Key Efficiency Indicators**1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations**

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Target \$'000	Note
Total Cost of Service	601	618	618	633	
Less Income	-	-	-	-	
Net Cost of Service.....	601	618	618	633	
Employees (Full Time Equivalents).....	2	2	2	2	
Efficiency Indicators					
Average Cost per Investigation/Case	\$6,843	\$7,116	\$7,163	\$7,900	1
Cost of Audit Function as a Percentage of Total Cost of Operations	59%	62%	49%	50%	

Explanation of Significant Movements

(Notes)

1. The estimated increase in the cost per investigation is due to less investigations being finalised. This is largely due to the continued increase in investigative workload.

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	378	434	434	446	460	474	482
Supplies and services.....	132	119	119	122	125	129	130
Accommodation.....	52	39	39	39	40	41	41
Other expenses.....	39	26	26	26	26	26	27
TOTAL COST OF SERVICES.....	601	618	618	633	651	670	680
NET COST OF SERVICES.....	601	618	618	633	651	670	680
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	519	527	527	540	555	571	581
Resources received free of charge.....	114	91	91	93	96	99	99
TOTAL INCOME FROM STATE GOVERNMENT.....	633	618	618	633	651	670	680
SURPLUS/(DEFICIENCY) FOR THE PERIOD	32	-	-	-	-	-	-

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 2, 2 and 2 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	481	423	481	481	481	481	481
Holding account receivables	-	48	-	-	-	-	-
Other.....	-	1	-	-	-	-	-
Total current assets.....	481	472	481	481	481	481	481
NON-CURRENT ASSETS							
Holding account receivables	53	-	53	53	53	53	53
Total non-current assets.....	53	-	53	53	53	53	53
TOTAL ASSETS.....	534	472	534	534	534	534	534
CURRENT LIABILITIES							
Employee provisions	79	73	79	79	79	79	79
Payables.....	1	2	1	1	1	1	1
Other.....	9	9	9	9	9	9	9
Total current liabilities.....	89	84	89	89	89	89	89
NON-CURRENT LIABILITIES							
Employee provisions	34	9	34	34	34	34	34
Total non-current liabilities	34	9	34	34	34	34	34
TOTAL LIABILITIES.....	123	93	123	123	123	123	123
EQUITY							
Contributed equity	160	160	160	160	160	160	160
Accumulated surplus/(deficit).....	251	219	251	251	251	251	251
Total equity	411	379	411	411	411	411	411
TOTAL LIABILITIES AND EQUITY.....	534	472	534	534	534	534	534

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	514	527	527	540	555	571	581
Net cash provided by State Government.....	514	527	527	540	555	571	581
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(347)	(434)	(434)	(446)	(460)	(474)	(482)
Supplies and services	(18)	(28)	(28)	(29)	(29)	(30)	(31)
Accommodation.....	(52)	(39)	(39)	(39)	(40)	(41)	(41)
Other payments.....	(43)	(26)	(26)	(26)	(26)	(26)	(27)
Receipts							
GST receipts	4	-	-	-	-	-	-
Net cash from operating activities	(456)	(527)	(527)	(540)	(555)	(571)	(581)
NET INCREASE/(DECREASE) IN CASH HELD	58	-	-	-	-	-	-
Cash assets at the beginning of the reporting period.....	423	423	481	481	481	481	481
Cash assets at the end of the reporting period.....	481	423	481	481	481	481	481

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

LEGAL AID COMMISSION OF WESTERN AUSTRALIA

ASSET INVESTMENT PROGRAM

The Commission's Asset Investment Program for 2014-15 is estimated to total \$1.8 million. This is comprised of a computer hardware and software program (\$1 million) and office refurbishment and fit-outs (\$0.8 million). The Asset Investment Program will be funded from internal cash balances.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Computer Hardware and Software Replacement Program.....	8,126	4,126	1,300	1,000	1,000	1,000	1,000
Office Refurbishment and Fit-Outs.....	2,873	1,340	249	786	249	249	249
Total Cost of Asset Investment Program	10,999	5,466	1,549	1,786	1,249	1,249	1,249
FUNDED BY							
Internal Funds and Balances			1,549	1,786	1,249	1,249	1,249
Total Funding			1,549	1,786	1,249	1,249	1,249

COMMERCE

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 44

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 53 Net amount appropriated to deliver services.....	105,033	74,133	83,978	79,427	79,363	80,628	80,183
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	896	935	1,157	1,189	1,219	1,249	1,280
Total appropriations provided to deliver services	105,929	75,068	85,135	80,616	80,582	81,877	81,463
ADMINISTERED TRANSACTIONS							
Item 54 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	-	1,200	713	556	-	-	-
CAPITAL							
Capital Appropriation.....	2,956	-	3,000	-	-	-	-
TOTAL APPROPRIATIONS.....	108,885	76,268	88,848	81,172	80,582	81,877	81,463
EXPENSES							
Total Cost of Services.....	209,750	164,086	190,836	163,092	167,798	169,927	178,268
Net Cost of Services ^(a)	123,140	91,226	110,771	80,483	84,402	85,633	93,318
CASH ASSETS ^(b)	208,072	199,814	193,084	199,129	207,364	213,639	225,837

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(517)	-	-	-	-
2013-14 Voluntary Separation Scheme	5,469	-	-	-	-
2014-15 Procurement Savings	-	(1,245)	-	-	-
2014-15 Tariffs, Fees and Charges	-	265	272	279	286
Accommodation Expenditure	4,548	845	985	721	908
Adjustment to Salaries Cap.....	2,724	2,098	1,830	1,747	1,747
Building Commission - Home Indemnity Insurance.....	167	83	-	-	-
Building Commission - Land Use Planning Initiative.....	-	220	150	150	150
Building Commission - Operating Expenditure	3,273	3,297	3,358	3,421	3,486
Consumer Protection - Operating Expenditure	3,240	3,321	3,404	3,489	3,576
Deregulation of Travel Agents.....	-	(188)	(188)	(188)	(188)
EnergySafety - Business Plan.....	2,280	6,928	7,092	7,259	7,430
Innovation Centre of Western Australia	-	300	-	-	-
Labour Relations - Operating Expenditure	-	500	-	-	-

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Royalties for Regions Program	2,342	6,555	11,500	11,500	20,000
SafeWork Australia - State Contribution	1,049	-	-	-	-
Salaries and Allowances Tribunal Determination	25	39	40	41	43
Seniors Housing Information Service ^(a)	-	300	300	300	-
Technology Parks - Operating Expenditure	375	375	375	375	375

(a) Includes grant funding received from the Department of Local Government and Communities for the provision of this service.

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	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.	Western Australia industry is competitive in targeted priority and emerging sectors.	3. Industry and Technology

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Consumer Protection	61,425	56,365	65,146	67,942	68,115	68,938	68,536
2. Safety and Employment Protection and Construction Standards	88,604	74,003	87,029	80,822	80,331	81,520	81,741
3. Industry and Technology	59,721	33,718	38,661	14,328	19,352	19,469	27,991
Total Cost of Services	209,750	164,086	190,836	163,092	167,798	169,927	178,268

Significant Issues Impacting the Agency

Housing and Tenancy

- Housing matters, particularly for older citizens, will remain a focus for the Consumer Protection Division. Important amendments to the *Retirement Villages Act 1999* arising from a statutory review were passed by Parliament in November 2012 and these amendments and associated regulations commenced in April 2014. A revised Code-of-Conduct for retirement villages will be introduced in 2014-15 and will complete the first stage of reforms. Work will commence on a second Bill to complete the reforms during 2014-15. A statutory review of residential parks regulations began in 2013-14 and will be completed during 2014-15, with policy options developed for Government consideration. The Consumer Protection Division will also begin consulting on rights and obligations for both boarders and lodgers in early 2015.

Licensing

- The Consumer Protection Division licenses numerous occupations. Consistent with the Government's focus on red tape reduction, considerable work is occurring to make this regulation more efficient. Nationally, a decision has been made to deregulate travel agents and work is occurring to repeal Western Australian legislation in line with the National transition plan.
- At the State level, regulation of motor vehicle dealers and repairers is under review, fee deregulation is proposed for land valuers and settlement agents, and property industry codes of conduct are being updated. With the termination of the Council of Australian Government's proposed National Occupational Licensing Scheme, the Consumer Protection Division will also participate in National initiatives to improve labour mobility in certain licensed occupations.

Consumer Fraud

- The Consumer Protection Division continues to collaborate with the Western Australian Major Fraud Squad through Project Sunbird to monitor and disrupt sophisticated and systematic international fraud targeting Western Australians. Project Sunbird has identified approximately \$600,000 being lost each month by Western Australian victims transferring funds to a discreet number of foreign countries. The sophistication, diversity and reach of consumer fraud has required new and innovative responses, with a focus on data analysis and effective use of social and traditional media, and the establishment of linkages with international law enforcement agencies. The Consumer Protection Division is working with other Commonwealth, State and Territory agencies to develop a response to this growing threat.

Review of Plumbing Regulation

- In 2013, the Department commissioned a review of the plumbing regulation framework put in place in 1995. The review has formed the basis for modernisation of plumbing regulation in Western Australia and better alignment with the processes used to regulate building work and electrical and gas fitting work.

Review of Legislation Administered by EnergySafety Division

- The *Energy Safety Act 2006* is being rewritten to remove inconsistencies between various Acts and the suite of legislation associated with the *Electricity Industry Act 2004*. The reforms will provide for:
 - the appropriate sharing of information with other Western Australian investigation agencies and energy-related safety agencies in Australia and New Zealand;
 - the rationalisation of statutory responsibilities for the control of vegetation near power lines;
 - expiry dates for certificates of competency for gas fitting;
 - the removal of duplication and overlap between existing legislative provisions;
 - the update of systems for approval of electrical equipment as part of a new national scheme; and
 - the merge of the *Electricity Act 1945*, *Gas Standards Act 1972*, parts of the *Energy Coordination Act 1994* and the *Energy Safety Act 2006* into a consolidated Act.

Labour Relations Legislation Amendment and Repeal Bill 2012

- The draft Labour Relations Legislation Amendment and Repeal Bill 2012 was tabled in Parliament in November 2012 as a Green Bill for the purposes of public consultation. Further amendments have been made to the Green Bill as a result of the consultation process. The Department has provided advice to the Government on stakeholder feedback, as well as possible amendments to the Green Bill. Once Government has approved the proposed changes, the Department will be responsible for progressing the changes.

Local Content

- The Industry and Innovation Division will continue to implement the Local Industry Participation Framework, contributing to a fair and equitable playing field for local contract bidders and increasing local capacity to compete internationally. The high Australian dollar, the modularisation of resource infrastructure, and competition from manufacturing regions that have lower cost structures are factors that continue to work against local manufacturers.

Program Rationalisation

- Following the transfer of the science function to the Department of the Premier and Cabinet, the Industry and Technology Service will continue to support the Technology Parks, Local Participation, Innovation and Digital Economy.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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	97%	93%	94%	93%	
The extent of consumer confidence in Western Australia's trading environment	75.5%	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.....	94%	95%	94%	95%	
Outcome: Western Australia industry is competitive in targeted priority and emerging sectors:					
The extent to which clients and key stakeholders consider that the division's services contribute to innovative industry development ^(b)	n/a	75%	n/a	75%	

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

(b) As this effectiveness indicator was introduced as part of the 2013-14 Budget Papers there is no historical data available and the survey for 2013-14 has yet to be undertaken.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	61,425	56,365	65,146	67,942	1
Less Income	36,583	33,185	36,458	37,795	
Net Cost of Service.....	24,842	23,180	28,688	30,147	
Employees (Full Time Equivalents).....	375	367	339	354	
Efficiency Indicators ^(a)					
Average Cost per Client Contact to Provide Information and Advice	\$2.74	\$2.53	\$2.77	\$2.91	
Average Cost per Policy Project	\$229,108	\$195,448	\$264,500	\$344,692	2
Average Cost per Inspection or Investigation	\$487.29	\$497.61	\$649.93	\$749.19	3
Average Cost per Registration or Licence	\$18.80	\$13.27	\$19.66	\$20.64	

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

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has increased \$8.8 million (15.6%) between the 2013-14 Budget and 2013-14 Estimated Actual. This is the result of increased drawdowns from the property industry and restricted cash accounts to increase services being provided to the industry, and increased divisional overheads in depreciation and accommodation expenses.
2. The Average Cost per Policy Project increased by \$80,192 (30.3%) from the 2013-14 Estimated Actual to the 2014-15 Budget target as a result of contributing factors including the cessation of Council of Australian Governments' reforms, the deferral of projects in line with operational requirements and a number of complex long-term policy projects currently being undertaken.
3. The Average Cost per Inspection or Investigation is expected to increase by \$99.26 (15.3%) from the 2013-14 Estimated Actual to the 2014-15 Budget Target as a result of an increase in complex and longer duration inspections and investigations being undertaken in line with operational capacity.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	88,604	74,003	87,029	80,822	1
Less Income	46,356	37,785	41,539	43,062	
Net Cost of Service.....	42,248	36,218	45,490	37,760	
Employees (Full Time Equivalents).....	480	510	470	443	
Efficiency Indicators ^(a)					
Average Cost per Client Contact to Provide Information and Advice	\$6.44	\$5.96	\$6.54	\$5.89	
Average Cost per Hour of Policy Advice ^(b)	\$195.70	\$164.26	\$215.09	\$183.92	2
Average Cost per Inspection or Investigation	\$1,202.29	\$1,091.38	\$1,152.05	\$1,129.01	
Average Cost per Registration or Licence	\$115.95	\$83.43	\$105.20	\$104.48	3

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

(b) This indicator reflects the development and amendment of labour relations policy, legislation and regulations, providing policy advice and preparing submissions on behalf of the Minister for Commerce and Government to State and Federal Industrial Tribunals, Senate Inquiries, etc in relation to the regulatory framework.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has increased \$13 million (17.6%) between the 2013-14 Budget and 2013-14 Estimated Actual. This is the result of increased drawdowns from restricted cash accounts to increase services being provided to the building and energy industries, coupled with increased divisional overheads in depreciation and accommodation expenses.
2. The Average Cost per Hour of Policy Project is expected to decrease by \$31.17 (14.5%) from the 2013-14 Estimated Actual to the 2014-15 Budget Target due to the rationalisation of the Labour Relations Division.
3. The Average Cost per Registration or Licence increased by \$21.77 (26.1%) between the 2013-14 Budget and 2013-14 Estimated Actual. This is the result of the reinstatement of the salary cap to recognise external funding sources coupled with increased divisional overheads in depreciation and accommodation expenses.

3. Industry and Technology

Contributes to the State's economy by promoting industry and technology. Services include:

- supporting industry development through research and infrastructure;
- promoting Western Australian industry opportunities and capabilities; and
- providing policy development advice.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 59,721	\$'000 33,718	\$'000 38,661	\$'000 14,328	1
Less Income	3,671	1,890	2,068	1,752	
Net Cost of Service.....	56,050	31,828	36,593	12,576	
Employees (Full Time Equivalents).....	100	62	63	19	
Efficiency Indicators ^(a)					
Average Cost per Industry, and Technology Project Managed ^(b)	\$238,924	\$309,784	\$326,951	\$223,667	1

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

(b) Historically this indicator had included science projects, however with the transfer of responsibility of science to the Department of the Premier and Cabinet as part of the 2013-14 Budget, the reference to science projects was removed. The 2012-13 Actual is therefore not directly comparable with all other results shown (2013-14 Budget, 2013-14 Estimated Actual and 2014-15 Budget Target).

Explanation of Significant Movements

(Notes)

1. The Industry and Technology service has undergone several significant structural changes, including the transfer of the science function to the Department of the Premier and Cabinet. As a result, the Total Cost of Service is estimated to decrease by \$24.3 million (62.9%) and the average cost per industry and technology project managed to decrease by \$103,284 (31.6%) from the 2013-14 Estimated Actual to the 2014-15 Budget Target.

ASSET INVESTMENT PROGRAM

The 2014-15 Asset Investment Program totals \$5.3 million, including \$3.5 million to support information and communications technology (ICT) improvements. The Department has a very high reliance on ICT to underpin the efficient delivery of its services, and is progressing a range of initiatives to modernise its ICT and improve online access to services and information. An amount of \$150,000 has also been allocated towards Business Systems Development and Enhancement within the WorkSafe Division.

As part of the ICT improvements, an amount of \$2.5 million over two years to 2015-16 has been allocated to allow the EnergySafety Division to implement a new Compliance Management System (CMS). This system will replace the outdated and unsupported electricity and gas inspections systems, and improve productivity and efficiency by supporting a mobile inspection workforce and aligning the workflows across (internal) directorates.

Works of \$1.6 million have been allocated to the Bentley Technology Park for completion of the Specialised Area Structure Plan. Further works of \$3 million have been completed in 2013-14 for ICT activities to support the Department's accommodation relocation to the Mason Bird Building in Cannington.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Bentley Technology Park Stage 1 Implementation.....	8,375	6,739	247	1,636	-	-	-
Business Systems Development and Enhancement							
WorkSafe Information System.....	2,884	2,594	100	150	140	-	-
ICT Infrastructure							
Asset Replacement.....	11,949	3,050	2,690	1,847	2,800	4,252	-
Service Improvement.....	911	513	300	398	-	-	-
System Stabilisation.....	5,191	5,173	657	17	-	1	-
COMPLETED WORKS							
Accommodation Infrastructure - Departmental Facilities	2,187	2,187	42	-	-	-	-
ICT Infrastructure							
Customer Focused Service Delivery.....	1,975	1,975	1,566	-	-	-	-
ICT Works to Facilitate Accommodation Relocation	3,000	3,000	3,000	-	-	-	-
Marine Industry Technology Park	1,103	1,103	1,005	-	-	-	-
Other Works							
Shared Services Rolled Back Project.....	593	593	42	-	-	-	-
Southern Precinct.....	1,865	1,865	1,423	-	-	-	-
NEW WORKS							
ICT Infrastructure - EnergySafety CMS	2,500	-	-	1,250	1,250	-	-
Total Cost of Asset Investment Program	42,533	28,792	11,072	5,298	4,190	4,253	-
FUNDED BY							
Capital Appropriation.....			3,000	-	-	-	-
Drawdowns from the Holding Account.....			2,200	2,800	2,800	-	-
Internal Funds and Balances			5,872	2,498	1,390	4,253	-
Total Funding			11,072	5,298	4,190	4,253	-

FINANCIAL STATEMENTS**Income Statement***Expenses*

The income statement reflects an estimated decrease in the 2014-15 Budget Estimate for the Total Cost of Services of \$27.7 million (14.5%) when compared to the 2013-14 Estimated Actual. This is primarily due to a decrease in grants, including Royalties for Regions (RfR) funding, of \$16.6 million (45.3%) as projects reached completion in 2013-14 without further works budgeted in 2014-15.

Income

Income is estimated to be \$82.6 million in the 2014-15 Budget Estimate, an increase of \$2.5 million (3.2%) from the 2013-14 Estimated Actual. This is the result of increased regulatory fees from the building and property industries, and increased contributions provided from the property industry special purpose accounts.

The decrease in income from the State Government in the 2014-15 Budget Estimate of \$12.6 million (12.5%) compared to the 2013-14 Estimated Actual is due to the reduction in RfR funding. Several projects that are currently funded under RfR are expected to be completed in 2013-14, and no further works are budgeted.

Statement of Financial Position*Current Assets*

There is an increase in the 2014-15 Budget Estimate for Restricted Cash of \$2.6 million (1.5%) compared to the 2013-14 Estimated Actual, primarily reflecting interest earned on trust accounts.

Statement of Cashflows

The decrease in cashflows from State Government of \$18.8 million (18.2%) and decrease in net cash outgoings from operating activities of \$34.1 million (31.8%) respectively from the 2013-14 Estimated Actual to the 2014-15 Budget Estimate are primarily due to the variations explained in the income statement above.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	96,729	80,945	100,099	89,550	91,253	93,865	95,082
Grants and subsidies ^(c)	50,606	31,106	36,596	20,017	24,278	24,278	32,218
Supplies and services.....	32,590	32,847	28,263	29,544	27,057	26,746	27,118
Accommodation.....	15,375	10,207	12,555	10,052	10,192	9,928	11,236
Depreciation and amortisation.....	2,733	2,128	6,093	6,740	7,493	7,588	5,006
Other expenses.....	11,717	6,853	7,230	7,189	7,525	7,522	7,608
TOTAL COST OF SERVICES.....	209,750	164,086	190,836	163,092	167,798	169,927	178,268
Income							
Sale of goods and services.....	11,241	2,860	5,036	5,111	5,194	5,280	5,367
Regulatory fees and fines.....	42,134	62,144	66,780	68,847	69,548	70,357	71,023
Grants and subsidies.....	2,080	-	-	174	176	178	80
Other revenue.....	31,155	7,856	8,249	8,477	8,478	8,479	8,480
Total Income.....	86,610	72,860	80,065	82,609	83,396	84,294	84,950
NET COST OF SERVICES.....	123,140	91,226	110,771	80,483	84,402	85,633	93,318
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	105,929	75,068	85,135	80,616	80,582	81,877	81,463
Resources received free of charge.....	1,092	752	752	752	752	752	752
Royalties for Regions Fund ^(d)	18,727	19,373	14,760	6,723	11,708	11,714	20,240
TOTAL INCOME FROM STATE GOVERNMENT.....	125,748	95,193	100,647	88,091	93,042	94,343	102,455
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	2,608	3,967	(10,124)	7,608	8,640	8,710	9,137

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 955, 872 and 816 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$18 million (2012-13), \$19.1 million (2013-14 Budget), \$14 million (2013-14 estimated outturn), \$5 million (2014-15), \$10 million (2015-16), \$10 million (2016-17), \$20 million (2017-18), Regional Community Services Fund - \$0.7 million (2012-13), \$0.3 million (2013-14 Budget), \$0.8 million (2013-14 estimated outturn), \$1.7 million (2014-15), \$1.7 million (2015-16), \$1.7 million (2016-17) and \$0.2 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Asbestos Disease Society.....	100	100	100	100	100	100	98
Australian Building Codes Board.....	-	316	316	299	-	-	-
Building Commission.....	357	-	-	-	-	-	-
Employment Law Centre Western Australia.....	356	424	424	440	-	-	-
Farmsafe Western Australia Alliance.....	70	70	70	70	70	70	69
Industry and Innovation.....	39,174	1,968	1,968	-	-	-	-
Other Miscellaneous.....	40	17	17	-	-	-	-
Property Industry.....	10,509	11,950	11,950	12,308	12,308	12,308	12,051
Royalties for Regions.....	-	16,261	21,751	6,500	11,500	11,500	20,000
Seniors Housing Information Service.....	-	-	-	300	300	300	-
TOTAL.....	50,606	31,106	36,596	20,017	24,278	24,278	32,218

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	23,574	14,479	13,277	16,693	21,696	29,753	43,101
Restricted cash.....	182,049	183,236	177,358	179,987	183,219	181,437	180,287
Holding account receivables.....	2,200	2,800	2,800	2,800	-	-	-
Receivables.....	2,782	12,927	2,782	2,782	2,782	2,782	2,782
Other.....	8,953	2,711	8,167	8,167	8,167	8,167	8,167
Assets held for sale.....	1,750	2,139	1,750	1,750	1,750	1,750	1,750
Total current assets.....	221,308	218,292	206,134	212,179	217,614	223,889	236,087
NON-CURRENT ASSETS							
Holding account receivables.....	5,789	4,232	4,232	7,237	13,745	19,515	21,460
Property, plant and equipment.....	40,424	37,858	38,071	37,697	36,003	37,066	34,298
Intangibles.....	8,893	17,706	14,635	13,567	11,958	7,560	5,322
Restricted cash.....	2,449	2,099	2,449	2,449	2,449	2,449	2,449
Other.....	9,529	16,170	11,119	11,119	11,119	11,119	11,119
Total non-current assets.....	67,084	78,065	70,506	72,069	75,274	77,709	74,648
TOTAL ASSETS.....	288,392	296,357	276,640	284,248	292,888	301,598	310,735
CURRENT LIABILITIES							
Employee provisions.....	22,248	19,508	20,678	20,678	20,678	20,678	20,678
Payables.....	2,515	2,748	2,515	2,515	2,515	2,515	2,515
Other.....	15,041	15,497	15,041	15,041	15,041	15,041	15,041
Total current liabilities.....	39,804	37,753	38,234	38,234	38,234	38,234	38,234
NON-CURRENT LIABILITIES							
Employee provisions.....	4,927	4,816	4,625	4,625	4,625	4,625	4,625
Other.....	9,446	9,422	7,390	7,390	7,390	7,390	7,390
Total non-current liabilities.....	14,373	14,238	12,015	12,015	12,015	12,015	12,015
TOTAL LIABILITIES.....	54,177	51,991	50,249	50,249	50,249	50,249	50,249
EQUITY							
Contributed equity.....	77,649	77,855	79,949	79,949	79,949	79,949	79,949
Accumulated surplus/(deficit).....	150,604	160,998	140,480	148,088	156,728	165,438	174,575
Reserves.....	5,962	5,513	5,962	5,962	5,962	5,962	5,962
Total equity.....	234,215	244,366	226,391	233,999	242,639	251,349	260,486
TOTAL LIABILITIES AND EQUITY.....	288,392	296,357	276,640	284,248	292,888	301,598	310,735

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	105,720	73,825	83,892	74,811	74,074	76,107	79,518
Capital appropriation	2,956	-	3,000	-	-	-	-
Holding account drawdowns.....	2,200	2,200	2,200	2,800	2,800	-	-
Royalties for Regions Fund ^(b)	18,727	19,373	14,760	6,723	11,708	11,714	20,240
Receipts paid into Consolidated Account	-	-	(700)	-	-	-	-
Net cash provided by State Government.....	129,603	95,398	103,152	84,334	88,582	87,821	99,758
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(93,936)	(81,770)	(102,495)	(90,074)	(91,253)	(93,865)	(95,082)
Grants and subsidies	(50,606)	(31,106)	(36,596)	(20,017)	(24,278)	(24,278)	(32,218)
Supplies and services	(41,879)	(31,779)	(27,080)	(27,047)	(26,626)	(26,315)	(26,685)
Accommodation.....	(16,092)	(9,726)	(12,074)	(9,571)	(9,711)	(9,447)	(10,755)
Other payments.....	(14,149)	(11,449)	(11,941)	(11,944)	(10,255)	(10,252)	(10,340)
Receipts							
Regulatory fees and fines.....	57,863	61,318	65,954	68,021	69,548	70,357	71,023
Grants and subsidies	2,075	-	-	174	176	178	80
Sale of goods and services	11,471	4,052	6,228	6,297	5,188	5,274	5,361
GST receipts	3,889	2,570	2,570	2,570	2,570	2,570	2,570
Other receipts.....	30,956	7,973	8,366	8,600	8,484	8,485	8,486
Net cash from operating activities	(110,408)	(89,917)	(107,068)	(72,991)	(76,157)	(77,293)	(87,560)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,978)	(9,178)	(11,072)	(5,298)	(4,190)	(4,253)	-
Net cash from investing activities	(1,978)	(9,178)	(11,072)	(5,298)	(4,190)	(4,253)	-
NET INCREASE/(DECREASE) IN CASH HELD							
	17,217	(3,697)	(14,988)	6,045	8,235	6,275	12,198
Cash assets at the beginning of the reporting period.....	190,855	203,511	208,072	193,084	199,129	207,364	213,639
Cash assets at the end of the reporting period.....	208,072	199,814	193,084	199,129	207,364	213,639	225,837

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

(b) Regional Infrastructure and Headworks Fund - \$18 million (2012-13), \$19.1 million (2013-14 Budget), \$14 million (2013-14 estimated outturn), \$5 million (2014-15), \$10 million (2015-16), \$10 million (2016-17), \$20 million (2017-18), Regional Community Services Fund - \$0.7 million (2012-13), \$0.3 million (2013-14 Budget), \$0.8 million (2013-14 estimated outturn), \$1.7 million (2014-15), \$1.7 million (2015-16), \$1.7 million (2016-17) and \$0.2 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Taxation							
Regulatory Fees	1,812	1,726	1,726	1,626	1,680	1,681	1,682
Fines							
Regulatory Fines.....	68	250	250	250	250	250	250
Other							
Housing Indemnity Insurance Appropriation.....	-	1,200	713	350	-	-	-
Housing Indemnity Insurance Miscellaneous	483	888	888	888	888	888	888
Housing Indemnity Insurance Premiums	-	-	13,000	7,000	-	-	-
Rental Accommodation Account Interest	12,018	6,615	6,615	6,615	6,615	6,615	6,615
Travel Agents Appropriation	-	-	-	206	-	-	-
TOTAL INCOME	14,381	10,679	23,192	16,935	9,433	9,434	9,435
EXPENSES							
Grants To Charitable And Other Public Bodies							
Rental Accommodation Account Grants	3,420	2,833	2,833	2,946	3,064	3,187	3,187
Other							
Housing Indemnity Insurance Administration	-	-	3,963	2,100	-	-	-
Housing Indemnity Insurance Claims.....	-	-	9,750	5,250	-	-	-
Interest Expense.....	-	106	106	106	106	106	106
Payments to Consolidated Account	1,818	1,976	3,176	1,876	1,930	1,931	1,932
Rental Accommodation Account.....	15,588	3,110	5,270	5,351	5,434	5,519	5,606
Travel Agents Refund.....	-	-	-	206	-	-	-
TOTAL EXPENSES.....	20,826	8,025	25,098	17,835	10,534	10,743	10,831

NET APPROPRIATION DETERMINATION AGENCY SPECIAL PURPOSE ACCOUNT DETAILS

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Grants and Subsidies	2,075	-	-	174	176	178	80
GST Receipts.....	3,889	2,570	2,570	2,570	2,570	2,570	2,570
Other Receipts	30,956	7,973	8,366	8,600	8,484	8,485	8,486
Regulatory Fees and Fines.....	57,863	61,318	65,954	68,021	69,548	70,357	71,023
Sale of Goods and Services	11,471	4,052	6,228	6,297	5,188	5,274	5,361
TOTAL.....	106,254	75,913	83,118	85,662	85,966	86,864	87,520

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

REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

PART 9 - ATTORNEY GENERAL; MINISTER FOR COMMERCE

DIVISION 45

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 55 Net amount appropriated to deliver services.....	8,976	9,034	9,104	9,534	10,306	10,544	10,802
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	2,056	2,239	2,239	2,311	2,377	2,441	2,441
Total appropriations provided to deliver services	11,032	11,273	11,343	11,845	12,683	12,985	13,243
TOTAL APPROPRIATIONS.....	11,032	11,273	11,343	11,845	12,683	12,985	13,243
EXPENSES							
Total Cost of Services.....	10,283	11,976	12,046	12,442	13,050	13,352	13,610
Net Cost of Services ^(a)	10,255	11,896	11,966	12,362	12,970	13,272	13,530
CASH ASSETS ^(b)	5,994	4,091	5,259	4,662	4,545	4,428	4,311

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Salaries and Allowances Tribunal Determination.....	70	70	70	70	70

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court.....	4,401	5,546	5,509	5,676	5,942	6,079	6,201
2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission	5,882	6,430	6,537	6,766	7,108	7,273	7,409
Total Cost of Services	10,283	11,976	12,046	12,442	13,050	13,352	13,610

Significant Issues Impacting the Agency

- The Government introduced the draft Labour Relations Legislation Amendment and Repeal Bill 2012 in November 2012. Public comment and feedback on the proposed changes to the industrial relations system have resulted in further amendments to the Bill as a result of the consultation process. The Department of the Registrar and the Commission, as a primary stakeholder will be directly affected as a result of the changes in the proposed legislation.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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.....	89%	90%	95%	90%	
Accuracy and relevance of information	90%	90%	96%	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 that tribunal to provide the community with an efficient means of preventing or resolving industrial relations matters. This output includes the provision of services and support to the Industrial Magistrates Court.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 4,401	\$'000 5,546	\$'000 5,509	\$'000 5,676	
<i>Less Income</i>	28	80	80	80	
Net Cost of Service.....	4,373	5,466	5,429	5,596	
Employees (Full Time Equivalents)	29	34	32	34	
Efficiency Indicators					
Average Cost per Application Registered and Recorded	\$4,164	\$6,015	\$7,848	\$7,994	1

Explanation of Significant Movements

(Notes)

- The Average Cost per Application Registered and Recorded for 2013-14 Estimated Actual is higher than the 2013-14 Budget as a consequence of changes in the prosecution jurisdiction in 2012-13, with the number of applications now stabilising.

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 (the Department) to manage its financial affairs but is not subject to any form of operational control by the Department and acts independently.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 5,882	\$'000 6,430	\$'000 6,537	\$'000 6,766	
<i>Less Income</i>	-	-	-	-	
Net Cost of Service.....	5,882	6,430	6,537	6,766	
Employees (Full Time Equivalents)	16	19	19	19	

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Information Technology 2013-14 Program	160	160	160	-	-	-	-
NEW WORKS							
Asset Replacement - Information Technology 2014-15 Program	160	-	-	160	-	-	-
2015-16 Program	160	-	-	-	160	-	-
2016-17 Program	160	-	-	-	-	160	-
2017-18 Program	160	-	-	-	-	-	160
Total Cost of Asset Investment Program	800	160	160	160	160	160	160
FUNDED BY							
Drawdowns from the Holding Account			160	160	160	160	160
Total Funding			160	160	160	160	160

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	5,690	6,561	6,631	6,858	7,058	7,244	7,380
Supplies and services	1,085	1,326	1,326	1,382	1,485	1,485	1,607
Accommodation	2,939	3,346	3,346	3,476	3,749	3,837	3,837
Depreciation and amortisation	239	198	198	219	219	219	219
Other expenses	330	545	545	507	539	567	567
TOTAL COST OF SERVICES	10,283	11,976	12,046	12,442	13,050	13,352	13,610
Income							
Sale of goods and services	28	80	80	80	80	80	80
Total Income	28	80	80	80	80	80	80
NET COST OF SERVICES	10,255	11,896	11,966	12,362	12,970	13,272	13,530
INCOME FROM STATE GOVERNMENT							
Service appropriations	11,032	11,273	11,343	11,845	12,683	12,985	13,243
Resources received free of charge	21	50	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT	11,053	11,323	11,393	11,895	12,733	13,035	13,293
SURPLUS/(DEFICIENCY) FOR THE PERIOD	798	(573)	(573)	(467)	(237)	(237)	(237)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 45, 51 and 53 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	5,769	3,836	5,004	4,407	4,545	4,398	4,251
Holding account receivables	160	160	160	160	160	160	160
Receivables.....	161	178	186	227	176	152	133
Other.....	78	297	142	248	209	124	104
Total current assets	6,168	4,471	5,492	5,042	5,090	4,834	4,648
NON-CURRENT ASSETS							
Holding account receivables	1,148	1,186	1,186	1,245	1,304	1,363	1,422
Property, plant and equipment	301	237	249	185	121	67	28
Intangibles	50	103	71	76	81	76	56
Restricted cash.....	225	255	255	255	-	30	60
Other.....	6	11	-	-	-	-	-
Total non-current assets.....	1,730	1,792	1,761	1,761	1,506	1,536	1,566
TOTAL ASSETS	7,898	6,263	7,253	6,803	6,596	6,370	6,214
CURRENT LIABILITIES							
Employee provisions	1,745	1,734	1,735	1,735	1,693	1,693	1,693
Payables.....	98	70	34	36	36	47	62
Other.....	333	426	326	356	356	356	422
Total current liabilities.....	2,176	2,230	2,095	2,127	2,085	2,096	2,177
NON-CURRENT LIABILITIES							
Employee provisions	158	181	167	152	224	224	224
Other.....	1	1	1	1	1	1	1
Total non-current liabilities	159	182	168	153	225	225	225
TOTAL LIABILITIES.....	2,335	2,412	2,263	2,280	2,310	2,321	2,402
EQUITY							
Contributed equity	495	495	495	495	495	495	495
Accumulated surplus/(deficit).....	5,049	3,335	4,476	4,009	3,772	3,535	3,298
Reserves.....	19	21	19	19	19	19	19
Total equity	5,563	3,851	4,990	4,523	4,286	4,049	3,812
TOTAL LIABILITIES AND EQUITY.....	7,898	6,263	7,253	6,803	6,596	6,370	6,214

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	10,830	11,075	11,145	11,626	12,464	12,766	13,024
Holding account drawdowns.....	180	160	160	160	160	160	160
Net cash provided by State Government.....	11,010	11,235	11,305	11,786	12,624	12,926	13,184
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(5,672)	(6,564)	(6,634)	(6,828)	(6,926)	(7,112)	(7,248)
Supplies and services	(1,042)	(1,331)	(1,331)	(1,365)	(1,359)	(1,359)	(1,481)
Accommodation.....	(3,162)	(3,423)	(3,423)	(3,554)	(3,826)	(3,914)	(3,914)
Other payments.....	(832)	(1,065)	(1,065)	(1,059)	(1,053)	(1,081)	(1,081)
Receipts							
Sale of goods and services	28	80	80	80	80	80	80
GST receipts.....	492	493	493	503	503	503	503
Net cash from operating activities	(10,188)	(11,810)	(11,880)	(12,223)	(12,581)	(12,883)	(13,141)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(202)	(160)	(160)	(160)	(160)	(160)	(160)
Net cash from investing activities	(202)	(160)	(160)	(160)	(160)	(160)	(160)
NET INCREASE/(DECREASE) IN CASH HELD	620	(735)	(735)	(597)	(117)	(117)	(117)
Cash assets at the beginning of the reporting period.....	5,374	4,826	5,994	5,259	4,662	4,545	4,428
Cash assets at the end of the reporting period.....	5,994	4,091	5,259	4,662	4,545	4,428	4,311

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

NET APPROPRIATION DETERMINATION

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
GST Input Credits.....	474	490	490	500	500	500	500
GST Receipts on Sales	18	3	3	3	3	3	3
Service Charges, Transcript and Award Sales and Other Revenue	28	80	80	80	80	80	80
TOTAL.....	520	573	573	583	583	583	583

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

WORKCOVER WA AUTHORITY

ASSET INVESTMENT PROGRAM

WorkCover WA's total approved Asset Investment Program for 2014-15 is \$846,000. The approved projects that are planned include:

- Computer Hardware and Software – ongoing replacement and upgrade of Core Business Systems and Infrastructure, including the Electronic Database Records Management System;
- Office and Other Equipment – ongoing works to facilitate upgrades, replacement of fleet and other office equipment; and
- Building Maintenance – ongoing repairs and general maintenance of the Authority's premises.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Building Maintenance/Asset Replacement Program							
2013-14 Program	421	421	421	-	-	-	-
Computer Hardware and Software - 2013-14 Program.....	1,755	1,755	1,755	-	-	-	-
Other Equipment - 2013-14 Program.....	71	71	71	-	-	-	-
NEW WORKS							
Building Maintenance/Asset Replacement Program							
2014-15 Program	348	-	-	348	-	-	-
2015-16 Program	160	-	-	-	160	-	-
2016-17 Program	145	-	-	-	-	145	-
2017-18 Program	146	-	-	-	-	-	146
Computer Hardware and Software							
2014-15 Program	380	-	-	380	-	-	-
2015-16 Program	1,075	-	-	-	1,075	-	-
2016-17 Program	635	-	-	-	-	635	-
2017-18 Program	460	-	-	-	-	-	460
Office Equipment Replacement Program							
2014-15 Program	22	-	-	22	-	-	-
2015-16 Program	22	-	-	-	22	-	-
2016-17 Program	22	-	-	-	-	22	-
2017-18 Program	23	-	-	-	-	-	23
Other Equipment							
2014-15 Program	96	-	-	96	-	-	-
2015-16 Program	83	-	-	-	83	-	-
2016-17 Program	52	-	-	-	-	52	-
2017-18 Program	107	-	-	-	-	-	107
Total Cost of Asset Investment Program	6,023	2,247	2,247	846	1,340	854	736
FUNDED BY							
Internal Funds and Balances			2,247	846	1,340	854	736
Total Funding			2,247	846	1,340	854	736

Part 10

Minister for Mines and Petroleum; Housing

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
509	Mines and Petroleum			
	– Delivery of Services	77,107	80,438	85,448
	– Administered Grants, Subsidies and Other Transfer Payments.....	37,508	37,020	12,429
	Total	114,615	117,458	97,877
520	Housing Authority			
	– Delivery of Services	23,577	23,577	72,947
	– Capital Appropriation.....	111,183	113,183	3,360
	Total	134,760	136,760	76,307
	GRAND TOTAL			
	– Delivery of Services	100,684	104,015	158,395
	– Administered Grants, Subsidies and Other Transfer Payments.....	37,508	37,020	12,429
	– Capital Appropriation.....	111,183	113,183	3,360
	Total	249,375	254,218	174,184

MINES AND PETROLEUM

PART 10 - MINISTER FOR MINES AND PETROLEUM; HOUSING

DIVISION 46

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 56 Net amount appropriated to deliver services.....	79,126	76,222	79,553	84,549	86,344	85,467	74,300
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	861	885	885	899	915	915	915
Total appropriations provided to deliver services	79,987	77,107	80,438	85,448	87,259	86,382	75,215
ADMINISTERED TRANSACTIONS							
Item 57 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	5,273	35,899	35,899	12,024	12,047	12,074	12,101
Amount Authorised by Other Statutes							
- Petroleum (Submerged Lands) Act 1982.....	3,054	1,609	1,121	405	655	640	628
CAPITAL							
Capital Appropriation.....	1,325	-	-	-	-	-	-
TOTAL APPROPRIATIONS.....	89,639	114,615	117,458	97,877	99,961	99,096	87,944
EXPENSES							
Total Cost of Services.....	144,626	165,675	169,519	156,075	166,767	167,311	156,455
Net Cost of Services ^(a)	88,423	69,248	74,182	51,812	39,124	36,123	26,190
CASH ASSETS ^(b)	46,315	73,895	78,846	109,527	156,361	206,185	256,829

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(1,245)	-	-	-	-
2013-14 Voluntary Separation Scheme	1,320	-	-	-	-
2014-15 Procurement Savings	-	(2,458)	-	-	-
2014-15 Tariffs, Fees and Charges	-	300	300	300	300
Adjustment to Salaries Cap.....	3,115	2,378	2,802	2,214	-
Establishment of the Credit Card Surcharge Fee	60	60	60	60	60
Increase in State Petroleum Fees and Charges	(150)	850	(400)	(400)	(400)
Perth Core Library Expansion	-	-	106	211	211
Relocation of the Resources Safety Division.....	650	1,693	2,819	2,951	3,068
Resolution of Native Title in the South West of Western Australia.....	562	440	-	-	-
State Environmental, Water and Cultural Heritage Library	-	250	-	-	-

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
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.	Responsible exploration and development of mineral and energy resources.	1. Resource Sector and Dangerous Goods Regulation
	Encouragement of exploration and discovery of mineral and energy resources, and informed planning.	2. Geoscience Information and Advice

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Resource Sector and Dangerous Goods Regulation.....	104,515	111,756	114,429	115,356	126,019	125,941	126,057
2. Geoscience Information and Advice.....	40,111	53,919	55,090	40,719	40,748	41,370	30,398
Total Cost of Services	144,626	165,675	169,519	156,075	166,767	167,311	156,455

Significant Issues Impacting the Agency

- In 2013, the value of production in Western Australia's resources sector reached a record \$113.8 billion. Of this value, 60% was accounted for by the iron ore sector, which recorded sales of \$68 billion. Gold (\$8.7 billion) and petroleum products (\$24.7 billion) also continued to perform strongly, accounting for 8% and 22% of the total value respectively. In 2013 there were 532 commercial mineral projects and 1,032 operating mine sites in Western Australia producing over 50 different minerals.
- Persistent global economic uncertainty has resulted in most mineral commodities trading at lower price levels than the peaks of 2011. In 2013 the price of gold fell 27% and the iron ore price has been volatile. The average iron ore price received by Western Australian producers, across three major export markets, fluctuated between \$US100 and \$US118 per tonne. Aluminium and nickel also suffered in 2013 with prices falling 15% and 20% respectively.
- Capital and operating costs in the resources sector, especially for labour, remain at elevated levels. This has applied more pressure on profit margins as commodity prices eased, significantly impacting the operating strategy of mining companies in Western Australia. Expansion delays, mine sales and closures with a focus on cost cutting were prominent themes in the resources industry in 2013.
- Some respite from falling commodity prices in 2013 came from the fall in the Australian dollar. In 2013, the Australian dollar began falling in April and fell below parity (i.e. one US dollar per one Australian dollar) with the US dollar in May. It remained under parity with the US dollar for the rest of 2013 and was trading at around US89 cents at the end of the calendar year.
- Mineral and petroleum exports contributed 91% of Western Australia's total merchandise exports in 2013. From a national perspective the Western Australian minerals and petroleum sector accounts for 43% of total merchandise exports of \$262 billion. China was again Western Australia's leading export market in 2013, accounting for 53% of the State's total merchandise exports. Japan was Western Australia's second largest export market (18%) followed by South Korea (7%).
- Reflective of the current focus on cost reduction, Western Australian mineral exploration expenditure fell sharply in 2013, down by 27% from 2012 levels to \$1.5 billion. However, due to a steeper decline in mineral exploration in the rest of Australia, the State's share of national mineral exploration expenditure increased to 60% in 2013 from 56% in the previous year. The State's petroleum sector fared better with exploration expenditure increasing 8% from 2012 levels to just under \$3 billion in 2013. Notwithstanding the decline in minerals exploration, the State continues to attract the largest portion of total national minerals and petroleum exploration expenditure (64%).
- Whilst not immune to global economic conditions, the outlook for Western Australia's resources sector continues to be positive. The estimated value of resource projects that are under construction, committed and/or planned is approximately \$243 billion. Western Australia's three largest iron ore producers have all invested heavily in new mines and infrastructure over recent years. These investments will allow production to increase incrementally across the forward estimates. A greater emphasis on efficiency gains and expanding production from existing facilities is expected to significantly reduce investment in new infrastructure from these companies. However, Hancock Prospecting has begun a major investment in new facilities for its Roy Hill mine.
- There is strong community interest in resource projects, particularly in relation to environmental and land access issues. This underlines the importance of transparent approval and regulatory processes and effective community engagement by industry and government.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Responsible exploration and development of mineral and energy resources:					
Percentage of compliance with regulated environment conditions	84%	96%	94%	93%	
Percentage of applications completed within agreed timelines.....	91%	93%	93%	93%	
Percentage of compliance with regulated safety conditions.....	94%	95%	95%	95%	
Outcome: Encouragement of exploration and discovery of mineral and energy resources, and informed planning:					
Extent to which stakeholders agree the Department's geoscience information encourages exploration and discovery and informs planning ^(b)	4.3	4.3	4.3	4.3	

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

(b) Rating out of five.

Services and Key Efficiency Indicators

1. Resource Sector and Dangerous Goods Regulation

The Department is charged with ensuring that the resources industry conducts its business in a responsible manner and that the community receives a fair return for its resources. The Department contributes to responsible development through effective regulation of the resources sector, including the timely processing of applications; and mining and petroleum safety regulation. It also facilitates and manages access to land and offshore areas for the exploration and development of mineral and energy deposits.

The Department administers the *Dangerous Goods Safety Act 2004*, covering the manufacture, storage, handling, transport and use of dangerous goods, including the operation of major hazard facilities.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 104,515	\$'000 111,756	\$'000 114,429	\$'000 115,356	
Less Income	53,572	96,200	93,797	102,724	
Net Cost of Service.....	50,943	15,556	20,632	12,632	
Employees (Full Time Equivalents).....	617	649	645	638	
Efficiency Indicators					
Average Cost of Weighted Resources Regulatory Services ^(a)	\$1,193	\$1,275	\$1,224	\$1,295	
Average Cost of Weighted Safety Regulatory Services ^(b)	\$1,365	\$1,448	\$1,600	\$1,418	1

(a) Average Cost of Weighted Resources Regulatory Service is calculated as the total cost of regulatory service (excluding Resources Safety) divided by the total number of weighted services - petroleum operation applications and monitoring services, resource assessment, title application, and title maintenance and administration; mineral titles assessment, compliance and monitoring; environment regulation services including petroleum and mineral environment assessment, compliance and monitoring; and royalties assessment and collection services.

(b) Average Cost of Weighted Safety Regulatory Service is calculated as the total cost of mines safety and dangerous goods regulatory services divided by the total number of weighted services - information and education (seminars/presentations and publications), licensing services and investigations and technical assessments undertaken by the Resources Safety Division.

Explanation of Significant Movements

(Notes)

1. The increase in the Average Cost of Weighted Safety Regulatory Services for the 2013-14 Estimated Actual compared to the 2012-13 Actual, and the 2013-14 Budget is mainly due to a strong focus on training and development of new and existing staff, and a focus on development of new systems and processes.

2. Geoscience Information and Advice

The Department provides benefits to the Western Australian community through the provision of public geological information to encourage exploration, and the promotion of opportunities for high risk private sector investment in mineral and energy exploration and development, thereby sustaining investment in the industry for future generations. The Department maintains an up-to-date geological archive of the State and its mineral and petroleum resources, with products and services including:

- acquiring new geoscience and mineral and energy resource information;
- providing access to a developing archive of geoscientific and resource exploration information;
- assessment of mineral and petroleum resources and resource potential as a basis for decision-making by Government; and
- assistance and advice on land use matters.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 40,111	\$'000 53,919	\$'000 55,090	\$'000 40,719	1
Less Income	2,631	227	1,540	1,539	
Net Cost of Service.....	37,480	53,692	53,550	39,180	
Employees (Full Time Equivalents).....	194	200	200	197	
Efficiency Indicators					
Average Cost of Weighted Geoscience Product and Service Units.....	\$233,198	\$267,265	\$275,450	\$262,703	1

Explanation of Significant Movements

(Notes)

1. Increased funding for the Exploration Incentive Scheme (EIS) through reallocation of prior year funding increased the 2013-14 Budget, resulting in an increased cost of Weighted Total Product Published (WTPP) compared to the 2012-13 Actual. The allocation for the 2014-15 Budget Target is \$14.4 million lower compared to the 2013-14 Estimated Actual due to the reduction in the EIS funding. Thus the 2014-15 Budget Target for the WTPP is lower than the 2013-14 Budget and Estimated Actual.

ASSET INVESTMENT PROGRAM

Expansion of the core storage area at the Perth Core Library is required due to the increase in usage of the facility in line with the growth in the Western Australian resources sector. Existing capacity is likely to be reached in 2017. This expansion will provide the storage area for future years.

The Resources Safety Division relocation will meet the Department's long-term goal to integrate its operations in East Perth in order to improve efficiency.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Resources Safety Division Relocation.....	2,122	500	500	1,500	122	-	-
COMPLETED WORKS							
Asset Replacement Program							
Computer Hardware and Software - 2013-14 Program.....	910	910	910	-	-	-	-
Mineral House Plant and Equipment Upgrade.....	600	600	600	-	-	-	-
NEW WORKS							
Asset Replacement Program - Computer Hardware and Software							
2014-15 Program	936	-	-	936	-	-	-
2015-16 Program	962	-	-	-	962	-	-
2016-17 Program	962	-	-	-	-	962	-
2017-18 Program	962	-	-	-	-	-	962
Perth Core Library Expansion	4,810	-	-	350	2,600	1,860	-
Total Cost of Asset Investment Program	12,264	2,010	2,010	2,786	3,684	2,822	962
FUNDED BY							
Drawdowns from the Holding Account.....			910	936	962	962	962
Internal Funds and Balances.....			1,100	1,850	2,722	1,860	-
Total Funding			2,010	2,786	3,684	2,822	962

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services decreased by \$13.4 million in the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual. This is largely due to a \$14.4 million reduction in the supplies and services budget for the EIS program in 2014-15.

Income

Total income for the 2014-15 Budget Estimate is budgeted at \$104.3 million. Within this total, the sub-category regulatory fees and fines is forecast to increase from the 2013-14 Estimated Actual of \$91.5 million to the 2014-15 Budget Estimate of \$98.7 million. This is mainly due to an increase in the Mining Rehabilitation Fund (MRF) levy contribution from the 2013-14 Estimated Actual of \$38.3 million to the 2014-15 Budget Estimate of \$42.1 million as contributions to the levy become compulsory for compliant companies in 2014-15, and a \$3.1 million increase in regulatory fees as the Department increases cost recovery.

The Royalties for Regions Fund shows a decrease in the 2014-15 Budget Estimate. This reflects a change of funding source for the EIS program to the Consolidated Account.

Statement of Financial Position

In the 2014-15 Budget Estimate restricted cash is forecast to increase by \$32.5 million. This is largely due to the expected MRF levy contribution of \$40 million in 2014-15, offset mainly by a \$7.4 million decrease in cash held by the Mines and Petroleum Safety Levies special purpose accounts.

Statement of Cashflows

In the 2014-15 Budget Estimate the EIS program funding is forecast to reduce by \$14.4 million to \$10 million compared to the 2013-14 Estimated Actual of \$24.4 million.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	37,396	27,205	34,873	32,880	32,429	31,123	31,232
Restricted cash.....	6,359	44,190	41,213	73,687	120,972	172,102	222,637
Holding account receivables.....	910	936	936	962	962	962	962
Receivables.....	10,917	12,220	10,917	10,917	10,917	10,917	10,917
Other.....	1,681	1,106	1,681	1,681	1,681	1,681	1,681
Total current assets.....	57,263	85,657	89,620	120,127	166,961	216,785	267,429
NON-CURRENT ASSETS							
Holding account receivables.....	13,912	14,763	14,763	15,588	16,413	17,238	18,063
Property, plant and equipment.....	142,970	145,686	143,420	145,246	147,970	149,832	149,834
Intangibles.....	1,424	1,987	1,424	1,424	1,424	1,424	1,424
Restricted cash.....	2,560	2,500	2,760	2,960	2,960	2,960	2,960
Other.....	5,766	3,823	5,539	4,712	3,885	3,058	2,231
Total non-current assets.....	166,632	168,759	167,906	169,930	172,652	174,512	174,512
TOTAL ASSETS.....	223,895	254,416	257,526	290,057	339,613	391,297	441,941
CURRENT LIABILITIES							
Employee provisions.....	18,773	15,802	17,962	17,312	16,662	16,012	15,362
Payables.....	2,178	3,368	2,231	2,284	2,337	2,390	2,443
Other.....	7,071	12,180	8,946	6,612	6,864	7,116	7,368
Total current liabilities.....	28,022	31,350	29,139	26,208	25,863	25,518	25,173
NON-CURRENT LIABILITIES							
Employee provisions.....	3,946	3,584	4,011	4,161	4,311	4,461	4,611
Other.....	53	67	53	53	53	53	53
Total non-current liabilities.....	3,999	3,651	4,064	4,214	4,364	4,514	4,664
TOTAL LIABILITIES.....	32,021	35,001	33,203	30,422	30,227	30,032	29,837
EQUITY							
Contributed equity.....	55,929	57,309	55,929	55,929	55,929	55,929	55,929
Accumulated surplus/(deficit).....	22,805	51,078	55,254	90,566	140,317	192,196	243,035
Reserves.....	113,140	111,028	113,140	113,140	113,140	113,140	113,140
Total equity.....	191,874	219,415	224,323	259,635	309,386	361,265	412,104
TOTAL LIABILITIES AND EQUITY.....	223,895	254,416	257,526	290,057	339,613	391,297	441,941

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	78,253	75,320	78,651	83,661	85,472	84,595	73,428
Capital appropriation	1,325	-	-	-	-	-	-
Holding account drawdowns.....	884	910	910	936	962	962	962
Royalties for Regions Fund ^(b)	13,177	25,260	24,703	186	126	130	324
Net cash provided by State Government.....	93,639	101,490	104,264	84,783	86,560	85,687	74,714
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(89,129)	(92,897)	(97,599)	(97,378)	(100,069)	(102,388)	(101,528)
Grants and subsidies	(4,715)	(5,848)	(5,848)	(5,848)	(5,848)	(5,848)	(48)
Supplies and services.....	(29,434)	(46,014)	(45,360)	(31,192)	(36,408)	(34,501)	(30,188)
Accommodation.....	(4,907)	(4,584)	(5,234)	(6,333)	(7,515)	(7,647)	(7,764)
Other payments.....	(13,616)	(18,662)	(18,054)	(17,179)	(18,782)	(18,782)	(18,782)
Receipts							
Regulatory fees and fines.....	46,333	93,904	91,504	98,740	120,180	121,605	121,722
Grants and subsidies	2,684	100	100	100	100	100	100
Sale of goods and services	235	492	1,802	1,810	560	560	560
GST receipts.....	5,695	5,412	5,412	4,937	4,937	4,937	4,937
Other receipts.....	3,763	1,931	1,931	3,613	6,803	8,923	7,883
Net cash from operating activities.....	(83,091)	(66,166)	(71,346)	(48,730)	(36,042)	(33,041)	(23,108)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,466)	(910)	(2,010)	(2,786)	(3,684)	(2,822)	(962)
Net cash from investing activities.....	(2,466)	(910)	(2,010)	(2,786)	(3,684)	(2,822)	(962)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	-	-	-	(4,530)	-	-	-
Proceeds from borrowings.....	963	1,623	1,623	1,944	-	-	-
Net cash from financing activities.....	963	1,623	1,623	(2,586)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	9,045	36,037	32,531	30,681	46,834	49,824	50,644
Cash assets at the beginning of the reporting period.....	37,270	37,858	46,315	78,846	109,527	156,361	206,185
Cash assets at the end of the reporting period.....	46,315	73,895	78,846	109,527	156,361	206,185	256,829

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

(b) Regional Community Services Fund - \$13.2 million (2012-13), \$25.3 million (2013-14 Budget), \$24.7 million (2013-14 estimated outcome), \$0.2 million (2014-15), \$0.1 million (2015-16), \$0.1 million (2016-17) and \$0.3 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Commonwealth Grants							
South West Hub.....	6,500	6,800	6,800	14,000	-	-	-
Royalties							
Petroleum - State	18,024	11,300	10,000	8,300	9,400	8,500	8,300
Iron ore	3,852,561	5,248,700	5,336,600	5,598,000	6,214,500	6,623,100	6,899,100
Alumina.....	64,764	74,900	75,200	80,700	87,800	94,000	97,500
Diamonds	17,732	26,100	21,100	18,800	31,900	35,800	34,700
Mineral Sands.....	26,632	23,300	14,400	13,500	11,900	14,500	16,100
Nickel.....	88,637	80,800	82,800	91,500	88,700	89,100	86,100
Gold.....	213,967	180,600	208,300	203,200	199,800	184,800	178,100
Other.....	144,596	178,000	162,900	162,200	154,000	156,500	151,700
Royalty Rate Analysis	-	-	-	-	180,000	187,100	193,100
Fines							
Regulatory Fines.....	-	4	4	4	4	4	4
Other							
Regulatory Fees	6,404	-	-	-	-	-	-
Appropriations.....	8,327	37,508	37,020	12,429	12,702	12,714	12,729
Other Revenue.....	788	494	494	465	434	403	368
Lease Rentals.....	90,999	83,900	89,200	86,000	88,200	90,400	90,400
TOTAL INCOME	4,539,931	5,952,406	6,044,818	6,289,098	7,079,340	7,496,921	7,768,201
EXPENSES							
Other							
Aboriginal Lands Trust - Remuneration for Mining on Aboriginal Lands.....	336	343	343	353	364	373	382
Coal Industry Development.....	2,113	1,300	1,300	844	-	-	-
Minerals Research Institute of Western Australia (MRIWA) ^(a)	680	696	696	711	723	741	759
Mining Tenement Refunds	9,975	9,000	9,000	9,000	9,000	9,000	9,000
Other Administered Expenses	145	-	-	-	-	-	-
Petroleum (Submerged Lands) Act 1982.....	3,054	1,609	1,121	405	655	640	628
Receipts Paid into Consolidated Fund	4,337,342	5,671,787	5,907,087	6,079,598	6,911,569	7,382,238	7,689,107
Refunds of Previous Years' Revenues	78	17,860	17,860	1,960	1,960	1,960	1,960
South West Hub.....	3,214	12,200	12,200	14,826	-	-	-
TOTAL EXPENSES.....	4,356,937	5,714,795	5,949,607	6,107,697	6,924,271	7,394,952	7,701,836

(a) The MRIWA is a statutory corporation to foster and promote minerals research for the benefit of the State. The MRIWA replaces the previous Minerals and Energy Research Institute of Western Australia.

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Grants and Subsidies	2,684	100	100	100	100	100	100
GST Input Credits.....	5,695	5,412	5,412	4,937	4,937	4,937	4,937
Licences and Other Regulatory Fees	13,897	14,737	14,537	15,235	19,688	18,281	18,327
Mining Rehabilitation Fund.....	-	39,880	39,880	45,400	51,480	58,210	58,210
Mining Safety Levy	22,647	23,431	24,631	24,264	36,686	34,711	34,782
Proceeds from Departmental Fees and Charges	3,998	893	2,203	2,203	2,283	2,313	1,273
Proceeds from Petroleum Permits and Licences.....	3,033	9,361	5,961	9,081	9,091	9,091	9,091
Proceeds from Prospecting, Exploration and Other Mining Licences	6,756	8,025	8,025	7,980	8,315	8,482	8,482
TOTAL.....	58,710	101,839	100,749	109,200	132,580	136,125	135,202

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

HOUSING AUTHORITY

PART 10 - MINISTER FOR MINES AND PETROLEUM; HOUSING

DIVISION 47

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 58 Net amount appropriated to deliver services.....	32,660	23,577	23,577	72,947	64,876	65,900	16,908
Total appropriations provided to deliver services	32,660	23,577	23,577	72,947	64,876	65,900	16,908
CAPITAL							
Item 134 Capital Appropriation	106,303	111,183	113,183	3,360	-	-	-
TOTAL APPROPRIATIONS.....	138,963	134,760	136,760	76,307	64,876	65,900	16,908
EXPENSES							
Total Cost of Services.....	1,406,179	1,690,107	1,875,588	1,728,063	1,824,412	1,816,885	1,750,414
Net Cost of Services ^(a)	247,592	228,339	245,728	102,308	41,802	49,708	16,223
CASH ASSETS ^(b)	148,057	76,393	88,712	218,914	383,109	343,431	205,642

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Electrical Safety Device Program	-	4,999	7,272	7,911	5,788
Remote Area Essential Services Program - Replacement of Infrastructure.....	-	15,000	-	-	-
Wastewater Management Bindi Bindi	200	-	-	-	-

RESOURCE AGREEMENT

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

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

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

Government Goal	Desired Outcome	Services
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 and Housing Supply ^(a) 4. Government Regional Officers' Housing

(a) This Service has changed from 'Land' to 'Land and Housing Supply' and includes land developed for sale and housing inventories built for sale.

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Rental Housing ^(a)	866,797	1,072,660	991,667	840,387	870,216	843,479	790,706
2. Home Loans	135,022	184,526	131,948	173,874	213,635	239,364	247,835
3. Land and Housing Supply ^(b)	223,634	237,628	555,128	508,594	526,646	510,466	478,527
4. Government Regional Officers' Housing	180,726	195,293	196,845	205,208	213,915	223,576	233,346
Total Cost of Services	1,406,179	1,690,107	1,875,588	1,728,063	1,824,412	1,816,885	1,750,414

(a) The 2013-14 Budget included Affordable Housing incorporating the SharedStart program operating costs under the Rental Housing Service.

(b) This Service has changed from 'Land' to 'Land and Housing Supply' and includes land developed for sale and housing inventories built for sale. This Service will include the sale and cost of goods sold for the Affordable Housing including SharedStart program and the Public Housing Stock Redevelopment program for all years except the published 2013-14 Budget. This is in compliance with the Australian Accounting Standards that require housing inventories for sale to be expensed.

Significant Issues Impacting the Agency

Against a backdrop of population growth double the national rate, housing affordability remains a critical challenge in Western Australia. Median house prices in Perth have hit a record high of \$535,000 (December quarter 2013), with a lower quartile of \$432,375. As a result, securing affordable housing remains challenging for many Western Australians and disproportionately affects people on low incomes.

The Authority, through the Government's 'Affordable Housing Strategy 2010-20: Opening Doors to Affordable Housing', continues to work with the private and not-for-profit sectors to increase the diversity and supply of affordable housing options and to take pressure off the social housing system. Innovative partnerships, procurement and construction methods have already delivered more than 13,000 new affordable homes as at the end of February 2014, with the Government well on its way to achieving its minimum target of 20,000 new affordable housing opportunities by 2020.

- This includes continuing the SharedStart shared equity home loan initiative. Since 2011, SharedStart has assisted 761 low income households to purchase a home via Authority co-ownership and Keystart home loans, and created approximately \$60 million in assets for the State in the form of equity in co-owned properties. Low to moderate income earners are benefitting from government co-ownership, which significantly reduces their mortgage costs. Properties are delivered through the Authority's Expression of Interest Program, under which the Housing Authority is securing a range of affordable, entry-level homes. Investment into medium and higher density developments is securing opportunities to maintain affordability in inner city locations and regional markets such as Karratha. The successful initiative is part of a broader affordable home ownership program and has already financed and delivered 1,064 properties.
- Another key component of the strategy to deliver more affordable houses is the Public Housing Stock Redevelopment strategy which will result in the redevelopment of 200 sites by the Authority over the period 2013-14 to 2015-16, to deliver 500 new affordable homes, financed via a \$55 million, three year loan facility.
- The National Rental Affordability Scheme (NRAS) is designed to benefit low to moderate income households from private rentals which are discounted by at least 20% from market rates through the State Government's continued participation in funding the NRAS scheme in conjunction with the Commonwealth Government. Subject to the ongoing commitment and finalisation of Round 5 by the Commonwealth Government, 7,000 new affordable rentals are planned to be delivered in Western Australia. It is estimated that by 30 June 2014 the scheme will have approximately 2,000 NRAS affordable dwellings.
- In 2014-15, the Government will commit a further \$3.4 million to the Authority to construct homes for Mental Health Commission clients with severe and persistent mental illness and complex care needs. The overall \$55 million investment over four years from 2011-12 will deliver 116 homes to enable people to live in the community.
- The Royalties for Regions (RfR) Housing for Workers program will commit \$355.5 million over seven years (2011-12 to 2017-18) to provide affordable, available and appropriate housing for key workers in regional Western Australia. Of the \$355.5 million, \$200.9 million has been approved for eight projects located in Karratha, Port Hedland, Onslow, Newman and the Avon Valley. These eight projects are expected to provide 608 housing opportunities for up to 914 regional key workers. The investment has delivered 468 units to date, and will deliver a further 22 by the end of 2013-14, benefiting both local businesses, government authorities and the wider community.
- In 2014-15, the Authority, through its land development activities, intends to produce 2,214 housing lots including 1,323 lots developed with joint venture partners. Significant land development will support affordable, public and community housing throughout metropolitan and regional areas. It is anticipated that of the residential lots sold 30% will be in the lower quartile of the market.
- The Government has invested \$12 million over four years from 2012-13 to 2015-16, to support the implementation of its Disruptive Behaviour Management Policy for public housing. The funding has enabled 35 additional specialised staff members to be employed in regional and country areas. The dedicated resources manage and investigate tenancy complaints from the public and ensure public housing tenants who engage in disruptive behaviour are held accountable for their behaviour. The success of the policy is evidenced by the reduction in the number of strikes issued between the first and subsequent strikes.
- In 2014-15 the Authority will commence a four year Electrical Safety Device program that will ensure publicly owned housing stock have compliant electrical safety devices installed, including Residual Current Devices (RCDs) and smoke alarms.

As part of its commitment to supporting outcomes for people in remote communities, the Government has also committed to a range of initiatives that will benefit Aboriginal Western Australians.

- The Authority will receive RfR funding of \$33 million over four years, from 2013-14, for the West Kimberley Transitional Housing program. This will deliver up to 60 new houses in Broome (40) and Derby (20) to facilitate the transition of selected Aboriginal tenants from public housing to independent housing options. The transitional housing project is a joint venture between the Kimberley Development Commission and the Authority.

- The Government through the RfR program, will commit \$16 million over three years from 2012-13 towards a partnership to deliver apprentice and trainee employment related accommodation in South Hedland and Newman as part of the Pilbara Cities program. The Authority has partnered with the Department of Regional Development, the Commonwealth Government and BHP Billiton Iron Ore to construct and operate accommodation that will support Aboriginal employment and independent living in the Pilbara. In particular, it will provide opportunities for people aged 16 to 25 in remote Aboriginal communities. The 48 bed complex in South Hedland will be completed in 2014-15 and a design for a similar complex in Newman will commence.
- A total of \$10 million over two years from 2013-14 has been committed under the RfR program for the Jigalong community. This will include the construction of a new power station, electrical distribution network and the development of a drinking water source that will provide immediate improvements in the standard of living for community residents.
- The Government, through its Remote Area Essential Services Program (RAESP) maintains essential services infrastructure in remote Aboriginal communities throughout the State. The provision of essential services presents significant challenges in small, isolated locations. The Authority will receive \$30 million per annum until 2016-17 to continue the provision of water, wastewater and power services under RAESP.
- The Government will also provide an additional \$15 million in 2014-15 to enable the replacement or upgrade of critical power, water and wastewater infrastructure in priority Aboriginal communities. This State funding will target infrastructure that is beyond its normal service life, is at critical risk of failure or represents a potential risk to community health and safety whilst negotiations continue with the Commonwealth on future funding. This will include priority projects to improve water quality, secure water supplies and ensure the safe supply of electricity and other essential services.
- The Government is funding the construction of a 54 bed short-stay accommodation facility for Aboriginal people in Derby. This culturally appropriate short-stay accommodation will recognise the movement of Aboriginal people between remote communities and regional centres for medical, personal and business purposes and to visit family or friends. The RfR Derby short-term accommodation project will commit a further \$1.3 million in 2014-15 as part of a three year, \$11.4 million program planned to be completed in July 2015.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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)	0.64	0.87	0.80	0.84	
Waiting times for accommodation - applicants housed.....	132 weeks	130 weeks	138 weeks	139 weeks	
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).....	94%	95%	95%	95%	

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

Services and Key Efficiency Indicators

1. Rental Housing

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	866,797	1,072,660	991,667	840,387	
Less Income	460,338	688,855	577,509	520,686	
Net Cost of Service ^(a)	406,459	383,805	414,158	319,701	1
Efficiency Indicators					
Operating Cost per Rental Property	\$14,766	\$15,202	\$15,385	\$16,256	

(a) The 2013-14 Budget included the Affordable Housing including SharedStart program operating costs under the Rental Housing Service.

Explanation of Significant Movements

(Notes)

- The 2014-15 Budget Target for Net Cost of Service is less than the 2013-14 Estimated Actual due to the expected transfer of assets to the community housing sector in 2013-14.

2. Home Loans

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	135,022	184,526	131,948	173,874	1
Less Income	172,515	193,936	171,309	211,153	
Net Cost of Service	(37,493)	(9,410)	(39,361)	(37,279)	
Efficiency Indicators					
Operating Cost per Current Loan Account	\$2,078	\$1,904	\$1,888	\$1,576	2

Explanation of Significant Movements

(Notes)

- The Total Cost of Service is lower in the 2013-14 Estimated Actual compared to the 2013-14 Budget due to a decrease in Keystart's interest expense. The Estimated Actual interest expense is lower than budgeted due to lower borrowings as a result of higher discharge levels and formal approvals later in 2013-14.

The Total Cost of Service is higher in the 2014-15 Budget Target compared to the 2013-14 Estimated Actual due to an increase in Keystart's interest expense directly related to increased borrowings in 2014-15 as strategic initiatives result in higher business volumes.

- The 2014-15 Budget Target for operating cost per current loan account is lower than the 2013-14 Budget due to the higher number of active loans.

The 2014-15 Budget Target for operating cost per current loan account is lower than the 2013-14 Estimated Actual due to the higher number of active loans.

3. Land and Housing Supply

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	223,634	237,628	555,128	508,594	1
Less Income	298,124	358,113	634,751	633,545	
Net Cost of Service ^(a)	(74,490)	(120,485)	(79,623)	(124,951)	2
Efficiency Indicators ^(b)					
Operating Cost per Lot Developed	\$24,367	\$19,548	\$16,502	\$20,188	3

- (a) This Service has changed from 'Land' to 'Land and Housing Supply' and includes land developed for sale and housing inventories built for sale. This Service will include the sale and cost of goods sold for the Affordable Housing including SharedStart program and the Public Housing Stock Redevelopment program for all years except the published 2013-14 Budget. This is in compliance with Australian accounting standards that require housing inventories for sale to be expensed.
- (b) The Key Performance Indicator for the housing supply component of this Service is under development.

Explanation of Significant Movements

(Notes)

1. The 2013-14 Estimated Actual is greater than the 2013-14 Budget due to the Affordable Housing including SharedStart program and the Public Housing Stock Redevelopment program being reallocated to the Land and Housing Supply service in accordance with accounting standards that require housing inventories for sale to be expensed.
2. The 2014-15 Budget Target is anticipating an increase in the Net Cost of Service compared to the 2013-14 Estimated Actual to reflect the increase in the SharedStart program forecasts and increased volume of sales in 2014-15 resulting from construction completed in 2013-14 and carried over into 2014-15.
3. The 2013-14 Estimated Actual for operating cost per lot developed is lower than the 2013-14 Budget due to an anticipated increase in the number of lots developed.

The 2014-15 Budget Target for operating cost per lot developed is higher than the 2013-14 Estimated Actual due to a lower number of lots to be developed.

4. Government Regional Officers' Housing

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	180,726	195,293	196,845	205,208	
Less Income	227,610	220,864	246,291	260,371	
Net Cost of Service	(46,884)	(25,571)	(49,446)	(55,163)	
Efficiency Indicators					
Operating Cost per Property	\$31,151	\$32,927	\$33,583	\$34,770	

ASSET INVESTMENT PROGRAM

The Asset Investment Program for 2014-15 is approximately \$352.2 million. Significant programs in 2014-15 include:

- \$13.5 million expenditure in 2014-15 towards progressing the four year West Kimberley Transitional Housing program that will deliver up to 60 new houses in Broome (40) and Derby (20) to facilitate the transition of selected Aboriginal tenants from public housing to independent housing options;
- partnering with the Department of Regional Development, the Commonwealth and BHP Billiton Iron Ore to construct and complete the 48 bed complex for apprentices and trainees in South Hedland and commence a similar complex in Newman to support Aboriginal employment in the Pilbara and independent living;
- the development of 2,214 housing lots including 1,323 lots developed with Joint Venture partners. Significant land development will support affordable, public and community housing throughout metropolitan and regional areas;
- the acquisition of suitable land to meet land supply for current and future social housing and to maintain a stream of land supply for homebuyers;
- the continuation of the RfR Housing for Workers program to provide affordable, available and appropriate housing for key workers in regional Western Australia including eight projects located in Karratha, Port Hedland, Onslow, Newman and the Avon Valley to provide 608 dwellings for up to 914 regional key workers; and
- the planned completion of 116 dwellings for the high needs clients of the Mental Health Commission.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS ^(a)							
Community Housing Program	6,046	6,046	6,046	-	-	-	-
Computer Hardware and Software Program	7,466	7,466	7,466	-	-	-	-
Construction and Purchase of Houses Program	127,519	127,519	127,519	-	-	-	-
A Place to Call Home - Commonwealth Election							
Commitment - Homelessness Capital	6,541	6,541	6,541	-	-	-	-
Crisis Accommodation Program	10,698	10,698	10,698	-	-	-	-
Domestic Violence Accommodation Program	2,000	2,000	2,000	-	-	-	-
RfR - West Kimberley Transitional Housing Program	2,000	2,000	2,000	-	-	-	-
RfR - Indigenous Visitor Hostels Program - Derby	9,838	9,838	9,838	-	-	-	-
RfR - Housing for Workers Program	68,651	68,651	68,651	-	-	-	-
Social Housing - Disability Services Program	34,748	34,748	34,748	-	-	-	-
Social Housing - Mental Health Care Units Program	8,060	8,060	8,060	-	-	-	-
Social Housing - Mental Health Commission Program	6,889	6,889	6,889	-	-	-	-
Trainee Apprentice Hostel Program	18,534	18,534	18,534	-	-	-	-
Construction and Purchase of Government Regional Officers' Housing (GROH) Program	76,268	76,268	76,268	-	-	-	-
Buildout Costs Program	28,658	28,658	28,658	-	-	-	-
Land							
Acquisition Program	38,000	38,000	38,000	-	-	-	-
GROH Land Acquisition Program	9,000	9,000	9,000	-	-	-	-
Development Program	162,309	162,309	162,309	-	-	-	-
Estate Improvement Land Redevelopment Program	57,054	57,054	57,054	-	-	-	-
Holding Costs Program	443	443	443	-	-	-	-
Redevelopment Program	8,241	8,241	8,241	-	-	-	-
Shared Equity Program	20,000	20,000	20,000	-	-	-	-
Offices and Shops Program	2,000	2,000	2,000	-	-	-	-
Other Programs	316	316	316	-	-	-	-

	Estimated Total Cost	Estimated Expenditure to 30-6-14	2013-14 Estimated Expenditure	2014-15 Estimated Expenditure	2015-16 Forward Estimate	2016-17 Forward Estimate	2017-18 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
NEW WORKS ^(a)							
Community Housing Program	4,151	-	-	547	-	-	3,604
Computer Hardware and Software Program	22,005	-	-	7,577	4,691	4,809	4,928
Construction and Purchase of Houses Program	51,672	-	-	8,118	2,500	-	41,054
Crisis Accommodation Program	14,364	-	-	4,202	-	-	10,162
RfR - West Kimberley Transitional Housing Program	31,000	-	-	13,500	13,500	4,000	-
RfR - Indigenous Visitor Hostels Program - Derby	1,320	-	-	1,320	-	-	-
RfR - Housing for Workers Program	159,219	-	-	38,218	40,000	30,000	51,001
Service Workers Program	116,582	-	-	-	-	-	116,582
Social Housing - Mental Health Commission Program	3,360	-	-	3,360	-	-	-
Trainee Apprentice Hostel Program	14,582	-	-	11,332	3,250	-	-
Construction and Purchase of GROH Program	50,092	-	-	3,647	-	-	46,445
Buildout Costs Program	31,488	-	-	16,375	13,313	1,800	-
Land							
Acquisition Program	139,474	-	-	45,000	25,000	34,474	35,000
GROH Acquisition Program	4,234	-	-	-	-	-	4,234
Development Program	654,258	-	-	123,016	171,312	175,009	184,921
Estate Improvement Land Redevelopment Program	90,769	-	-	30,909	24,404	17,728	17,728
Holding Costs Program	1,967	-	-	470	484	499	514
Redevelopment Program	47,481	-	-	20,791	23,215	3,020	455
Shared Equity Program	90,000	-	-	21,000	22,000	23,000	24,000
Minor Works Program	1,689	-	-	-	552	569	568
Offices and Shops Program	8,035	-	-	2,547	1,547	1,852	2,089
Other Programs	1,337	-	-	316	332	340	349
Total Cost of Asset Investment Program	2,250,358	711,279	711,279	352,245	346,100	297,100	543,634
FUNDED BY							
Capital Appropriation			113,183	3,360	-	-	-
Asset Sales			573,608	554,917	559,969	521,873	422,436
Borrowings			55,900	17,500	-	-	-
Commonwealth Grants			4,110	-	-	-	-
Other			9,158	14,768	20,899	21,859	4,718
Internal Funds and Balances			(77,644)	(276,672)	(288,268)	(280,632)	65,479
Drawdowns from Royalties for Regions Fund ^(b)			32,964	38,372	53,500	34,000	51,001
Total Funding			711,279	352,245	346,100	297,100	543,634

(a) The Affordable Housing including SharedStart program and the Public Housing Stock Redevelopment program build inventories for sale have been reclassified as operating expenditure and have been removed from the Asset Investment Program. This expenditure is included in the 'Land and Housing Supply' Service summary.

(b) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS

Income Statement

Expenses

Total Cost of Services is projected to decrease by \$147.5 million (7.9%) in 2014-15 compared to the 2013-14 Estimated Actual. The decrease in expenses is mainly due to:

- a \$161 million decrease in transfers of housing assets to the community housing sector in 2014-15 due to the bulk of the asset transfers planned to occur in 2013-14;
- a \$42.4 million decrease in cost of land sold consistent with decreased land sale projections in 2014-15;
- offsetting this is a \$39.8 million increase in Keystart's interest expense in 2014-15 directly related to increased borrowings in 2014-15 as strategic initiatives result in planned higher business volume; and
- a \$5.8 million increase in GROH operating lease rental expense in 2014-15.

Income

Total income is forecast to decrease by \$4.1 million (0.2%) in 2014-15 compared to the 2013-14 Estimated Actual and is primarily due to:

- a \$29.7 million decrease in Commonwealth Grants and Subsidies to the Authority mostly under the Remote Indigenous Housing National Partnership;
- a \$15 million decrease in other revenue relating to the recoup of GST forecasted to be receipted in 2013-14; and
- offsetting this is a \$39.8 million increase from interest earnings resulting from increased Keystart lending activity.

Statement of Financial Position

The Authority's total assets are projected to increase by \$525.4 million (2.7%) in comparison to the 2013-14 Estimated Actual. The movement is attributable to increased cash at bank, receivables 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 2014-15 net cash holdings for the Authority is forecast to be \$218.9 million, which is an increase of 146.7% compared to the 2013-14 Estimated Actual of \$88.7 million. The forecast increase of \$130.2 million is primarily due to a decrease in the purchase of non-current assets:

- arising partially as a result of the scheduled program completion of the Social Housing Boost Program (\$87.9 million), the Disability Services Program (\$34.7 million) and the Mental Health Care Units Program (\$8.1 million) in 2013-14; and
- including an \$81.6 million reduction in the GROH Construction program as the GROH program has invested extensively over the past three years expanding and improving stock. The GROH program will either reinvest from sales or alternatively utilise existing stock or source rental properties from the market to meet employee housing requirements for Government regional officers.

Partially offsetting this is a decrease in capital appropriation arising mainly due to the scheduled completion of funding for Social Housing Boost (\$65 million) and Disability Services Commission (\$14.4 million).

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits	125,276	137,225	131,398	136,225	134,989	141,458	142,104
Grants and subsidies ^(b)	2,421	490	2,494	1,977	2,047	1,639	1,714
Supplies and services ^(c)	356,238	390,837	636,109	641,938	619,922	577,374	548,256
Accommodation.....	132,545	156,219	153,241	168,770	187,323	190,226	190,636
Depreciation and amortisation	131,155	123,867	132,320	132,806	133,307	133,823	134,354
Finance costs	162,797	238,894	172,266	195,924	226,497	254,505	270,671
Cost of land sold	203,460	254,632	260,401	218,041	306,428	330,634	277,171
Net assets transferred out.....	71,369	184,056	183,479	22,500	-	-	-
Other expenses.....	220,918	203,887	203,880	209,882	213,899	187,226	185,508
TOTAL COST OF SERVICES	1,406,179	1,690,107	1,875,588	1,728,063	1,824,412	1,816,885	1,750,414
Income							
Sale of goods and services ^(d)	315,056	430,829	624,747	632,917	765,567	719,879	642,610
Grants and subsidies	224,140	333,303	335,237	295,996	250,374	227,622	231,720
Interest revenue.....	115,399	181,748	113,420	150,650	183,300	214,874	238,857
Rent	430,121	425,267	458,430	477,277	493,449	508,048	523,087
Developers contribution.....	3,536	-	3,221	-	-	-	-
Dividend/Statutory contribution	56,000	45,000	58,200	56,000	87,100	93,900	95,100
Other revenue	14,335	45,621	36,605	12,915	2,820	2,854	2,817
Total Income	1,158,587	1,461,768	1,629,860	1,625,755	1,782,610	1,767,177	1,734,191
NET COST OF SERVICES.....	247,592	228,339	245,728	102,308	41,802	49,708	16,223
INCOME FROM STATE GOVERNMENT							
Service appropriations	32,660	23,577	23,577	72,947	64,876	65,900	16,908
Royalties for Regions Fund ^(e)	1,636	44,555	42,178	7,066	594	612	633
TOTAL INCOME FROM STATE GOVERNMENT.....	34,296	68,132	65,755	80,013	65,470	66,512	17,541
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(213,296)	(160,207)	(179,973)	(22,295)	23,668	16,804	1,318
Extraordinary items	118,390	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS.....	(94,906)	(160,207)	(179,973)	(22,295)	23,668	16,804	1,318

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

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

(c) Includes the cost of goods sold for the Affordable Housing including SharedStart program and the Public Housing Stock Redevelopment program.

(d) Includes the sale of goods for the Affordable Housing including SharedStart program and the Public Housing Stock Redevelopment.

(e) Regional Infrastructure and Headworks Fund - \$1.6 million (2012-13), \$43.2 million (2013-14 Budget), \$40.9 million (2013-14 estimated outturn), \$6.2 million (2014-15), Regional Community Services Fund - \$1.3 million (2013-14 Budget), \$1.3 million (2013-14 estimated outturn), \$0.9 million (2014-15), \$0.6 million (2015-16), \$0.6 million (2016-17) and \$0.6 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Community Support Schemes	2,421	490	2,494	1,977	2,047	1,639	1,714
TOTAL	2,421	490	2,494	1,977	2,047	1,639	1,714

STATEMENT OF FINANCIAL POSITION ^(a) (Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	12,250	6,591	9,666	164,852	329,047	289,369	151,580
Restricted cash.....	135,807	69,802	79,046	54,062	54,062	54,062	54,062
Receivables.....	103,515	106,256	93,155	132,633	143,763	175,527	232,873
Other.....	2,226,531	381,653	2,075,733	2,075,733	2,075,733	2,075,733	2,072,089
Assets held for sale	4,227	7,132	4,227	4,227	4,227	4,227	4,227
Total current assets	2,482,330	571,434	2,261,827	2,431,507	2,606,832	2,598,918	2,514,831
NON-CURRENT ASSETS							
Property, plant and equipment	13,877,311	13,787,514	13,832,787	13,588,501	13,303,422	12,922,265	12,975,891
Intangibles	12,287	6,446	12,287	12,287	12,287	12,287	12,287
Other.....	1,946,218	5,460,381	3,221,219	3,821,220	3,821,221	3,821,222	3,821,222
Total non-current assets.....	15,835,816	19,254,341	17,066,293	17,422,008	17,136,930	16,755,774	16,809,400
TOTAL ASSETS	18,318,146	19,825,775	19,328,120	19,853,515	19,743,762	19,354,692	19,324,231
CURRENT LIABILITIES							
Employee provisions	20,548	18,433	23,265	24,180	25,397	26,826	28,901
Payables.....	122,735	90,700	112,816	103,216	93,893	84,213	74,371
Other.....	2,185,345	2,787,511	2,182,796	2,180,891	2,178,502	1,959,654	1,958,040
Total current liabilities.....	2,328,628	2,896,644	2,318,877	2,308,287	2,297,792	2,070,693	2,061,312
NON-CURRENT LIABILITIES							
Employee provisions	33,514	30,115	30,107	28,119	28,682	28,562	26,378
Borrowings	2,345,023	3,433,096	3,439,705	3,977,798	3,842,561	3,772,339	3,701,124
Other.....	3,301	11,885	3,301	3,301	3,301	3,301	3,301
Total non-current liabilities	2,381,838	3,475,096	3,473,113	4,009,218	3,874,544	3,804,202	3,730,803
TOTAL LIABILITIES	4,710,466	6,371,740	5,791,990	6,317,505	6,172,336	5,874,895	5,792,115
EQUITY							
Contributed equity	2,059,354	2,203,037	2,205,501	2,247,233	2,300,733	2,334,733	2,385,734
Accumulated surplus/(deficit).....	2,580,179	2,411,672	2,400,206	2,377,911	2,401,579	2,418,383	2,419,701
Reserves.....	8,968,147	8,839,326	8,930,423	8,910,866	8,869,114	8,726,681	8,726,681
Total equity	13,607,680	13,454,035	13,536,130	13,536,010	13,571,426	13,479,797	13,532,116
TOTAL LIABILITIES AND EQUITY	18,318,146	19,825,775	19,328,120	19,853,515	19,743,762	19,354,692	19,324,231

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	32,660	23,577	23,577	72,947	64,876	65,900	16,908
Capital appropriation	106,303	111,183	113,183	3,360	-	-	-
Royalties for Regions Fund ^(b)	112,036	82,995	75,142	45,438	54,094	34,612	51,634
Net cash provided by State Government.....	250,999	217,755	211,902	121,745	118,970	100,512	68,542
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(101,269)	(140,662)	(132,567)	(137,576)	(136,173)	(142,955)	(143,177)
Grants and subsidies	(2,421)	(490)	(2,494)	(1,977)	(2,047)	(1,639)	(1,714)
Supplies and services ^(c)	(594,553)	(544,328)	(831,956)	(782,963)	(705,406)	(696,575)	(671,641)
Accommodation.....	(145,353)	(152,788)	(150,510)	(166,037)	(184,588)	(187,490)	(187,900)
Finance costs	(176,268)	(250,806)	(175,399)	(198,230)	(228,798)	(256,284)	(272,285)
GST payments	(74,347)	(400)	(770)	(817)	(866)	(866)	(970)
Other payments.....	(296,675)	(309,265)	(320,976)	(334,148)	(339,195)	(317,113)	(319,559)
Receipts							
Grants and subsidies	224,140	333,303	335,237	295,996	250,374	227,622	231,720
Sale of goods and services ^(d)	386,861	363,691	599,850	616,494	733,529	691,315	624,707
GST receipts	75,704	-	-	-	-	-	-
Interest received.....	127,365	181,748	114,218	150,650	183,300	214,874	238,857
Rent receipts	432,553	425,281	455,738	475,258	492,208	507,702	523,762
Dividend/State contributions received	56,000	45,000	58,200	56,000	87,100	93,900	95,100
Other receipts.....	31,946	469	19,706	1,351	1,269	1,190	1,037
Net cash from operating activities.....	(56,317)	(49,247)	(31,723)	(25,999)	150,707	133,681	117,937
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(421,999)	(638,974)	(436,232)	(132,059)	(101,685)	(66,370)	(300,782)
Other payments.....	(19,352)	-	-	-	-	-	-
Proceeds from sale of non-current assets	145,589	501,466	212,012	228,423	131,440	80,558	47,729
Other receipts.....	-	-	15,014	-	-	-	-
Net cash from investing activities.....	(295,762)	(137,508)	(209,206)	96,364	29,755	14,188	(253,053)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(5,925,651)	(7,885,783)	(7,231,218)	(6,144,408)	(6,050,237)	(5,828,059)	(5,761,215)
Other payments.....	(5,610,000)	(7,799,999)	(8,270,000)	(6,664,999)	(5,915,000)	(5,540,000)	(5,689,999)
Proceeds from borrowings	5,660,000	7,855,899	8,325,900	6,682,499	5,915,000	5,540,000	5,689,999
Other proceeds.....	5,870,000	7,800,000	7,145,000	6,065,000	5,915,000	5,540,000	5,690,000
Net cash from financing activities.....	(5,651)	(29,883)	(30,318)	(61,908)	(135,237)	(288,059)	(71,215)
NET INCREASE/(DECREASE) IN CASH HELD							
	(106,731)	1,117	(59,345)	130,202	164,195	(39,678)	(137,789)
Cash assets at the beginning of the reporting period.....	254,788	75,276	148,057	88,712	218,914	383,109	343,431
Cash assets at the end of the reporting period.....	148,057	76,393	88,712	218,914	383,109	343,431	205,642

(a) Full audited financial statements are published in the agency's Annual Report.
 (b) Regional Infrastructure and Headworks Fund - \$101.6 million (2012-13), \$81.7 million (2013-14 Budget), \$73.9 million (2013-14 estimated outturn), \$44.6 million (2014-15), \$53.5 million (2015-16), \$34 million (2016-17), \$51 million (2017-18), Regional Community Services Fund - \$10.4 million (2012-13), \$1.3 million (2013-14 Budget), \$1.3 million (2013-14 estimated outturn), \$0.9 million (2014-15), \$0.6 million (2015-16), \$0.6 million (2016-17) and \$0.6 million (2017-18).
 (c) Includes the payment for the purchase of inventories for the Affordable Housing including SharedStart program and the Public Housing Stock Redevelopment program.
 (d) Includes the receipts for the sale of goods and services for the Affordable Housing including SharedStart program and the Public Housing Stock Redevelopment program.

KEYSTART HOUSING SCHEME TRUST

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Information Technology Systems	10,490	6,190	1,150	1,150	1,050	1,050	1,050
Total Cost of Asset Investment Program	10,490	6,190	1,150	1,150	1,050	1,050	1,050
FUNDED BY							
Internal Funds and Balances			1,150	1,150	1,050	1,050	1,050
Total Funding			1,150	1,150	1,050	1,050	1,050

Part 11

Minister for Sport and Recreation; Racing and Gaming

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
535	Sport and Recreation			
	– Delivery of Services	60,870	68,762	85,404
	– Administered Grants, Subsidies and Other Transfer Payments.....	700	700	758
	– Capital Appropriation.....	39,593	41,506	12,826
	Total.....	101,163	110,968	98,988
547	Western Australian Sports Centre Trust			
	– Delivery of Services	36,059	37,790	47,880
	– Capital Appropriation.....	2,792	12,370	5,044
	Total.....	38,851	50,160	52,924
556	Racing, Gaming and Liquor			
	– Delivery of Services	5,065	5,750	5,362
	– Administered Grants, Subsidies and Other Transfer Payments.....	118,347	106,347	110,432
	– Capital Appropriation.....	2,155	2,155	-
	Total.....	125,567	114,252	115,794
	GRAND TOTAL			
	– Delivery of Services	101,994	112,302	138,646
	– Administered Grants, Subsidies and Other Transfer Payments.....	119,047	107,047	111,190
	– Capital Appropriation.....	44,540	56,031	17,870
	Total.....	265,581	275,380	267,706

SPORT AND RECREATION

PART 11 - MINISTER FOR SPORT AND RECREATION; RACING AND GAMING

DIVISION 48

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 59 Net amount appropriated to deliver services.....	34,531	33,035	39,310	40,290	39,093	35,621	29,937
Item 60 Contribution to Community Sporting and Recreation Facilities Fund.....	15,469	12,750	14,367	29,349	17,500	9,151	9,151
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990.....	15,000	14,783	14,783	15,456	16,192	16,965	17,774
- Salaries and Allowances Act 1975.....	290	302	302	309	317	325	325
Total appropriations provided to deliver services.....	65,290	60,870	68,762	85,404	73,102	62,062	57,187
ADMINISTERED TRANSACTIONS							
Item 61 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	503	700	700	758	786	814	839
CAPITAL							
Item 135 Capital Appropriation.....	94,211	39,593	41,506	12,826	-	-	-
TOTAL APPROPRIATIONS.....	160,004	101,163	110,968	98,988	73,888	62,876	58,026
EXPENSES							
Total Cost of Services.....	81,429	92,521	103,626	105,404	84,871	73,109	68,012
Net Cost of Services ^(a)	75,252	86,437	96,652	98,099	78,127	66,227	61,105
CASH ASSETS ^(b).....	31,711	4,378	4,132	4,206	3,539	3,550	3,561

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2014-15 Procurement Savings	-	(339)	-	-	-
2014-15 Tariffs, Fees and Charges	-	60	60	60	60
Carey Park Football Club - Kelly Park Redevelopment.....	25	-	-	-	-
City of Cockburn	-	2,000	1,000	1,000	-
Community Sporting and Recreation Facilities Fund	4,733	(1,651)	(1,651)	-	-
East Dalyellup Clubrooms	-	300	-	-	-
Eaton Oval Pavilion.....	3,000	-	-	-	-
Ellenbrook Sports Hub	250	-	-	-	-
Lotterywest Grant Payments.....	-	673	1,409	2,182	1,573
Program Rationalisation - 2015-16 Reinstatement.....	-	-	500	-	-
Regional Office Rent.....	-	141	146	151	156
Revisions to Own Source Revenue Estimates - Camps (including Camp Quaranup in 2013-14 and 2014-15)	890	1,000	304	304	304
Royalties for Regions					
Community Pool Revitalisation.....	-	3,300	-	-	-
Junior Representative Travel Assistance.....	2	252	252	244	250
Regional Talent Development Network.....	(322)	(214)	(214)	-	-
Regional Workers Incentives Allowance Payments.....	6	(29)	(55)	(56)	47
Sport 4 All Program.....	-	-	5,000	5,000	-
Western Australian Football Commission Inc Debt Repayment.....	3,000	-	-	-	-

RESOURCE AGREEMENT

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

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

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

Government Goal	Desired Outcome	Services
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	A strong and diverse sport and recreation system in Western Australia that is accessible, encourages maximum participation and develops talent.	1. Industry Leadership and Infrastructure Development 2. Building Capacity and Participation

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Industry Leadership and Infrastructure Development	38,085	45,692	56,188	58,279	36,208	23,806	23,043
2. Building Capacity and Participation	43,344	46,829	47,438	47,125	48,663	49,303	44,969
Total Cost of Services	81,429	92,521	103,626	105,404	84,871	73,109	68,012

Significant Issues Impacting the Agency

- Electronic screen use (such as watching television/DVDs, and using computers, video games and portable devices) is the most common leisure activity for youth in Australia and many other industrialised countries. A large majority of children and adolescents in Australia exceed the recommended maximum of two hours a day of screen use for leisure, and that time spent on screen activities is increasing. Corresponding with the expanding screen-use culture of youth there has been a decline in the time children and adolescents spend playing outside and in contact with nature. The art of unstructured play outdoors that is fundamental to a full and healthy childhood has been lost. Nature play is, of itself, an intrinsic good and from it flow benefits in health, cognitive, social and emotional development and in the building of resilience and creativity. Camps and Nature Play are two important programs the Department is supporting.
- A significant number of children and young people are at risk of poor health, education and social outcomes because they cannot afford to meet the costs of participation in junior sport. Through its continuing support for the Kidsport program, the Government provides financial support and options to help families meet the cost of their children joining in with sport and recreation clubs and programs.
- Today, our population spends less time outdoors recreating, playing and being active. The provision of sufficient space for sport and recreation is an ongoing challenge for State and local governments. Planning for access to quality, functional open space and investment by Government, to engage communities to be active and healthy through initiatives and programs, changes behaviour and motivates the community to live an active lifestyle.
- Volunteers are the back bone of the sport and recreation industry. The Government understands that a sustainable volunteer system requires ongoing recognition and development. The Government is investing in learning, development and support strategies to ensure a sustainable volunteer workforce and encourage the attraction of new volunteers through recognition programs.
- Integrity in Sport issues such as sports betting, performance and image enhancing drugs, alcohol and child safety remain critical issues. The Government is engaged in a comprehensive strategy, including support for the National and World Anti-Doping frameworks and codes, support and education programs to sport and fitness communities, and agreements with the Australian Anti-Doping Authority to conduct drug testing of Western Australian athletes. A comprehensive approach that works with State Sporting Associations and other bodies providing sport and recreation services is the only way to create long-term effective change in this area.
- Population growth is placing an increased demand on Outer Metropolitan Growth Councils and in the regions for the development of sport and recreation infrastructure. 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.
- Achieving a multi-use stadium that is equivalent to the world's best practice and within the allocated budget will benefit all Western Australians. The new Perth Stadium has moved into the project delivery phase following the Government's endorsement of the Project Definition Plan. The Government is focused on the needs of stadium users to ensure the operational success of the stadium and the surrounding precinct.
- The Government's asset investment in State-level sporting infrastructure, including the State Netball Centre and the new Western Australian Institute of Sport (WAIS) High Performance Service Centre, is a key priority, with construction scheduled to conclude in the 2014-15 year.
- The Government will contribute \$10 million to the City of Cockburn from 2014-15 to 2016-17 with the provision of an additional \$4 million, and \$6 million to be contributed from within existing CSRFF allocations. The investment will contribute to the development of the new regional aquatic and recreation centre at Cockburn Central that also supports the relocation of the Fremantle Football Club Limited.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: A strong and diverse sport and recreation system in Western Australia that is accessible, encourages maximum participation and develops talent:					
Satisfaction rating of policy development and leadership provided by the Department	91%	85%	85%	85%	1
Satisfaction rating of the Department's consultation advice to clients.....	90%	90%	90%	90%	
Satisfaction rating of the Department's grant's management, programs/initiatives and resources.....	89%	85%	85%	85%	2
Western Australian participation in physical activities (biennial).....	28%	28%	28%	28%	
Satisfaction rating of recreation camps management and service delivery	96%	87%	87%	87%	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. A Budget Target of 85% is set for 2014-15 given the ongoing refinement and evolution of policy settings for sport and recreation in Western Australia in response to changing societal demands and community needs.
2. A Budget Target of 85% is set for 2014-15 given the introduction of two new programs (Community Pools initiative and Travel and Equipment subsidies) and the ongoing refinement of programs and resources.
3. A Budget Target of 87% is set for 2014-15 given that the recreation camps are servicing a larger client base with finite workforce resources.

Services and Key Efficiency Indicators**1. Industry leadership and infrastructure development**

Provide strategic leadership for the sport and recreation industry and support for infrastructure development through funding and advice to sport and recreation groups State-wide, including State and local governments.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 38,085	\$'000 45,692	\$'000 56,188	\$'000 58,279	1
Less Income	212	85	85	85	
Net Cost of Service.....	37,873	45,607	56,103	58,194	
Employees (Full Time Equivalents).....	49	49	49	49	
Efficiency Indicators					
Average Cost of Providing Consultancy and Contact Services (Policy, Advocacy and Infrastructure) to Organisations.....	\$1,578	\$2,107	\$1,694	\$1,739	2
Average Cost to Manage Infrastructure Grants.....	\$4,958	\$4,775	\$4,415	\$3,714	

Explanation of Significant Movements

(Notes)

1. The increase in 2013-14 Estimated Actual and 2014-15 Budget Target over the 2012-13 Actual is due to the timing of payments from the CSRFF program and projects funded from the Royalties for Regions program.
2. The decrease in 2014-15 Budget Target is due to the additional grants managed through the Community Pools program resulting in a reduced average grants management cost.

2. Building capacity and participation

Provide support for organisations and personnel delivering sport and recreation State-wide from participation to the elite level through advice and funding support, including experiential outdoor activities through the management of recreation camps.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	43,344	46,829	47,438	47,125	1
Less Income	5,965	5,999	6,889	7,220	1
Net Cost of Service.....	37,379	40,830	40,549	39,905	
Employees (Full Time Equivalents).....	140	140	147	147	
Efficiency Indicators					
Average Cost of Providing Consultancy and Contact Services (Organisational Development and Participation) to Organisations					
	\$1,123	\$1,276	\$1,259	\$1,291	
Average Cost to Manage Sport and Recreation Development Grants.....	\$2,076	\$2,353	\$2,179	\$2,223	2
Average Cost per Recreation Camp Experience	\$35	\$34	\$38	\$40	

Explanation of Significant Movements

(Notes)

- The increases in Total Cost of Service, Income, and Full Time Equivalents in 2013-14 Estimated Actual and 2014-15 Budget Target over the 2013-14 Budget are attributed to a combination of increased service demand, and the full operation of Camp Quararup, Albany. These workforce resources are funded through own source revenue at nil cost to Government.
- The Average Cost does not include social concessions paid as subsidies for travel and club equipment.

ASSET INVESTMENT PROGRAM

The new Perth Stadium is progressing positively. The physical pre-construction site works were recently completed on budget and ahead of schedule. The State is currently finalising the Design, Build, Finance and Maintain (DBFM) contract for the new Perth Stadium and Sports Precinct. The successful consortium and its design will be announced in mid-2014. The Department and the Office of Strategic Projects continue to operate a combined Project Office.

The Stage 1 Redevelopment of Perth Rectangular Stadium has been completed and is now in the defect liability stage with some minor works being undertaken.

Construction of the State Netball Centre commenced in August 2013. Construction of the WAIS High Performance Service Centre commenced in September 2013 following completion of forward works. Completion is anticipated in the first quarter of 2015.

The allocation of funding for computer hardware and 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 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
New Perth Stadium Sports Precinct	81,700	23,010	23,010	9,430	11,600	28,300	9,360
New Perth Stadium and Plaza.....	820,700	13,830	13,830	88,100	303,750	334,750	80,270
New Perth Stadium Project Management - Department of Sport and Recreation	6,900	1,400	1,400	1,500	1,500	1,600	900
New Perth Stadium Project Management - Office of Strategic Projects	9,100	2,000	2,000	2,000	1,900	1,900	1,300
Western Australian Institute of Sport High Performance Service Centre.....	31,730	18,904	18,904	12,826	-	-	-
COMPLETED WORKS							
Camps Plant and Equipment Ongoing Replacement							
2012-13 Program	65	65	30	-	-	-	-
2013-14 Program	65	65	65	-	-	-	-
Computer Hardware and Software - 2013-14 Program.....	330	330	330	-	-	-	-
Office Equipment Replacement							
2012-13 Program	114	114	94	-	-	-	-
2013-14 Program	114	114	114	-	-	-	-
New Perth Stadium - Planning.....	12,542	12,542	32	-	-	-	-
Perth Rectangular Stadium Development	96,808	96,808	22,307	-	-	-	-
Program Equipment - 2013-14 Program.....	95	95	95	-	-	-	-
State Netball Centre - Construction	24,372	24,372	21,149	-	-	-	-
Western Australian Institute of Sport High Performance Service Centre - Review and Plan.....	716	716	605	-	-	-	-
NEW WORKS							
Camps Plant and Equipment Ongoing Replacement							
2014-15 Program	65	-	-	65	-	-	-
2015-16 Program	65	-	-	-	65	-	-
2016-17 Program	65	-	-	-	-	65	-
2017-18 Program	65	-	-	-	-	-	65
Computer Hardware and Software							
2014-15 Program	330	-	-	330	-	-	-
2015-16 Program	330	-	-	-	330	-	-
2016-17 Program	330	-	-	-	-	330	-
2017-18 Program	330	-	-	-	-	-	330
Office Equipment Replacement							
2014-15 Program	114	-	-	114	-	-	-
2015-16 Program	114	-	-	-	114	-	-
2016-17 Program	114	-	-	-	-	114	-
2017-18 Program	114	-	-	-	-	-	114
Program Equipment							
2014-15 Program	95	-	-	95	-	-	-
2015-16 Program	95	-	-	-	95	-	-
2016-17 Program	95	-	-	-	-	95	-
2017-18 Program	95	-	-	-	-	-	95
Total Cost of Asset Investment Program	1,087,767	194,365	103,965	114,460	319,354	367,154	92,434
FUNDED BY							
Capital Appropriation.....			41,506	12,826	-	-	-
Drawdowns from the Holding Account			604	604	604	604	604
Internal Funds and Balances			21,615	-	-	-	-
Funding Included in Department of Treasury - New Perth Stadium.....			40,240	101,030	318,750	366,550	91,830
Total Funding			103,965	114,460	319,354	367,154	92,434

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services increases in 2013-14 and 2014-15 and decreases from 2015-16 to 2017-18. This is due largely to movements in grants and subsidies expenditure between the years. The movements in grant expenditure are mainly due to timing of payments from the CSRFF program and projects funded from the Royalties for Regions (RfR) program.

Income

The increase in revenue from the sale of goods and services in 2013-14 and 2014-15 is mainly due to the Department taking over the operations of Camp Quaranup, which was previously leased to a private operator.

RfR revenue fluctuates between all years depending on project approvals. In 2013-14, part of the CSRFF appropriation revenue will be allocated from the RfR Fund instead of the CSRFF Fund. A reduction in RfR funding from 2014-15 reflects CSRFF appropriation revenue being funded from the Consolidated Account.

Statement of Financial Position

The increase in non-current assets and contributed equity from the 2012-13 Actual to the forward estimates period reflects the approved funding for the new Perth Stadium planning and construction, the State Netball Centre construction, the Perth Rectangular Stadium planning and redevelopment and the WAIS High Performance Service Centre construction. The new Perth Stadium has a budget of \$918.4 million for the construction of the stadium over the period 2013-14 to 2017-18.

Statement of Cashflows

During the period covered in the Budget Statements the major works in progress include the new Perth Stadium, the Perth Rectangular Stadium, the WAIS High Performance Service Centre and the State Netball Centre. 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 capital appropriation reduces to nil in 2015-16 because the capital projects are expected to have been completed, with the exception of the new Perth Stadium.

There is a significant increase in the Asset Investment Program with the purchase of non-current assets across the forward estimates period. This is due primarily to the asset investment for the new Perth Stadium totalling \$918.4 million. In this period, the Perth Rectangular Stadium, the State Netball Centre, and the WAIS High Performance Service Centre projects will be completed.

The movements in grant expenditure are mainly due to timing of payments from the CSRFF program and projects funded from the RfR program.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	17,236	18,191	18,991	19,625	19,891	20,533	20,544
Grants and subsidies ^(c)	52,220	64,108	73,782	74,242	51,846	39,121	34,036
Supplies and services.....	7,141	5,149	5,780	6,401	7,848	8,066	7,945
Accommodation.....	1,877	2,847	2,847	2,897	2,961	3,043	3,121
Depreciation and amortisation.....	1,345	1,311	1,311	1,399	1,399	1,399	1,399
Other expenses.....	1,610	915	915	840	926	947	967
TOTAL COST OF SERVICES.....	81,429	92,521	103,626	105,404	84,871	73,109	68,012
Income							
Sale of goods and services.....	3,700	3,551	4,441	4,714	4,125	4,235	4,235
Grants and subsidies.....	1,636	1,236	1,236	1,236	1,236	1,236	1,236
Other revenue.....	841	1,297	1,297	1,355	1,383	1,411	1,436
Total Income.....	6,177	6,084	6,974	7,305	6,744	6,882	6,907
NET COST OF SERVICES.....	75,252	86,437	96,652	98,099	78,127	66,227	61,105
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	65,290	60,870	68,762	85,404	73,102	62,062	57,187
Resources received free of charge.....	96	-	-	-	-	-	-
Royalties for Regions Fund ^(d)	3,314	21,062	21,850	12,685	4,886	4,094	3,847
TOTAL INCOME FROM STATE GOVERNMENT.....	68,700	81,932	90,612	98,089	77,988	66,156	61,034
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(6,552)	(4,505)	(6,040)	(10)	(139)	(71)	(71)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 189, 196 and 196 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$3.3 million (2012-13), \$21.1 million (2013-14 Budget), \$21.9 million (2013-14 estimated outturn), \$12.7 million (2014-15), \$4.9 million (2015-16), \$4.1 million (2016-17) and \$3.8 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Commonwealth Grants.....	346	428	428	428	428	428	428
Community Sporting and Recreation Facilities Fund.....	14,737	12,090	13,707	28,689	16,840	8,491	8,491
Royalties for Regions Grants.....	1,701	20,964	23,246	12,613	4,838	4,044	3,800
Sports Financial Grants.....	20,309	15,615	20,890	17,898	14,390	10,035	4,385
Sports Lotteries Account.....	15,127	15,011	15,511	14,614	15,350	16,123	16,932
TOTAL.....	52,220	64,108	73,782	74,242	51,846	39,121	34,036

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	25,663	2,171	1,080	1,080	1,080	1,006	1,017
Restricted cash.....	5,489	1,598	2,419	3,086	2,419	2,419	2,419
Holding account receivables.....	604	604	604	604	604	604	604
Receivables.....	1,670	1,688	1,670	1,670	1,670	1,659	1,648
Other.....	115	249	115	115	115	115	115
Total current assets.....	33,541	6,310	5,888	6,555	5,888	5,803	5,803
NON-CURRENT ASSETS							
Holding account receivables.....	7,668	8,375	8,375	9,170	9,965	10,760	11,555
Property, plant and equipment.....	118,233	211,278	215,752	328,813	646,769	1,012,524	1,103,559
Intangibles.....	96	154	96	96	96	96	96
Restricted cash.....	559	609	633	40	40	125	125
Total non-current assets.....	126,556	220,416	224,856	338,119	656,870	1,023,505	1,115,335
TOTAL ASSETS.....	160,097	226,726	230,744	344,674	662,758	1,029,308	1,121,138
CURRENT LIABILITIES							
Employee provisions.....	2,644	2,464	2,647	2,653	2,625	2,630	2,636
Payables.....	5,628	289	495	495	495	495	495
Other.....	946	989	1,014	1,090	596	657	722
Total current liabilities.....	9,218	3,742	4,156	4,238	3,716	3,782	3,853
NON-CURRENT LIABILITIES							
Employee provisions.....	1,031	953	1,034	1,036	1,031	1,036	1,036
Total non-current liabilities.....	1,031	953	1,034	1,036	1,031	1,036	1,036
TOTAL LIABILITIES.....	10,249	4,695	5,190	5,274	4,747	4,818	4,889
EQUITY							
Contributed equity.....	143,402	223,235	225,148	339,004	657,754	1,024,304	1,116,134
Accumulated surplus/(deficit).....	2,840	(1,364)	(3,200)	(3,210)	(3,349)	(3,420)	(3,491)
Reserves.....	3,606	160	3,606	3,606	3,606	3,606	3,606
Total equity.....	149,848	222,031	225,554	339,400	658,011	1,024,490	1,116,249
TOTAL LIABILITIES AND EQUITY.....	160,097	226,726	230,744	344,674	662,758	1,029,308	1,121,138

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	63,869	59,559	67,451	84,005	71,703	60,663	55,788
Capital appropriation	94,211	39,593	41,506	12,826	-	-	-
Holding account drawdowns.....	604	604	604	604	604	604	604
Royalties for Regions Fund ^(b)	3,314	21,062	21,850	12,685	4,886	4,094	3,847
New Perth Stadium Account.....	-	40,240	40,240	101,030	318,750	366,550	91,830
Net cash provided by State Government.....	161,998	161,058	171,651	211,150	395,943	431,911	152,069
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(17,011)	(18,115)	(18,915)	(19,541)	(20,419)	(20,462)	(20,473)
Grants and subsidies	(52,220)	(64,108)	(73,782)	(74,242)	(51,846)	(39,121)	(34,036)
Supplies and services	(1,772)	(5,149)	(5,780)	(6,401)	(7,848)	(8,066)	(7,945)
Accommodation.....	(1,769)	(2,847)	(2,847)	(2,756)	(2,815)	(2,892)	(2,965)
Other payments.....	(15,832)	(6,629)	(6,629)	(6,126)	(4,952)	(4,978)	(5,003)
Receipts							
Grants and subsidies	1,636	1,236	1,236	1,236	1,236	1,236	1,236
Sale of goods and services	3,603	3,513	4,403	4,676	4,087	4,197	4,197
GST receipts.....	14,594	5,714	5,714	5,145	3,880	3,891	3,891
Other receipts.....	886	1,335	1,335	1,393	1,421	1,449	1,474
Net cash from operating activities.....	(67,885)	(85,050)	(95,265)	(96,616)	(77,256)	(64,746)	(59,624)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(82,974)	(82,832)	(103,965)	(114,460)	(319,354)	(367,154)	(92,434)
Net cash from investing activities.....	(82,974)	(82,832)	(103,965)	(114,460)	(319,354)	(367,154)	(92,434)
NET INCREASE/(DECREASE) IN CASH HELD							
	11,139	(6,824)	(27,579)	74	(667)	11	11
Cash assets at the beginning of the reporting period.....	20,572	11,202	31,711	4,132	4,206	3,539	3,550
Cash assets at the end of the reporting period.....	31,711	4,378	4,132	4,206	3,539	3,550	3,561

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

(b) Regional Community Services Fund - \$3.3 million (2012-13), \$21.1 million (2013-14 Budget), \$21.9 million (2013-14 estimated outturn), \$12.7 million (2014-15), \$4.9 million (2015-16), \$4.1 million (2016-17) and \$3.8 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Other							
Administered Appropriation	503	700	700	758	786	814	839
TOTAL INCOME	503	700	700	758	786	814	839
EXPENSES							
Other							
Combat Sports Commission Expenditure	503	700	700	758	786	814	839
TOTAL EXPENSES.....	503	700	700	758	786	814	839

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.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	12	12	57	57
Receipts:				
Appropriations.....	15,469	12,750	14,367	29,349
Other.....	-	-	-	-
	15,481	12,762	14,424	29,406
Payments	15,424	12,750	14,367	29,349
CLOSING BALANCE	57	12	57	57

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.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	4,057	3,930	3,537	2,693
Receipts:				
Appropriations.....	15,000	14,783	14,783	15,456
	19,057	18,713	18,320	18,149
Payments	15,520	15,962	15,627	15,456
CLOSING BALANCE	3,537	2,751	2,693	2,693

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.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	214	222	223	-
Receipts:				
Other.....	9	8	8	-
	223	230	231	-
Payments	-	230	231	-
CLOSING BALANCE	223	-	-	-

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
GST Input Credits.....	13,983	5,337	5,369	4,790	3,514	3,514	3,514
GST Receipts on Sales	611	377	345	355	366	377	377
Other Receipts	886	1,335	1,335	1,393	1,421	1,449	1,474
Proceeds from the Provision of Accommodation and Recreation Programs	3,603	3,513	4,403	4,676	4,087	4,197	4,197
Proceeds from the Provision of Sport Development Services to Industry Bodies	716	332	332	332	332	332	332
Proceeds from the Provision of Sport Participation Services to the Commonwealth	920	904	904	904	904	904	904
TOTAL.....	20,719	11,798	12,688	12,450	10,624	10,773	10,798

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 11 - MINISTER FOR SPORT AND RECREATION; RACING AND GAMING

DIVISION 49

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 62 Net amount appropriated to deliver services.....	32,900	36,059	37,790	47,880	38,261	40,257	41,155
Total appropriations provided to deliver services	32,900	36,059	37,790	47,880	38,261	40,257	41,155
CAPITAL							
Item 136 Capital Appropriation	2,865	2,792	12,370	5,044	5,904	1,160	1,255
TOTAL APPROPRIATIONS.....	35,765	38,851	50,160	52,924	44,165	41,417	42,410
EXPENSES							
Total Cost of Services.....	56,614	58,395	68,574	61,764	62,994	65,139	66,111
Net Cost of Services ^(a)	31,247	34,140	43,597	33,389	32,693	31,187	38,085
CASH ASSETS ^(b)	19,636	2,131	5,011	4,018	4,265	4,512	4,759

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(263)	-	-	-	-
2013-14 Voluntary Separation Scheme	372	-	-	-	-
2014-15 Procurement Savings	-	(421)	-	-	-
2014-15 Tariffs, Fees and Charges	-	(244)	(248)	(253)	(257)
Operating and Maintenance Expenditure.....	30	30	30	220	410
Perry Lakes Maintenance Account	692	-	(1,802)	-	-
Perth Stadium - Governance Agency.....	-	1,127	1,056	1,776	1,575
Reinstatement of Salary Cap.....	1,348	1,174	1,033	858	858
Venue Management - Compensation Payment	8,000	-	-	-	-

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired 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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Provision of Elite Sport Facilities and Support.....	22,274	22,973	27,183	24,470	24,965	25,830	26,226
2. Provision of Community Facilities and Services.....	13,802	14,237	16,045	13,792	14,120	14,640	14,804
3. Provision of Competitive and Cost Effective State Owned Assets	20,538	21,185	25,346	23,502	23,909	24,669	25,081
Total Cost of Services	56,614	58,395	68,574	61,764	62,994	65,139	66,111

Significant Issues Impacting the Agency

- The Western Australian Sports Centre Trust (VenuesWest) has been named as the governance agency for the new Perth Stadium and the surrounding Sporting Precinct at Burswood, which is the most significant investment in a sport and entertainment venue this State has seen. VenuesWest's input into the design and functionality of the new Perth Stadium is critical in ensuring the long-term efficient operation of this significant investment.
- The opening of the Perth Arena and the redeveloped Perth Rectangular Stadium have provided new world-class venue experiences for sports fans and enhanced options for entertainment promoters due to the modern facilities and supporting transport infrastructure. The capacity to attract events to these venues will continue to increase the vibrancy and diversity in and around the city of Perth. The product offerings of the existing facilities within VenuesWest's asset portfolio now need to be reassessed to ensure continued support of sport and recreation for the Western Australian community, and to provide commercial revenue which underpin subsidies provided to elite users of VenuesWest's venues.
- The Arena Joondalup expansion will vastly improve community facilities and provide high quality elite sports facilities for elite, community and commercial users.
- The outdoor concert and event market has become more challenging with Perth having higher costs for promoters and artists considering Nationwide tours. This, compounded with the distance for events to travel to Perth, will also impact on the offerings in this market segment.
- There has been a significant change in profile and volume of high performance training and competition support delivered in Western Australia. This is mostly due to the growth in VenuesWest's asset portfolio enabling a higher number of targeted sports to be catered for, and great success in hosting high performance events across the facilities.

- High performance sporting events such as the West Coast Fever and Perth Glory matches, the NAB Cup, and the BHP Aquatic Super Series cost significantly more per hour to host than the cost of regular training hours. Similarly, the costs associated with servicing high performance sport have increased with the development of new assets and the associated operational and depreciation expenses. In addition, sporting bodies have increasing expectations for elite training and competition in their quest for the ultimate success.
- The acquisition and deployment of technology into venues managed or governed by VenuesWest will deliver more efficient and effective services for customers, as well as increased access and security capacity across the venues. Consumer expectations around venue signage, service information and capacity to procure services online are high.
- Increased commercial revenue has allowed VenuesWest to increase its Asset Investment Program. Building maintenance, safety compliance and improved presentation and customer experience will be the areas of focus for the asset investment available.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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.....	81%	81%	81%	81%	
Elite user satisfaction.....	73%	80%	73%	77%	
Percentage of visitors whose expectations were met or exceeded by VenuesWest services	77%	80%	77%	77%	
Commercial user satisfaction.....	85%	77%	82%	82%	

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

Services and Key Efficiency Indicators

1. Provision of Elite Sport Facilities and Support

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 22,274	\$'000 22,973	\$'000 27,183	\$'000 24,470	1
Less Income	1,417	1,633	2,500	3,133	
Net Cost of Service.....	20,857	21,340	24,683	21,337	
Employees (Full Time Equivalents).....	70	69	70	71	
Efficiency Indicators					
Direct Government Funding Compared to Provision of Elite Sports Facilities (\$ per hour).....	\$1,151	\$800	\$1,236	\$1,059	2

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2013-14 Budget and 2013-14 Estimated Actual reflects the compensation payment for the Perth Rectangular Stadium.
2. With the increased number of venues now within the portfolio of responsibility, there has been a significant increase in the number of high performance events hosted at VenuesWest facilities since 2012-13. These events are more resource intensive to run than elite training, resulting in an increased cost per hour for the 2013-14 Estimated Actual.

2. Provision of Community Facilities and Services

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	13,802	14,237	16,045	13,792	1
Less Income	7,056	8,130	6,381	7,935	2
Net Cost of Service	6,746	6,107	9,664	5,857	
Employees (Full Time Equivalents).....	87	86	87	87	
Efficiency Indicators					
Average Cost per Visit of Providing Community Facilities and Services.....	\$6.89	\$4.00	\$8.43	\$7.24	3

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service between the 2013-14 Budget and 2013-14 Estimated Actual reflects the compensation payment for the Perth Rectangular Stadium.
- An increase in commercial and high performance sporting events has resulted in lower participation in community patronage. This has resulted in both a drop in revenue and costs (excluding the Perth Rectangular Stadium compensation payment) for the 2013-14 Estimated Actual compared to the 2013-14 Budget, and a similar trend is forecast for 2014-15.

The increase in revenue in the 2014-15 Budget Target compared to the 2013-14 Estimated Actual is attributable to the first grant to be received from the City of Joondalup for the Arena Joondalup expansion.

- The 2013-14 Budget Average Cost per Visit of Providing Community Facilities and Services was premised on a higher participation rate compared to the rate used in calculating the 2013-14 Estimated Actual and the 2014-15 Budget Target. This is due to the increase in commercial and high performance sporting events.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	20,538	21,185	25,346	23,502	1
Less Income	16,894	14,492	16,096	17,307	
Net Cost of Service	3,644	6,693	9,250	6,195	
Employees (Full Time Equivalents).....	91	74	91	91	
Efficiency Indicators					
Ratio of Commercial Revenue Compared to Total Operating Expenses.....	68%	72%	59%	78%	2

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service between the 2013-14 Budget and 2013-14 Estimated Actual reflects the compensation payment for the Perth Rectangular Stadium.
- Commercial revenue has increased since 2012-13. This trend is forecast to continue in 2014-15 in line with the increased number of venues now within the portfolio of responsibility and the increase in commercial events.

ASSET INVESTMENT PROGRAM

The 2014-15 Asset Investment Program totals \$17.2 million, comprising \$6 million for the Arena Joondalup expansion and \$11.2 million allocated across VenuesWest's asset portfolio.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Information and Communications Technology Plan.....	1,110	1,010	1,010	100	-	-	-
Arena Joondalup Expansion	20,785	1,000	1,000	6,000	7,500	6,095	190
COMPLETED WORKS							
Upgrades and Maintenance - 2013-14 Program.....	9,636	9,636	9,636	-	-	-	-
Perth Arena.....	538,163	538,163	22,147	-	-	-	-
NEW WORKS							
Upgrades and Maintenance							
2014-15 Program	11,930	-	-	11,930	-	-	-
2015-16 Program	11,647	-	-	-	11,647	-	-
2016-17 Program	11,556	-	-	-	-	11,556	-
2017-18 Program	11,556	-	-	-	-	-	11,556
Asset Investment Program Efficiency Measure	(2,790)	-	-	(802)	(832)	(578)	(578)
Total Cost of Asset Investment Program	613,593	549,809	33,793	17,228	18,315	17,073	11,168
FUNDED BY							
Capital Appropriation.....			12,370	5,044	5,904	1,160	1,255
Drawdowns from the Holding Account			4,700	4,700	4,700	4,700	4,700
Internal Funds and Balances			16,723	7,484	7,711	11,213	5,213
Total Funding			33,793	17,228	18,315	17,073	11,168

FINANCIAL STATEMENTS**Income Statement***Expenses*

The 2014-15 Budget Estimate for Total Cost of Services is expected to decrease by \$6.8 million (9.9%) compared with the 2013-14 Estimated Actual, primarily reflecting a one-off expense of \$8 million in 2013-14 in relation to the compensation payment for the Perth Rectangular Stadium.

Income

The 2014-15 Budget Estimate for total income is forecast to increase by \$3.4 million (13.6%) compared with the 2013-14 Estimated Actual. This is mainly attributable to grant income of \$2 million for the Arena Joondalup expansion and forecast growth in sales of goods and services.

Surplus/Deficiency for the Period

The deficiency of \$5.8 million in the 2013-14 Estimated Actual is primarily due to the recognition of the \$8 million compensation payment (noted above). A cash appropriation of \$8 million will be received in 2014-15 to settle the compensation and will result in a surplus of \$14.5 million in the 2014-15 Budget Estimate.

Statement of Financial Position*Non-Current Assets*

The increase of \$74.7 million (8.3%) in the 2014-15 Budget Estimate for non-current assets relative to the 2013-14 Estimated Actual is primarily due to anticipated revaluation increments in land and buildings, and an increase in holding account receivables.

Statement of Cashflows*Purchase of Non-current Assets*

The reduction of \$16.6 million (49%) in purchase of non-current assets in the 2014-15 Budget Estimate compared with the 2013-14 Estimated Actual reflects the completion of Perth Arena.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	16,269	16,323	18,098	18,169	18,907	19,873	19,927
Supplies and services	13,175	8,433	14,882	7,470	7,298	7,202	7,187
Accommodation.....	3,800	2,475	5,961	5,293	5,315	5,765	5,830
Depreciation and amortisation	19,286	26,573	26,573	27,743	27,968	28,653	29,362
Other expenses.....	4,084	4,591	3,060	3,089	3,506	3,646	3,805
TOTAL COST OF SERVICES.....	56,614	58,395	68,574	61,764	62,994	65,139	66,111
Income							
Sale of goods and services	16,133	20,877	20,998	23,080	25,003	24,652	24,726
Grants and subsidies	-	-	-	2,000	2,000	6,000	-
Other revenue	9,234	3,378	3,979	3,295	3,298	3,300	3,300
Total Income	25,367	24,255	24,977	28,375	30,301	33,952	28,026
NET COST OF SERVICES.....	31,247	34,140	43,597	33,389	32,693	31,187	38,085
INCOME FROM STATE GOVERNMENT							
Service appropriations	32,900	36,059	37,790	47,880	38,261	40,257	41,155
Other appropriations	-	-	-	-	2,390	2,390	2,390
TOTAL INCOME FROM STATE GOVERNMENT.....	32,900	36,059	37,790	47,880	40,651	42,647	43,545
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,653	1,919	(5,807)	14,491	7,958	11,460	5,460

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 248, 248 and 249 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	19,636	2,131	5,011	4,018	4,265	4,512	4,759
Holding account receivables	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Receivables.....	3,592	1,199	3,592	3,592	3,592	3,592	3,592
Other.....	2,087	2,332	2,087	2,087	2,087	2,087	2,087
Total current assets	30,015	10,362	15,390	14,397	14,644	14,891	15,138
NON-CURRENT ASSETS							
Holding account receivables	37,655	59,528	59,528	82,571	105,839	129,792	153,040
Property, plant and equipment	774,844	856,011	839,926	891,550	947,891	936,311	919,531
Other.....	-	33,704	-	-	-	-	-
Total non-current assets.....	812,499	949,243	899,454	974,121	1,053,730	1,066,103	1,072,571
TOTAL ASSETS.....	842,514	959,605	914,844	988,518	1,068,374	1,080,994	1,087,709
CURRENT LIABILITIES							
Employee provisions	1,724	1,636	1,629	1,629	1,629	1,629	1,629
Payables.....	1,404	2,183	1,404	1,404	1,404	1,404	1,404
Other.....	2,148	1,719	10,148	2,148	2,148	2,148	2,148
Total current liabilities.....	5,276	5,538	13,181	5,181	5,181	5,181	5,181
NON-CURRENT LIABILITIES							
Employee provisions	818	704	818	818	818	818	818
Total non-current liabilities	818	704	818	818	818	818	818
TOTAL LIABILITIES.....	6,094	6,242	13,999	5,999	5,999	5,999	5,999
EQUITY							
Contributed equity	721,164	723,653	733,534	738,578	744,482	745,642	746,897
Accumulated surplus/(deficit).....	48,076	45,139	42,269	56,760	64,718	76,178	81,638
Reserves.....	67,180	184,571	125,042	187,181	253,175	253,175	253,175
Total equity	836,420	953,363	900,845	982,519	1,062,375	1,074,995	1,081,710
TOTAL LIABILITIES AND EQUITY.....	842,514	959,605	914,844	988,518	1,068,374	1,080,994	1,087,709

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	11,826	9,486	11,217	20,137	11,707	13,018	13,207
Capital appropriation	2,865	2,792	12,370	5,044	5,904	1,160	1,255
Holding account drawdowns.....	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Administered appropriations.....	-	-	-	-	976	976	976
Net cash provided by State Government.....	19,391	16,978	28,287	29,881	23,287	19,854	20,138
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(16,269)	(16,323)	(18,193)	(18,169)	(18,907)	(19,873)	(19,927)
Supplies and services	(12,188)	(7,915)	(5,624)	(14,212)	(6,040)	(5,944)	(5,929)
Accommodation.....	(3,800)	(2,475)	(5,961)	(5,293)	(5,315)	(5,765)	(5,830)
Other payments.....	(17,399)	(6,569)	(5,778)	(5,807)	(6,224)	(6,364)	(6,523)
Receipts							
Grants and subsidies	-	-	-	2,000	2,000	6,000	-
Sale of goods and services	15,285	20,877	20,998	23,080	25,003	24,652	24,726
GST receipts	13,949	1,460	1,460	1,460	1,460	1,460	1,460
Other receipts.....	8,418	3,378	3,979	3,295	3,298	3,300	3,300
Net cash from operating activities.....	(12,004)	(7,567)	(9,119)	(13,646)	(4,725)	(2,534)	(8,723)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(47,029)	(9,411)	(33,793)	(17,228)	(18,315)	(17,073)	(11,168)
Net cash from investing activities.....	(47,029)	(9,411)	(33,793)	(17,228)	(18,315)	(17,073)	(11,168)
NET INCREASE/(DECREASE) IN CASH HELD							
	(39,642)	-	(14,625)	(993)	247	247	247
Cash assets at the beginning of the reporting period.....	59,278	2,131	19,636	5,011	4,018	4,265	4,512
Cash assets at the end of the reporting period.....	19,636	2,131	5,011	4,018	4,265	4,512	4,759

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

WESTERN AUSTRALIAN INSTITUTE OF SPORT

ASSET INVESTMENT PROGRAM

The Asset Investment Program covers the Institute's upgrade and replacement of capital intensive sport equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement – 2013-14 Program	305	305	305	-	-	-	-
NEW WORKS							
Asset Replacement							
2014-15 Program	283	-	-	283	-	-	-
2015-16 Program	237	-	-	-	237	-	-
2016-17 Program	143	-	-	-	-	143	-
2017-18 Program	143	-	-	-	-	-	143
Total Cost of Asset Investment Program	1,111	305	305	283	237	143	143
FUNDED BY							
Internal Funds and Balances			305	283	237	143	143
Total Funding			305	283	237	143	143

RACING, GAMING AND LIQUOR

PART 11 - MINISTER FOR SPORT AND RECREATION; RACING AND GAMING

DIVISION 50

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 63 Net amount appropriated to deliver services.....	4,026	4,773	5,458	5,064	5,102	5,282	5,402
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	285	292	292	298	306	306	306
Total appropriations provided to deliver services	4,311	5,065	5,750	5,362	5,408	5,588	5,708
ADMINISTERED TRANSACTIONS							
Item 64 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	100,499	113,347	103,347	107,432	110,907	114,847	118,962
Amount Authorised by Other Statutes							
- Liquor Control Act 1988.....	2,211	5,000	3,000	3,000	3,000	3,000	3,000
CAPITAL							
Capital Appropriation.....	3,871	2,155	2,155	-	-	-	-
TOTAL APPROPRIATIONS.....	110,892	125,567	114,252	115,794	119,315	123,435	127,670
EXPENSES							
Total Cost of Services.....	14,868	14,523	15,208	14,791	14,960	15,151	15,371
Net Cost of Services ^(a)	5,026	4,866	5,551	5,109	5,278	5,444	5,664
CASH ASSETS ^(b)	2,848	1,457	426	644	938	1,246	1,454

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
The Decommissioning of the Office of Shared Services	685	126	131	137	137

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Licensing - Evaluation and Determination of Applications.....	7,434	7,261	7,604	7,396	7,480	7,576	7,686
2. Compliance Audits and Inspections.....	7,434	7,262	7,604	7,395	7,480	7,575	7,685
Total Cost of Services.....	14,868	14,523	15,208	14,791	14,960	15,151	15,371

Significant Issues Impacting the Agency

- Implementing the Government’s response to the recommendations of the review of the *Liquor Control Act 1988*.
- Progressing amendments to Western Australian gambling legislation through Parliament to implement the Government’s response to the Joint Standing Committee on the Review of the Racing and Wagering Western Australia Acts, together with amendments to the:
 - *Betting Control Act 1954*;
 - *Gaming and Wagering Commission Act 1987*;
 - *Casino Control Act 1984*; and
 - *Racing and Wagering Western Australia Act 2003*.
- 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.
- The continued interest by remote communities in reducing the level of alcohol related harm through the assistance of the Director of Liquor Licensing.
- The increasing interest in declaring private premises as Liquor Restricted Premises.
- The development and deployment of a new information technology system to support the operational activities of the Department.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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.....	94%	93%	93%	93%	

(a) Further detail in support of the key effectiveness indicators is provided in the Department'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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	7,434	7,261	7,604	7,396	
Less Income	4,921	4,828	4,828	4,841	
Net Cost of Service.....	2,513	2,433	2,776	2,555	
Employees (Full Time Equivalents).....	54	54	56	56	
Efficiency Indicators					
Average Cost of Determining Applications.....	\$477	\$468	\$501	\$475	

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	7,434	7,262	7,604	7,395	
Less Income	4,921	4,829	4,829	4,841	
Net Cost of Service.....	2,513	2,433	2,775	2,554	
Employees (Full Time Equivalents).....	55	55	57	57	
Efficiency Indicators					
Average Cost of Conducting Inspections.....	\$862	\$878	\$1,178	\$1,140	1

Explanation of Significant Movements

(Notes)

- The increase in the average cost of compliance audits and inspections from the 2013-14 Budget to the 2013-14 Estimated Actual is directly attributable to significant improvements in monitoring and compliance processes at Crown Perth. In 2013-14, the Department moved to electronic and system based monitoring of electronic gaming machines, removing the need to physically inspect each machine to ensure compliance. This has resulted in a reduction of approximately 2,200 inspections.

The casino revenue verification processes have also been amended to remove the need for inspectors to attend the physical count of cash, with revenue calculated and verified using an approved, tested and certified information system. This has resulted in approximately 730 less inspections.

If the 2013-14 Estimated Actual was to be recast using the previous monitoring and compliance process, the estimated actual average cost of audits and inspections would be \$846.00.

ASSET INVESTMENT PROGRAM

To support the delivery of the Department’s services, the 2014-15 Asset Investment Program totals \$449,000, comprising of \$199,000 for the implementation of the Unified Regulatory System, and \$250,000 for ongoing computer hardware and software replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Computer Hardware and Software - Unified Regulatory System	4,559	4,360	3,913	199	-	-	-
COMPLETED WORKS							
Computer Hardware and Software 2013-14 Program	100	100	100	-	-	-	-
The Decommissioning of the Office of Shared Services.....	1,467	1,467	946	-	-	-	-
NEW WORKS							
Computer Hardware and Software 2014-15 Program	250	-	-	250	-	-	-
2015-16 Program	150	-	-	-	150	-	-
2016-17 Program	100	-	-	-	-	100	-
2017-18 Program	250	-	-	-	-	-	250
Total Cost of Asset Investment Program	6,876	5,927	4,959	449	150	100	250
FUNDED BY							
Capital Appropriation.....			2,155	-	-	-	-
Drawdowns from the Holding Account			100	250	150	100	250
Internal Funds and Balances			2,704	199	-	-	-
Total Funding			4,959	449	150	100	250

FINANCIAL STATEMENTS

Income Statement

Expenses

There is a decrease in the 2014-15 Total Cost of Services of \$417,000 (2.7%) when compared to the 2013-14 Estimated Actual. The decrease is mainly due to expenses associated with the Decommissioning of the Office of Shared Services in 2013-14.

Income

There is a decrease in the 2014-15 Budget Estimate of service appropriations of \$388,000 (6.6%) when compared to the 2013-14 Estimated Actual. The decrease is mainly due to expenses associated with the decommissioning of the Office of Shared Services.

Statement of Financial Position

The Department’s total equity for 2014-15 is expected to increase by \$417,000 (4.9%) when compared to the 2013-14 Estimated Actual, due to an operating surplus projected for the 2014-15 Budget Estimate.

Statement of Cashflows

The 2014-15 closing cash assets balance of \$644,000 represents an increase of \$218,000 (51.2%) in comparison to the 2013-14 Estimated Actual, due to an operating surplus projected for the 2014-15 Budget Estimate.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	10,146	10,518	10,567	10,782	10,930	11,083	11,183
Supplies and services	2,342	1,803	2,439	1,781	1,779	1,786	1,861
Accommodation.....	1,361	1,304	1,304	1,309	1,314	1,319	1,352
Depreciation and amortisation	411	467	467	467	467	467	467
Other expenses.....	608	431	431	452	470	496	508
TOTAL COST OF SERVICES.....	14,868	14,523	15,208	14,791	14,960	15,151	15,371
Income							
Sale of goods and services	4,544	4,850	4,850	4,850	4,850	4,850	4,850
Regulatory fees and fines.....	5,298	4,800	4,800	4,825	4,825	4,850	4,850
Other revenue	-	7	7	7	7	7	7
Total Income	9,842	9,657	9,657	9,682	9,682	9,707	9,707
NET COST OF SERVICES.....	5,026	4,866	5,551	5,109	5,278	5,444	5,664
INCOME FROM STATE GOVERNMENT							
Service appropriations	4,311	5,065	5,750	5,362	5,408	5,588	5,708
Resources received free of charge.....	92	164	164	164	164	164	164
TOTAL INCOME FROM STATE GOVERNMENT.....	4,403	5,229	5,914	5,526	5,572	5,752	5,872
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(623)	363	363	417	294	308	208

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 109, 113 and 113 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)**

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	2,598	1,169	150	336	598	874	1,050
Restricted cash.....	6	18	6	6	6	6	6
Holding account receivables.....	100	250	250	150	100	250	100
Receivables.....	251	267	251	251	251	251	251
Other.....	369	743	369	369	369	369	369
Total current assets.....	3,324	2,447	1,026	1,112	1,324	1,750	1,776
NON-CURRENT ASSETS							
Holding account receivables.....	1,922	2,230	2,230	2,547	2,914	3,131	3,498
Property, plant and equipment.....	487	406	365	390	340	290	315
Intangibles.....	2,867	7,588	7,481	7,239	6,972	6,655	6,413
Restricted cash.....	244	270	270	302	334	366	398
Total non-current assets.....	5,520	10,494	10,346	10,478	10,560	10,442	10,624
TOTAL ASSETS.....	8,844	12,941	11,372	11,590	11,884	12,192	12,400
CURRENT LIABILITIES							
Employee provisions.....	1,346	1,405	1,346	1,346	1,346	1,346	1,346
Payables.....	391	903	401	202	202	202	202
Other.....	373	335	373	373	373	373	373
Total current liabilities.....	2,110	2,643	2,120	1,921	1,921	1,921	1,921
NON-CURRENT LIABILITIES							
Employee provisions.....	474	540	474	474	474	474	474
Other.....	199	194	199	199	199	199	199
Total non-current liabilities.....	673	734	673	673	673	673	673
TOTAL LIABILITIES.....	2,783	3,377	2,793	2,594	2,594	2,594	2,594
EQUITY							
Contributed equity.....	4,325	6,480	6,480	6,480	6,480	6,480	6,480
Accumulated surplus/(deficit).....	1,736	3,084	2,099	2,516	2,810	3,118	3,326
Total equity.....	6,061	9,564	8,579	8,996	9,290	9,598	9,806
TOTAL LIABILITIES AND EQUITY.....	8,844	12,941	11,372	11,590	11,884	12,192	12,400

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	4,073	4,507	5,192	4,895	4,941	5,121	5,241
Capital appropriation	3,871	2,155	2,155	-	-	-	-
Holding account drawdowns.....	150	100	100	250	150	100	250
Net cash provided by State Government.....	8,094	6,762	7,447	5,145	5,091	5,221	5,491
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(10,300)	(10,397)	(10,446)	(10,671)	(10,819)	(10,972)	(11,072)
Supplies and services.....	(2,230)	(1,737)	(2,373)	(1,715)	(1,713)	(1,720)	(1,795)
Accommodation.....	(1,253)	(1,304)	(1,304)	(1,309)	(1,314)	(1,319)	(1,352)
Other payments.....	(1,419)	(624)	(624)	(645)	(663)	(689)	(701)
Receipts							
Regulatory fees and fines.....	5,764	4,800	4,800	4,825	4,825	4,850	4,850
Sale of goods and services.....	4,485	4,850	4,850	4,850	4,850	4,850	4,850
GST receipts.....	648	180	180	180	180	180	180
Other receipts.....	39	7	7	7	7	7	7
Net cash from operating activities	(4,266)	(4,225)	(4,910)	(4,478)	(4,647)	(4,813)	(5,033)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,157)	(2,255)	(4,959)	(449)	(150)	(100)	(250)
Other payments.....	(49)	-	-	-	-	-	-
Other receipts.....	14	-	-	-	-	-	-
Net cash from investing activities	(1,192)	(2,255)	(4,959)	(449)	(150)	(100)	(250)
NET INCREASE/(DECREASE) IN CASH HELD							
	2,636	282	(2,422)	218	294	308	208
Cash assets at the beginning of the reporting period.....	712	1,175	2,848	426	644	938	1,246
Net cash transferred to/from other agencies.....	(500)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	2,848	1,457	426	644	938	1,246	1,454

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Taxation							
Casino Tax.....	110,579	130,000	118,000	123,000	127,000	131,000	135,000
Other							
Appropriation	102,710	118,347	106,347	110,432	113,907	117,847	121,962
Other Gambling.....	1,184	-	-	-	-	-	-
TOTAL INCOME	214,473	248,347	224,347	233,432	240,907	248,847	256,962
EXPENSES							
Grants To Charitable and Other Public Bodies							
Grants to Individuals Problem Gambling	1,793	500	1,434	500	500	500	500
Statutory Authorities							
Grants to Racing and Wagering Western Australia	7,500	5,437	9,090	7,690	7,713	7,738	7,763
Subsidies and Concessions							
Subsidies to Liquor Merchants and Producers....	2,211	5,000	3,000	3,000	3,000	3,000	3,000
Subsidies to Gambling and Betting Agencies and Bookmakers	86,850	107,410	95,180	99,242	102,694	106,609	110,699
Other							
Receipts Paid into Consolidated Fund	110,282	130,000	118,000	123,000	127,000	131,000	135,000
Settlement.....	5,200	-	-	-	-	-	-
TOTAL EXPENSES.....	213,836	248,347	226,704	233,432	240,907	248,847	256,962

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
GST Input Credits.....	643	155	155	155	155	155	155
GST Receipts on Sales	5	25	25	25	25	25	25
Liquor Fees Receipts	5,764	4,800	4,800	4,825	4,825	4,850	4,850
Other Receipts	39	7	7	7	7	7	7
Provision of Services to the Commonwealth in Respect of Indian Ocean Territories.....	89	81	81	81	81	81	81
Provision of Services to the Racing and Gaming Industries.....	4,396	4,769	4,769	4,769	4,769	4,769	4,769
TOTAL.....	10,936	9,837	9,837	9,862	9,862	9,887	9,887

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

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Business Systems and Products	21,901	11,246	6,232	6,578	1,232	1,544	1,301
Other Works	6,839	1,642	1,224	1,170	1,310	1,343	1,374
Retail Outlet Upgrade Program	22,776	4,776	2,500	4,500	4,500	4,500	4,500
Wagering Systems and Products.....	16,778	7,327	2,737	3,315	1,920	2,286	1,930
NEW WORKS							
Asset Investment Program Efficiency Measure	(2,165)	-	-	(778)	(448)	(484)	(455)
Total Cost of Asset Investment Program	66,129	24,991	12,693	14,785	8,514	9,189	8,650
FUNDED BY							
Internal Funds and Balances			12,693	14,785	8,514	9,189	8,650
Total Funding			12,693	14,785	8,514	9,189	8,650

WESTERN AUSTRALIAN GREYHOUND RACING ASSOCIATION

ASSET INVESTMENT PROGRAM

The 2014-15 Asset Investment Program totals \$100,000, comprising \$20,000 towards the maintenance of existing information technology (IT) systems and \$80,000 towards plant and equipment replacement at the Cannington venue to maintain the comfort and safety of its patrons.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
NEW WORKS							
IT - 2014-15 Program	20	-	-	20	-	-	-
Plant and Equipment - Cannington							
2014-15 Program	80	-	-	80	-	-	-
2015-16 Program	60	-	-	-	60	-	-
Plant and Equipment - Mandurah							
2015-16 Program	44	-	-	-	44	-	-
2016-17 Program	600	-	-	-	-	600	-
2017-18 Program	618	-	-	-	-	-	618
Total Cost of Asset Investment Program	1,422	-	-	100	104	600	618
FUNDED BY							
Internal Funds and Balances			-	100	104	600	618
Total Funding			-	100	104	600	618

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 Burswood Park consists of 102 hectares of 'C' class reserve surrounding the four major buildings that comprise the Crown Perth Entertainment Complex. Its improvements include parks and gardens, permanent car parking areas and the land of the former golf course, part of which is being used to construct the new Perth Stadium and Sports Precinct.

The Board's mission is to develop Burswood Park into the premier park of its type in Australia and key objectives are to:

- achieve the highest standards of park maintenance and management;
- promote the Park to Western Australians and visitors to the State as an attractive and accessible venue for active and passive recreation;
- provide maximum visitor enjoyment and satisfaction;
- ensure that the Park is developed within environmental guidelines that are compatible with, and complementary to, the original environment of the site; and
- establish the Park as an educational resource for the study of the history and environment of the Burswood site.

To help achieve these objectives, the Board has included park infrastructure upgrades in the Asset Investment Program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Equipment - 2013-14 Program	600	600	600	-	-	-	-
Park Infrastructure - 2013-14 Program	350	350	350	-	-	-	-
NEW WORKS							
Equipment							
2014-15 Program	302	-	-	302	-	-	-
2015-16 Program	200	-	-	-	200	-	-
2016-17 Program	200	-	-	-	-	200	-
2017-18 Program	200	-	-	-	-	-	200
Park Infrastructure							
2014-15 Program	640	-	-	640	-	-	-
2015-16 Program	200	-	-	-	200	-	-
2016-17 Program	200	-	-	-	-	200	-
2017-18 Program	200	-	-	-	-	-	200
Total Cost of Asset Investment Program	3,092	950	950	942	400	400	400
FUNDED BY							
Internal Funds and Balances			950	942	400	400	400
Total Funding			950	942	400	400	400

Part 12

Minister for Agriculture and Food; Fisheries

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
569	Agriculture and Food			
	– Delivery of Services	137,184	145,525	129,707
	– Administered Grants, Subsidies and Other Transfer Payments.....	15,000	15,000	9,000
	– Capital Appropriation.....	6,518	5,318	5,596
	Total	158,702	165,843	144,303
580	Rural Business Development Corporation			
	– Delivery of Services	4,518	4,518	223
	Total	4,518	4,518	223
589	Fisheries			
	– Delivery of Services	50,361	60,443	54,187
	– Capital Appropriation.....	3,979	12,765	2,111
	Total	54,340	73,208	56,298
	GRAND TOTAL			
	– Delivery of Services	192,063	210,486	184,117
	– Administered Grants, Subsidies and Other Transfer Payments.....	15,000	15,000	9,000
	– Capital Appropriation.....	10,497	18,083	7,707
	Total	217,560	243,569	200,824

AGRICULTURE AND FOOD

PART 12 - MINISTER FOR AGRICULTURE AND FOOD; FISHERIES

DIVISION 51

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 65 Net amount appropriated to deliver services.....	134,007	135,620	143,961	128,101	128,919	133,571	134,403
Amount Authorised by Other Statutes							
- Biosecurity and Agriculture Management Act 2007	1,173	1,204	1,204	1,235	1,235	1,235	1,235
- Salaries and Allowances Act 1975	335	360	360	371	382	393	393
Total appropriations provided to deliver services	135,515	137,184	145,525	129,707	130,536	135,199	136,031
ADMINISTERED TRANSACTIONS							
Item 66 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	5,000	15,000	15,000	9,000	1,600	1,600	1,600
CAPITAL							
Item 137 Capital Appropriation	8,152	6,518	5,318	5,596	4,627	8,615	10,000
TOTAL APPROPRIATIONS.....	148,667	158,702	165,843	144,303	136,763	145,414	147,631
EXPENSES							
Total Cost of Services.....	199,117	221,000	221,721	221,908	204,508	206,457	205,422
Net Cost of Services ^(a)	150,365	166,174	166,295	166,435	150,856	153,020	151,985
CASH ASSETS ^(b)	46,021	39,322	38,823	24,807	19,787	13,016	4,577

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(2,174)	-	-	-	-
2013-14 Voluntary Separation Scheme	7,222	-	-	-	-
2014-15 Procurement Savings	-	(3,648)	-	-	-
2014-15 Tariffs, Fees and Charges	-	153	153	153	153
Abolition of Seed Inspection Fees	-	(2,000)	(2,000)	(2,000)	(2,000)
European House Borer	-	1,200	1,230	1,261	1,293
Resolution of Native Title in the South West of Western Australia.....	133	-	-	-	-
Royal Agricultural Society ^(a)	2,000	2,000	-	-	-
Services Provided to the Rural Business Development Corporation for the Commonwealth Farm Finance Concessional Loans Scheme	600	500	200	200	200

(a) Regional Community Services Fund - \$800,000 (2013-14 estimated outturn) and \$800,000 (2014-15).

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
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

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Business and Supply Chain Development	91,594	92,820	93,123	88,933	73,267	61,478	53,265
2. Transformational Development	15,929	26,520	26,606	30,707	38,669	55,330	63,507
3. Resource Risk Management	91,594	101,660	101,992	102,268	92,572	89,649	88,650
Total Cost of Services	199,117	221,000	221,721	221,908	204,508	206,457	205,422

Significant Issues Impacting the Agency

- The long-term prospects for Western Australia's agriculture and food (agrifood) sector have increased sharply over the past year. This is heralded by increasing local and global interest in quality industry assets and by rising demand for premium quality, safe foods – particularly meat and dairy products.
- The State Government has made a clear commitment to ensuring the sector is better equipped to reap the benefits of this demand, through its \$300 million Seizing the Opportunity initiative.
- The Department's involvement in the Seizing the Opportunity initiative will enable it to work with industry on addressing a number of issues that would otherwise be beyond the Department's capacity. The Department will also continue its regular work to support the success of the agrifood sector, with this work tailored to align with, and complement, the objectives of the Seizing the Opportunity initiative.
- The Department's approach and investment priorities are set out in a new Strategic Plan that will guide its investments over the next four years. The plan focuses on growing markets, productivity, profitability and people within an industry framework that safeguards natural resources and biosecurity that all Western Australians enjoy.
- While an exceptionally good end to the growing season in 2013 has taken much of the immediate financial pressure off grain-belt farming businesses, the rains came too late for some areas of the State, and others are struggling to rebuild their capital base. The Department will continue to work with these businesses as they seek to restore their financial wellbeing or leave the industry.
- The Department will also work with businesses, industry organisations and the broader community to safeguard the State's enviable biosecurity status and its land, soil, native vegetation, biodiversity and water resources. As the industry grows and diversifies, and Western Australian trade and travel increases, so the job of protecting these resources becomes more complex and more important. The Department will focus on building the combined ability of governments, industry and the broader community to recognise, prioritise and deal with biosecurity and natural resource risks.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: A profitable, innovative and sustainable agrifood sector that benefits Western Australia:					
Proportion of co-investment in Department led initiatives.....	39%	37%	37%	38%	
Proportion of businesses that consider the Department has positively influenced the profitability of the sector	29%	32%	32%	33%	1
Proportion of businesses that consider the Department has fostered innovation in the sector.....	30%	32%	32%	33%	2
Proportion of businesses and key stakeholders that consider the Department has positively influenced the sustainability of the sector.....	32%	35%	35%	36%	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. Respondents scoring the Department's impact on the profitability of their industry over the past year at six or more out of ten.
2. As above with regard to the Department's impact on the capacity of their industry to make changes in the future.
3. As above with regard to the Department's impact on the sustainability of their industry.

Services and Key Efficiency Indicators

The Department assesses the efficiency of each of its three services by comparing the Net Cost of each Service with the value of agricultural products generated, and the extent to which other parties co-invest with the Department in initiatives linked to each service. This approach is reflective of a new Outcome Based Management framework adopted for the 2012-13 year onwards and is consistent with the 2012-13 Annual Report.

1. Business and Supply Chain Development

This service focuses on increasing the profitability and resilience of the State's agrifood industries in their current general form. This is particularly important in the current economic environment where businesses are being impacted by market competition, technical change, a changing and more variable climate and evolving debt financing arrangements.

The service supports businesses in their efforts to increase the yield, quality and marketability of their existing and emerging products, and in managing associated business risks. Its focus is primarily on addressing the more immediate issues facing industries as they exist today, with an emphasis on fostering coordinated growth across entire supply chains.

This service contributes to the Government's goal of achieving a stronger focus on the regions.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 91,594	\$'000 92,820	\$'000 93,123	\$'000 88,933	
Less Income	25,790	23,027	23,027	21,989	
Net Cost of Service.....	65,804	69,793	70,096	66,944	
Employees (Full Time Equivalents).....	476	466	469	468	
Efficiency Indicators					
Net Service Cost as a Factor of Gross Value of Agricultural Production (GVAP).....	1.2%	1.1%	1.1%	1%	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	42.6%	42%	42%	45%	

Explanation of Significant Movements

(Notes)

1. Based on Australian Bureau of Statistics (ABS) Gross Value of Agricultural Production (GVAP) five year rolling averages of \$6.4 billion.

2. Transformational Development

This service aims to support current and prospective industries to develop the marketing, production and business arrangements they will need to markedly improve global competitiveness in the future. It is about transforming the State's agrifood sector so that it can grow and, through that, make a substantially greater contribution to the State's economy.

This service is focused on the Government's vision of an agrifood sector that is able to both adapt to a changing world and flourish into the 21st century. It is through this service and initiatives under the Agrifood 2025+ banner that the Department helps both new and existing industries and businesses identify and establish the products, markets and business model they need to secure their future growth and prosperity.

The Department's commitment to this service is rising, from 8.4% of its total investment in 2012-13 to 20% by 2017-18, reflecting the critical importance of transformational development to the sector's continued growth.

This service contributes to the Government's goal of achieving a stronger focus on the regions.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	15,929	26,520	26,606	30,707	
Less Income	4,982	6,579	6,579	7,696	
Net Cost of Service.....	10,947	19,941	20,027	23,011	
Employees (Full Time Equivalents).....	256	133	134	164	
Efficiency Indicators					
Net service cost as a factor of GVAP	0.23%	0.3%	0.3%	0.35%	1
Public and Private Sector Co-Investment in Department Led Transformational Development Initiatives as a Factor of the Net Cost of this Service	23.4%	27%	27%	30%	

Explanation of Significant Movements

(Notes)

1. Based on ABS GVAP five year rolling averages of \$6.4 billion.

3. Resource Risk Management

Western Australia's agricultural and pastoral landholders manage around 40% of the State's landmass, with a diverse range of production systems spread over a wide range of climatic and environmental conditions.

The health of the State's natural resources—land, soil, native vegetation, biodiversity and water—and biological assets (crop varieties, animal genetics) is essential to both the viability of the agrifood sector and its net contribution to the State. The Department's resource risk management service ensures that industry is able to grow while responsibly managing these resources.

This service is also central to minimising the risk that exotic biosecurity threats—weeds, pests or diseases—represent to the broader community and environment, including threats both from overseas and interstate. This is essential to maintaining the natural environment and public amenity that all Western Australian's value and enjoy.

The service includes building partnerships and capabilities needed by industry and communities to properly use and safeguard our natural resources. It contributes to the Government's goal of achieving a stronger focus on the regions.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	91,594	101,660	101,992	102,268	
Less Income	17,980	25,220	25,820	25,788	
Net Cost of Service.....	73,614	76,440	76,172	76,480	
Employees (Full Time Equivalents).....	430	511	514	538	
Efficiency Indicators					
Net service cost as a factor of GVAP	0.9%	1.2%	1.2%	1.2%	1
Public and Private Sector Co-Investment in Department Led Transformational Development Initiatives as a Factor of the Net Cost of this Service	38.8%	33%	33%	35%	

Explanation of Significant Movements

(Notes)

1. Based on ABS GVAP five year rolling averages of \$6.4 billion.

ASSET INVESTMENT PROGRAM

The Asset Investment Program includes planned expenditure of \$234 million for the Department's headquarters redevelopment, including the Australian Export Grain Innovation Centre, an Equipment Replacement Program of \$31.6 million and an Information Management Systems Upgrade of \$34.1 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Agriculture Headquarters Redevelopment - Australian							
Export Grain Innovation Centre.....	234,009	6,229	302	-	-	8,615	10,000
Equipment Replacement Program	31,619	8,800	5,030	4,996	4,700	4,404	3,019
Information Management Systems Upgrade.....	34,127	21,185	6,015	8,815	4,127	-	-
Royalties for Regions - Regional Natural Resource							
Management Program ^(a)	9,941	5,290	3,000	3,185	1,466	-	-
The Decommissioning of the Office of Shared Services	5,971	5,471	2,474	-	500	-	-
COMPLETED WORKS							
New Crops for New Climate Environment Facilities in							
Merredin and Katanning	3,000	3,000	675	-	-	-	-
NEW WORKS							
Asset Investment Program Efficiency Measure	(1,717)	-	-	(835)	(511)	(220)	(151)
Total Cost of Asset Investment Program	316,950	49,975	17,496	16,161	10,282	12,799	12,868
FUNDED BY							
Capital Appropriation.....			5,318	5,596	4,627	8,615	10,000
Drawdowns from the Holding Account			4,500	3,865	4,189	4,184	2,868
Internal Funds and Balances			4,678	3,515	-	-	-
Drawdowns from Royalties for Regions Fund ^(a)			3,000	3,185	1,466	-	-
Total Funding			17,496	16,161	10,282	12,799	12,868

(a) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services for the 2014-15 Budget Estimate of \$221.9 million compared to the 2013-14 Estimated Actual of \$221.7 million represents an increase of \$0.2 million.

Employee expenses have decreased from the 2013-14 Estimated Actual of \$139 million to the 2014-15 Budget Estimate of \$126.2 million mainly as a result of the 2013-14 Voluntary Separation Scheme. A total of 70 departmental staff accessed the 2013-14 Voluntary Separation Scheme.

Following the 2013-14 Voluntary Separation Scheme process, the Department reworked its FTE employee base to cost-out its establishment. This costing review resulted in a revised FTE base of 1,170 FTE (including 52 vacancies) for 2014-15. In the 2013-14 Budget Papers, the Department indicated that its operating FTE level was 1,110 FTE for 2013-14. This number did not include a budget for vacancies within the organisation as at 30 June 2013, which were expected to be filled in the ensuing twelve months (i.e. during 2013-14).

Other operating expenses have increased from the 2013-14 Estimated Actual of \$82.7 million to the 2014-15 Budget Estimate of \$95.7 million mainly reflecting a realignment of \$5 million from employee expenses and additional Royalties for Regions expenditure of \$4.7 million in 2014-15.

Income

Total income to support the services of the Department for the 2014-15 Budget Estimate is \$211.6 million compared to the 2013-14 Estimated Actual of \$221.6 million, a decrease of \$10 million or 4.5%, mainly from reduced service appropriations reflecting the 2013-14 Voluntary Separation Scheme.

Statement of Financial Position

Contributed equity is estimated to increase by \$8.8 million (13.6%), from \$64.8 million in 2013-14 to \$73.6 million in 2014-15, which is attributable to the Department's Information Management Systems Upgrade.

Statement of Cashflows

Cash at the end of the reporting period for the 2014-15 Budget is estimated at \$24.8 million, a decrease of \$14 million or 36.1% from the 2013-14 Estimated Actual of \$38.8 million. This is due to payments for supplies and services, and grants and subsidies, being made from cash holdings.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	121,623	131,841	138,981	126,226	129,226	133,555	136,433
Grants and subsidies ^(c)	9,184	17,992	20,125	23,378	12,335	12,335	11,446
Supplies and services	38,634	41,803	32,651	42,505	32,968	30,603	28,956
Accommodation	6,486	4,930	4,930	5,872	5,980	5,980	5,980
Depreciation and amortisation	9,134	8,290	8,290	8,456	8,456	8,456	7,456
Other expenses	14,056	16,144	16,744	15,471	15,543	15,528	15,151
TOTAL COST OF SERVICES	199,117	221,000	221,721	221,908	204,508	206,457	205,422
Income							
Sale of goods and services	11,157	7,658	7,658	8,036	8,036	8,036	8,036
Regulatory fees and fines	4,231	8,113	8,113	6,455	6,640	6,819	6,819
Grants and subsidies	24,041	23,970	23,970	25,883	24,177	24,177	24,177
Other revenue	9,323	15,085	15,685	15,099	14,799	14,405	14,405
Total Income	48,752	54,826	55,426	55,473	53,652	53,437	53,437
NET COST OF SERVICES	150,365	166,174	166,295	166,435	150,856	153,020	151,985
INCOME FROM STATE GOVERNMENT							
Service appropriations	135,515	137,184	145,525	129,707	130,536	135,199	136,031
Resources received free of charge	1,278	723	723	730	730	737	737
Royalties for Regions Fund ^(d)	3,560	25,756	19,934	25,663	7,859	2,974	1,107
TOTAL INCOME FROM STATE GOVERNMENT	140,353	163,663	166,182	156,100	139,125	138,910	137,875
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(10,012)	(2,511)	(113)	(10,335)	(11,731)	(14,110)	(14,110)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 1,162, 1,117 and 1,170 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$1.7 million (2012-13), \$3.6 million (2013-14 Budget), \$17.3 million (2013-14 estimated outturn), \$23 million (2014-15), \$6.4 million (2015-16), \$1.5 million (2016-17), Regional Community Services Fund - \$1.9 million (2012-13), \$22.2 million (2013-14 Budget), \$2.6 million (2013-14 estimated outturn), \$2.7 million (2014-15), \$1.5 million (2015-16), \$1.5 million (2016-17) and \$1.1 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Research Grant Allocations	8,729	17,495	17,995	20,750	11,500	11,500	11,000
Royal Agricultural Society Show							
Concessions - Free Entry for Children	-	-	2,000	2,000	-	-	-
Subsidies and other grants	455	497	130	628	835	835	446
TOTAL	9,184	17,992	20,125	23,378	12,335	12,335	11,446

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	9,567	5,789	4,917	1,956	420	296	296
Restricted cash.....	33,895	30,308	30,897	19,364	15,402	8,573	430
Holding account receivables.....	4,500	4,700	3,865	4,189	4,184	2,868	-
Receivables.....	9,683	10,354	9,674	8,701	5,301	1,003	1,003
Other.....	2,878	2,612	2,878	2,878	2,878	2,040	1,764
Assets held for sale.....	770	1,398	770	770	770	770	770
Total current assets.....	61,293	55,161	53,001	37,858	28,955	15,550	4,263
NON-CURRENT ASSETS							
Holding account receivables.....	51,739	55,563	56,164	60,431	64,703	70,291	77,747
Property, plant and equipment.....	222,526	218,640	225,295	230,755	231,681	236,024	237,521
Intangibles.....	4,863	4,805	4,863	4,863	4,863	4,863	4,863
Restricted cash.....	2,559	3,225	3,009	3,487	3,965	4,147	3,851
Other.....	13,643	22,143	14,567	16,812	17,712	17,712	17,712
Total non-current assets.....	295,330	304,376	303,898	316,348	322,924	333,037	341,694
TOTAL ASSETS.....	356,623	359,537	356,899	354,206	351,879	348,587	345,957
CURRENT LIABILITIES							
Employee provisions.....	34,959	33,932	32,999	32,999	32,999	32,999	32,999
Payables.....	9,550	8,244	8,572	6,911	10,222	12,425	13,905
Other.....	6,487	10,486	7,009	7,531	7,531	7,531	7,531
Total current liabilities.....	50,996	52,662	48,580	47,441	50,752	52,955	54,435
NON-CURRENT LIABILITIES							
Employee provisions.....	4,935	5,519	4,935	4,935	4,935	4,935	4,935
Total non-current liabilities.....	4,935	5,519	4,935	4,935	4,935	4,935	4,935
TOTAL LIABILITIES.....	55,931	58,181	53,515	52,376	55,687	57,890	59,370
EQUITY							
Contributed equity.....	61,998	53,425	64,803	73,584	79,677	88,292	98,292
Accumulated surplus/(deficit).....	5,545	30,761	5,432	(4,903)	(16,634)	(30,744)	(44,854)
Reserves.....	233,149	217,170	233,149	233,149	233,149	233,149	233,149
Total equity.....	300,692	301,356	303,384	301,830	296,192	290,697	286,587
TOTAL LIABILITIES AND EQUITY.....	356,623	359,537	356,899	354,206	351,879	348,587	345,957

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	127,675	128,894	137,235	121,251	122,080	126,743	128,575
Capital appropriation	8,152	6,518	5,318	5,596	4,627	8,615	10,000
Holding account drawdowns.....	4,300	4,500	4,500	3,865	4,189	4,184	2,868
Royalties for Regions Fund ^(b)	3,950	31,322	22,934	28,848	9,325	2,974	1,107
Net cash provided by State Government.....	144,077	171,234	169,987	159,560	140,221	142,516	142,550
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(117,568)	(129,553)	(138,653)	(124,430)	(127,952)	(132,268)	(135,146)
Grants and subsidies	(9,184)	(17,972)	(20,105)	(23,358)	(12,335)	(11,335)	(11,446)
Supplies and services	(45,450)	(41,191)	(32,039)	(41,550)	(24,405)	(22,800)	(21,821)
Accommodation.....	(7,807)	(6,902)	(6,902)	(9,046)	(9,054)	(9,154)	(9,154)
Other payments.....	(16,827)	(28,783)	(29,383)	(26,927)	(26,698)	(26,645)	(26,268)
Receipts							
Regulatory fees and fines.....	609	8,113	8,113	6,455	6,640	6,819	6,819
Grants and subsidies	24,021	24,855	24,855	26,503	24,177	24,177	24,177
Sale of goods and services	9,700	7,658	7,658	8,036	8,036	8,036	8,036
GST receipts.....	7,714	11,073	11,073	11,073	11,073	11,073	11,073
Other receipts.....	15,836	15,094	15,694	15,829	15,559	15,609	15,609
Net cash from operating activities.....	(138,956)	(157,608)	(159,689)	(157,415)	(134,959)	(136,488)	(138,121)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(14,127)	(18,692)	(17,496)	(16,161)	(10,282)	(12,799)	(12,868)
Proceeds from sale of non-current assets	126	-	-	-	-	-	-
Net cash from investing activities.....	(14,001)	(18,692)	(17,496)	(16,161)	(10,282)	(12,799)	(12,868)
NET INCREASE/(DECREASE) IN CASH HELD							
	(8,880)	(5,066)	(7,198)	(14,016)	(5,020)	(6,771)	(8,439)
Cash assets at the beginning of the reporting period.....	54,901	44,388	46,021	38,823	24,807	19,787	13,016
Cash assets at the end of the reporting period.....	46,021	39,322	38,823	24,807	19,787	13,016	4,577

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

(b) Regional Infrastructure and Headworks Fund - \$2.1 million (2012-13), \$9.1 million (2013-14 Budget), \$20.3 million (2013-14 estimated outturn), \$26.1 million (2014-15), \$7.8 million (2015-16), \$1.5 million (2016-17), Regional Community Services Fund - \$1.9 million (2012-13), \$22.2 million (2013-14 Budget), \$2.6 million (2013-14 estimated outturn), \$2.7 million (2014-15), \$1.5 million (2015-16), \$1.5 million (2016-17) and \$1.1 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Commonwealth Grants							
Caring for Our Country	24,103	23,248	-	-	-	-	-
Other							
Interest revenue	863	349	349	241	206	181	160
Other Revenue.....	605	-	7,362	-	-	-	-
User charges and fees	75	-	-	-	-	-	-
Appropriation ^(a)	5,000	15,000	15,000	9,000	8,000	8,000	8,000
TOTAL INCOME	30,646	38,597	22,711	9,241	8,206	8,181	8,160
EXPENSES							
Grants To Charitable And Other Public Bodies							
State Contribution to Natural Resource Management ^(a)							
Regional Saleyards Strategy	10,139	15,000	15,000	9,000	8,000	8,000	8,000
.....	2,500	-	-	-	-	-	-
Other							
Caring for Our Country	30,825	23,248	-	-	-	-	-
Supplies and Services	453	-	-	-	-	-	-
Western Australian Co-operatives Loan Scheme							
.....	356	349	349	241	206	181	160
Return of Appropriation	1,550	-	-	-	-	-	-
TOTAL EXPENSES.....	45,823	38,597	15,349	9,241	8,206	8,181	8,160

(a) Regional Infrastructure and Headworks Fund - \$6.4 million (2015-16), \$6.4 million (2016-17) and \$6.4 million (2017-18).

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Grants and Contributions from Commonwealth.....	1,532	1,766	1,766	1,766	1,766	1,766	1,766
Grants and Contributions from Non-Government Sources.....	22,489	23,089	23,089	24,737	22,411	22,411	22,411
GST Input Credits.....	7,714	11,073	11,073	11,073	11,073	11,073	11,073
Interest Received - Trusts	671	1,000	1,000	1,000	1,000	1,000	1,000
Miscellaneous Receipts	14,764	14,094	14,094	14,329	14,359	14,409	14,409
Regulatory Fees	609	8,113	8,113	6,455	6,640	6,819	6,819
Sale of Goods and Services	9,700	7,658	7,658	8,036	8,036	8,036	8,036
Services Contracted by:							
Agricultural Produce Commission.....	145	-	-	-	-	-	-
Rural Business Development Corporation.....	256	-	600	500	200	200	200
TOTAL.....	57,880	66,793	67,393	67,896	65,485	65,714	65,714

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 12 - MINISTER FOR AGRICULTURE AND FOOD; FISHERIES

DIVISION 52

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 67 Net amount appropriated to deliver services.....	3,712	4,518	4,518	223	227	233	233
Total appropriations provided to deliver services	3,712	4,518	4,518	223	227	233	233
TOTAL APPROPRIATIONS.....	3,712	4,518	4,518	223	227	233	233
EXPENSES							
Total Cost of Services.....	13,892	6,970	7,773	2,393	2,871	2,890	2,890
Net Cost of Services ^(a)	(1,041)	4,728	3,772	(370)	567	580	580
CASH ASSETS ^(b)	4,665	1,848	13,676	3,819	3,366	3,019	2,672

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Commonwealth Farm Finance Concessional Loans Scheme - Interest paid to the Commonwealth	203	1,293	2,171	2,290	2,290

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Farm Business Development	13,892	6,970	7,773	2,393	2,871	2,890	2,890
Total Cost of Services	13,892	6,970	7,773	2,393	2,871	2,890	2,890

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. These assistance schemes include Commonwealth Government initiated schemes.
- The Commonwealth Farm Finance Concessional Loans Scheme commenced taking applications in Western Australia in January 2014. Funding of \$50 million (\$25 million per annum for 2013-14 and 2014-15) has been made available to Western Australia to assist farm businesses experiencing debt servicing difficulties, through the provision of concessional interest rate loans for productivity enhancement activities.
- In February 2014, the Commonwealth Government announced a package of measures offering financial, social and mental health support to farming families, farm businesses and rural communities suffering from drought. These measures include up to \$280 million in concessional loans to eligible drought affected farm businesses for debt restructuring, operating expenses and drought recovery activities across all Australian States and Territories. Negotiations are continuing with the Commonwealth Government and if this loan measure is implemented, the Corporation will administer the scheme in Western Australia.
- Most Western Australian Wheatbelt businesses experienced a very good 2013 grain harvest with record deliveries in many areas.
- In the shires of Yilgarn and Westonia (and surrounds) in the eastern Wheatbelt of Western Australia, there has been a run of below average to well below average growing seasons rainfall since 2010. This has resulted in many grain growers in that area experiencing four consecutive below average production years. This in turn has caused increasing debt levels, falling land values, and an increasing number of farm businesses not being able to obtain sufficient carry on finance to implement the 2014 cropping program.

- In response to the situation in the shires of Yilgarn and Westonia (and surrounds), the State Government has approved the Farm Business Assessment 2014 Scheme, to provide farm businesses that are not able to access sufficient finance for the 2014 season up to \$10,000 in grants. The grants enable farm businesses to employ independent professional advice to help them to look at their financial options and work closely with their bank to find ways forward.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Improved ecologically sustainable development of agri-industry:					
The extent to which recipients were satisfied with the way schemes are administered.....	96.2%	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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 13,892	\$'000 6,970	\$'000 7,773	\$'000 2,393	1
Less Income	14,933	2,242	4,001	2,763	2
Net Cost of Service.....	(1,041)	4,728	3,772	(370)	
Efficiency Indicators					
Proportion of Expenditure as Administrative Expenditure	6.1%	8.3%	8.3%	10%	3

Explanation of Significant Movements

(Notes)

1. The estimated decrease in the Total Cost of Service for the 2014-15 Budget Target compared to the 2013-14 Estimated Actual relates primarily to the cessation of grant payments in 2013-14 under both the Western Australian Pilot of Drought Reform Measures and the State Assistance Package for Farmers, and is partly offset by interest payments to the Commonwealth for the Farm Finance Concessional Loans Scheme.
2. The estimated decrease in Income for the 2014-15 Budget Target compared to the 2013-14 Estimated Actual primarily reflects reduced Commonwealth Government funding in 2014-15 due to the cessation of the Western Australian Pilot of Drought Reform Measures in 2013-14 and is offset by interest earned on loans to farmers under the Commonwealth Farm Finance Concessional Loans Scheme.
3. The Efficiency Indicator, Proportion of Expenditure as Administrative Expenditure, relates only to the administration expenses incurred on the various grant programs. Administration expenditure on the Commonwealth Farm Finance Concessional Loans Scheme is not included in the calculation of this Efficiency Indicator due to loans having a different cost structure and being managed over a five year term. The increase in the 2014-15 Budget Target Proportion of Expenditure as Administrative Expenditure compared to the 2013-14 Estimated Actual is as a result of reduced grant expenditure.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The estimated decrease in the Total Cost of Services of \$5.4 million (69.2%) for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual relates primarily to the cessation of grant payments under both the Western Australian Pilot of Drought Reform Measures and the State Assistance Package for Farmers, and is partly offset by interest payments to the Commonwealth for the Farm Finance Concessional Loans Scheme.

Income

The estimated decrease in total income of \$1.2 million (30.9%) for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual primarily reflects reduced Commonwealth Government funding in 2014-15 due to the cessation of the Western Australian Pilot of Drought Reform Measures, and is offset by interest earned on loans to farmers under the Commonwealth Farm Finance Concessional Loans Scheme.

The estimated decrease in total income from State Government of \$4.4 million (95.2%) for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual is primarily due to the cessation of funding in 2013-14 associated with the State Assistance Package for Farmers.

Statement of Financial Position

The estimated increase in the total liabilities and equity of \$25.6 million (89.1%) for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual relates to the second tranche of borrowings of \$25 million from the Commonwealth Government for the Farm Finance Concessional Loans Scheme.

The estimated increase in the total assets of \$25.6 million (89.1%) for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual relates primarily to the second tranche of loans advanced to farmers for the Commonwealth Farm Finance Concessional Loans Scheme.

Statement of Cashflows

The movement in payments and receipts are similar to the movements in the expenses and income in the income statement listed above.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits	8	8	8	8	8	8	8
Grants and subsidies ^(b)	13,049	6,390	6,390	400	300	200	200
Supplies and services	111	-	-	-	-	-	-
Other expenses.....	724	572	1,375	1,985	2,563	2,682	2,682
TOTAL COST OF SERVICES.....	13,892	6,970	7,773	2,393	2,871	2,890	2,890
Income							
Grants and subsidies	14,623	2,172	2,172	-	-	-	-
Other revenue	310	70	1,829	2,763	2,304	2,310	2,310
Total Income	14,933	2,242	4,001	2,763	2,304	2,310	2,310
NET COST OF SERVICES.....	(1,041)	4,728	3,772	(370)	567	580	580
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,712	4,518	4,518	223	227	233	233
Resources received free of charge.....	280	80	80	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT.....	3,992	4,598	4,598	223	227	233	233
SURPLUS/(DEFICIENCY) FOR THE PERIOD	5,033	(130)	826	593	(340)	(347)	(347)

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

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

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2010 Dry Season Assistance Scheme	52	-	-	-	-	-	-
Climate Adaptation Assistance Scheme.....	272	-	-	-	-	-	-
Farm Business Assessment 2014 Scheme.....	-	-	200	300	-	-	-
Future Rural Support Schemes	-	200	-	-	200	100	100
Research Grants.....	45	100	-	100	100	100	100
Rural Financial Counselling Support Scheme.....	200	200	200	-	-	-	-
State Assistance Package for Farmers.....	3,325	4,300	3,811	-	-	-	-
Subsidised Interest Rate Scheme - Live Cattle							
Exports to Indonesia	165	150	135	-	-	-	-
Western Australia Pilot of Drought Reform							
Measures.....	1,729	1,440	1,836	-	-	-	-
Western Australia Pilot of Drought Reform							
Measures Phase 2.....	7,261	-	208	-	-	-	-
TOTAL.....	13,049	6,390	6,390	400	300	200	200

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	4,665	1,848	13,676	3,819	3,366	3,019	2,672
Receivables.....	184	-	-	-	-	-	-
Other.....	44	26	15,056	50,506	50,619	50,619	50,619
Total current assets.....	4,893	1,874	28,732	54,325	53,985	53,638	53,291
TOTAL ASSETS	4,893	1,874	28,732	54,325	53,985	53,638	53,291
CURRENT LIABILITIES							
Payables.....	619	25	-	-	-	-	-
Other.....	1,368	-	25,000	50,000	50,000	50,000	50,000
Total current liabilities.....	1,987	25	25,000	50,000	50,000	50,000	50,000
TOTAL LIABILITIES	1,987	25	25,000	50,000	50,000	50,000	50,000
EQUITY							
Accumulated surplus/(deficit).....	2,906	1,849	3,732	4,325	3,985	3,638	3,291
Total equity	2,906	1,849	3,732	4,325	3,985	3,638	3,291
TOTAL LIABILITIES AND EQUITY	4,893	1,874	28,732	54,325	53,985	53,638	53,291

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	3,712	4,518	4,518	223	227	233	233
Net cash provided by State Government.....	3,712	4,518	4,518	223	227	233	233
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	-	(8)	(8)	(8)	(8)	(8)	(8)
Grants and subsidies	(14,301)	(6,390)	(6,390)	(400)	(300)	(200)	(200)
Supplies and services	(67)	-	-	-	-	-	-
Other payments.....	(295)	(492)	(3,021)	(1,985)	(2,563)	(2,682)	(2,682)
Receipts							
Grants and subsidies	14,610	2,172	2,172	-	-	-	-
GST receipts.....	257	-	-	-	-	-	-
Other receipts.....	321	70	1,740	2,313	2,191	2,310	2,310
Net cash from operating activities.....	525	(4,648)	(5,507)	(80)	(680)	(580)	(580)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(4,000)	-	-	-	-	-	-
Other payments.....	-	-	(15,000)	(35,000)	-	-	-
Other proceeds.....	-	-	25,000	25,000	-	-	-
Net cash from financing activities.....	(4,000)	-	10,000	(10,000)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	237	(130)	9,011	(9,857)	(453)	(347)	(347)
Cash assets at the beginning of the reporting period.....	4,428	1,978	4,665	13,676	3,819	3,366	3,019
Cash assets at the end of the reporting period.....	4,665	1,848	13,676	3,819	3,366	3,019	2,672

(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 Corporation:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Commonwealth Grants	14,610	2,172	2,172	-	-	-	-
Other Receipts	578	70	1,740	2,313	2,191	2,310	2,310
TOTAL.....	15,188	2,242	3,912	2,313	2,191	2,310	2,310

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

WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY

ASSET INVESTMENT PROGRAM

The Asset Investment Program (AIP) for 2014-15 is estimated at \$421,000. This includes improvements to the physical facilities provided at the Muchea Livestock Centre and plant and equipment replacement. The cost of the AIP is funded by the Authority's internal cash balances.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Saleyard - 2013-14 Program	384	384	384	-	-	-	-
NEW WORKS							
Saleyard							
2014-15 Program	421	-	-	421	-	-	-
2015-16 Program	309	-	-	-	309	-	-
2016-17 Program	309	-	-	-	-	309	-
2017-18 Program	309	-	-	-	-	-	309
Total Cost of Asset Investment Program	1,732	384	384	421	309	309	309
FUNDED BY							
Internal Funds and Balances			384	421	309	309	309
Total Funding			384	421	309	309	309

PERTH MARKET AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority will spend \$7 million on its Asset Investment Program in 2014-15. The majority of the spending will be committed to the completion of a new cold chain warehouse (E7) and on-site electricity generators.

E7 is required to address the shortage of efficient warehouse space to meet tenants and other industry participants' expansion needs for centrally located refrigerated storage facilities.

The on-site electricity generators are a key component of the Authority's disaster management plan, which aims to provide a secure power supply for tenant refrigeration to ensure the availability of fresh food to the public.

The Authority will address issues related to the ageing Canning Vale site through a range of minor works. These works are focused on necessary safety, risk mitigation, maintenance and new facilities projects to ensure both the wellbeing of all site users and effective site operation.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Cold Chain Warehouse and Generators	13,440	7,437	7,086	6,003	-	-	-
COMPLETED WORKS							
Central Trading Area Fire Services System.....	9,298	9,298	638	-	-	-	-
Minor Works – 2013-14 Program.....	1,000	1,000	1,000	-	-	-	-
NEW WORKS							
Minor Works							
2014-15 Program	1,000	-	-	1,000	-	-	-
2015-16 Program	1,000	-	-	-	1,000	-	-
2016-17 Program	1,000	-	-	-	-	1,000	-
2017-18 Program	1,295	-	-	-	-	-	1,295
Total Cost of Asset Investment Program	28,033	17,735	8,724	7,003	1,000	1,000	1,295
FUNDED BY							
Internal Funds and Balances			8,724	7,003	1,000	1,000	1,295
Total Funding			8,724	7,003	1,000	1,000	1,295

FISHERIES

PART 12 - MINISTER FOR AGRICULTURE AND FOOD; FISHERIES

DIVISION 53

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 68 Net amount appropriated to deliver services.....	48,075	50,028	60,110	53,854	52,920	52,046	52,809
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	306	333	333	333	343	352	352
Total appropriations provided to deliver services	48,381	50,361	60,443	54,187	53,263	52,398	53,161
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	150	-	-	-	-	-	-
CAPITAL							
Item 138 Capital Appropriation	13,450	3,979	12,765	2,111	210	10	10
TOTAL APPROPRIATIONS.....	61,981	54,340	73,208	56,298	53,473	52,408	53,171
EXPENSES							
Total Cost of Services.....	89,929	88,852	95,897	89,119	90,543	87,952	86,993
Net Cost of Services ^(a)	57,624	50,047	61,455	54,507	54,205	51,921	51,433
CASH ASSETS ^(b)	6,517	9,305	10,782	9,586	10,321	12,795	15,269

(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 capital appropriation of \$12.8 million includes \$4.2 million in 2013-14 Estimated Actual provided by Government as a working capital cash injection. It differs from the capital appropriation of \$8.6 million in the Asset Investment Program for 2013-14 Estimated Expenditure by this amount.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(665)	-	-	-	-
2014-15 Procurement Savings	-	(2,343)	-	-	-
Aquatic Biosecurity	-	-	(7,872)	(8,101)	(8,303)
Budget Deficit Funding	6,000	5,520	5,685	5,856	5,856
Royalties for Regions - Great Kimberley Marine Park	1,640	100	170	1,225	-
Royalties for Regions - Reflow of Funding	(244)	(42)	(112)	(115)	111
Stamp Duty - Purchase of Gillnet Licenses	87	-	-	-	-
Voluntary Fisheries Adjustment Schemes - Roll-Over of Loans	297	102	106	89	(180)
Waterman Bay Research Centre - Recurrent Costs.....	-	-	625	627	629

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 and sustainable development of the State's fish resources.	1. Fisheries Management 2. Enforcement and Education 3. Research and Assessment

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Fisheries Management	23,202	22,423	20,503	17,960	18,247	17,725	17,532
2. Enforcement and Education	40,937	40,638	46,869	44,088	44,792	43,510	43,036
3. Research and Assessment	25,790	25,791	28,525	27,071	27,504	26,717	26,425
Total Cost of Services	89,929	88,852	95,897	89,119	90,543	87,952	86,993

Significant Issues Impacting the Agency

- Recreational fishers are continuing to benefit from licence fees that are directed at recreational fisheries management, compliance and research, and the Recreational Fishing Initiatives Fund (the Fund). The Fund is used by the Minister for Fisheries for community-driven recreational fishing initiatives across the State. An example of initiatives undertaken include the south west recreational fishing enhancement (artificial reef) pilot project, restocking western school prawns into the Swan River, a mulloway stock enhancement project, and the young future leaders in recreational fishing program.
- In response to a series of fatal shark attacks, the Government has strengthened its cross-agency shark hazard mitigation strategies. More resources are being invested into the Department to enable it to conduct new and continuing activities over the next four years, including additional funding to expand the shark monitoring network, research, electronic tagging of sharks, and additional community awareness programs to increase public awareness of the risks of shark attacks and how to deal with those risks.
- The Department is undertaking the assessment of fisheries under the Marine Stewardship Council (MSC) certification process in conjunction with the commercial fishing industry peak body the Western Australian Fishing Industry Council. The MSC is a globally recognised third-party certifier that has generated a world-leading standard for sustainable fishing. All fisheries are subject to a pre-assessment process with the opportunity to move to a full MSC assessment.
- The Department will continue to focus on the early detection and eradication of aquatic pests and diseases, which are a key risk to the sustainability of Western Australia's commercial fisheries, the economy and our recreational fishing community. The Department is working with government agencies and industry in the ongoing development of biosecurity controls.
- Proposed new fisheries legislation will provide new opportunities and challenges for fisheries and aquatic resource management in Western Australia to ensure long-term sustainability and benefits to the community.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Conservation and sustainable development of the State's fish resources:					
The proportion of fish stocks identified as being at risk or vulnerable through exploitation ^(b)	3%	6%	3%	6%	
The proportion of commercial fisheries where catches or effort levels are acceptable ^(c)	97%	92%	95%	95%	
The proportion of recreational fisheries where catches or effort levels are acceptable ^(d)	n/a	80%	80%	80%	
The volume of State commercial fisheries (including aquaculture) production (tonnes) ^(e)	20,334	20,000	20,500	20,500	
The participation rate in recreational fishing ^(f)	33%	32%	33%	33%	
Satisfaction rating of the broader community and stakeholders as to their perceptions of the extent to which the Department is achieving aquatic resources management objectives:					
Community	85%	80%	85%	85%	
Stakeholders ^(g)	75%	n/a	n/a	75%	

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

(b) The decrease in proportion of fish stocks identified as being at risk compared to the target was due to the recognition that all but one of the stocks at risk used to calculate the target were at risk from negative impacts of environmental perturbations, not fishing. The fisheries for these stocks including scallops in the Shark Bay region and the Abrolhos Islands were all closed for the past season to protect residual stocks. The management arrangements for both commercial and recreational fisheries for herring, which is at risk from fishing, are currently in the process of being revised.

(c) The 2013-14 Estimated Actual is expected to increase from the 2013-14 Budget due to an increase in the number of fisheries not assessed by the Department during the 2012-13 reporting period because of a combination of environmentally induced stock issues in some regions and poor economic conditions for some fisheries, which resulted in a number of fisheries being closed or did not have material levels of catches during the period. From the reduced number of fisheries assessed, 28 fisheries (97%) were considered to have met their performance criteria, or were affected by factors outside the purview of the management plan/arrangements.

(d) This is a new indicator in the revised Department's Outcomes Based Management framework. A sustainable target catch or effort range is still in the process of being developed for key recreational fisheries, e.g. West Coast Rock Lobster, Abalone, West Coast Demersal Scalefish and Blue Swimmer Crabs. The 2014-15 Budget Target for all recreational fisheries is based on predictions of current management effectiveness and initiatives plus known unfavourable environmental conditions.

(e) The Western Australian commercial fishing sector will continue to be affected by the impacts of natural fluctuations in the abundances of key species. The Department aims to increase the longer-term production level to around 25,000 tonnes, with the overall volume of State commercial fisheries (including aquaculture) production expected to increase in 2014-15 due to the increased rock lobster quota in 2014. The total catch levels are still being affected by the lack of recovery in some crustacean and mollusc fisheries which have been impacted by environmental conditions, particularly in the Abrolhos Islands and Shark Bay scallop trawl fisheries.

(f) The participation rate in recreational fishing has been constant for the past few years. The 2013-14 Estimated Actual result is based on 740,000 persons fishing using the latest population estimates from the Australian Bureau of Statistics.

(g) As the Department's survey of its main stakeholders is conducted every two years, no results are available for 2013-14 and the next survey will be conducted in 2014-15.

Services and Key Efficiency Indicators

1. Fisheries Management

Fisheries management includes licensing, the development of policy and procedural frameworks for the management of the State's fisheries, aquaculture and the aquatic environment including legislation and management plans, consultation with fishing industry stakeholders and the community.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	23,202	22,423	20,503	17,960	
Less Income	10,354	8,474	6,268	5,887	
Net Cost of Service.....	12,848	13,949	14,235	12,073	
Employees (Full Time Equivalents).....	78	93	80	80	
Efficiency Indicators					
Average Cost per Hour of Management (Excluding Grants and Fisheries Adjustments).....	\$192	\$178	\$213	\$219	

2. Enforcement and Education

Through enforcement and education services, the Department raises community awareness and understanding of fisheries and aquatic management issues and the need to adhere to the rules governing these activities. This service enforces fishing rules and also plans and instigates investigations and enforcement strategies.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	40,937	40,638	46,869	44,088	
Less Income	10,543	14,913	15,430	15,780	
Net Cost of Service.....	30,394	25,725	31,439	28,308	
Employees (Full Time Equivalents).....	175	216	180	184	
Efficiency Indicators					
Average Cost per Hour of Enforcement and Education	\$213	\$180	\$193	\$183	

3. Research and Assessment

The research and assessment service provides scientific knowledge for the sustainable management of the State's fisheries and aquatic resources and the associated environment.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	25,790	25,791	28,525	27,071	
Less Income	11,408	15,418	12,744	12,945	
Net Cost of Service.....	14,382	10,373	15,781	14,126	
Employees (Full Time Equivalents).....	196	152	201	201	
Efficiency Indicators					
Average Cost per Hour of Research and Assessment	\$119	\$128	\$121	\$121	

ASSET INVESTMENT PROGRAM

The Asset Investment Program (AIP) provides for the replacement, maintenance, upgrade and expansion of assets that support the delivery of services throughout the State. These assets include, but are not limited to, buildings and infrastructure, marine vessels, information systems, and operational equipment.

Funding of \$2.2 million has been allocated for the construction of new facilities in Broome and Karratha in 2014-15. These assets will meet growing demands in these regions, by ensuring safe and effective infrastructure is in place to support regional service delivery.

Under a collaborative funding arrangement with the University of Western Australia and the Commonwealth Scientific Industrial Research Organisation, the Government has allocated \$4 million towards the \$11 million major refurbishment of the Watermans Bay Research Facility in 2014-15. Once completed, this facility will be restored to a leading saltwater facility for broad marine research in the Indian Ocean.

As part of a package of additional Shark Mitigation Strategies introduced in 2012-13, the Government has funded a major expansion of the Shark Monitoring Network. This funding will be used to purchase moorings and additional acoustic and satellite receivers capable of detecting the movement of tagged sharks underwater, which may pose a threat to human life.

The AIP also provides for the progressive replacement of the Department's small boat fleet used for conducting 'at sea' compliance, research and marine safety activities.

The remainder of the ongoing asset investment funding has been allocated to replace and upgrade ageing operational equipment, computer hardware and software, minor infrastructure and undertake minor accommodation refurbishment in offices throughout the State.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Abrolhos Islands Program							
Airstrips Rolling Program.....	2,281	221	158	160	100	100	100
General Rolling Program.....	1,938	1,088	594	130	100	200	200
Aquaculture Park Upgrades Rolling Program.....	379	229	123	150	-	-	-
Buildings							
Broome Storage Facility.....	805	9	-	796	-	-	-
Karratha Storage Facility.....	1,035	18	-	1,017	-	-	-
Computing Hardware and Software							
Rolling Program.....	5,556	2,670	421	536	550	550	550
Re-establishment of Corporate Services - New Computer Hardware.....	705	505	505	-	200	-	-
Fit-out, Furniture and Office Equipment							
Rolling Program.....	4,192	1,972	600	170	200	600	600
Karratha Regional Office Major Refit.....	1,035	617	-	418	-	-	-
Information System Development Rolling Program.....	2,504	404	401	400	400	400	400
Operational Equipment Rolling Program.....	3,715	1,228	692	540	554	414	414
Shark Monitoring Network (SMN) Expansion.....	600	300	300	300	-	-	-
Small Boats and Trailers Rolling Program ^(a)	10,298	3,622	1,077	891	1,475	1,165	1,065
COMPLETED WORKS							
Abrolhos Islands Program							
Replacement and Upgrade of Public Jetties at East							
Wallabi and Beacon Islands.....	1,500	1,500	1,491	-	-	-	-
Replacement of the Rat Island Jetty.....	486	486	467	-	-	-	-
Buildings							
Denham Office Accommodation - Post Practical							
Completion Works.....	657	657	52	-	-	-	-
Victoria Park Office Accommodation.....	2,600	2,600	57	-	-	-	-
Information Systems Development							
Entitlements Management System.....	10,880	10,880	2,509	-	-	-	-
Re-establishment of Corporate Services - New Finance and Payroll Software.....	3,651	3,651	2,645	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
NEW WORKS							
Buildings - Watermans Bay Research Facility.....	4,000	-	-	4,000	-	-	-
Total Cost of Asset Investment Program	58,817	32,657	12,092	9,508	3,579	3,429	3,329
FUNDED BY							
Capital Appropriation.....			8,589	2,111	210	10	10
Asset Sales.....			334	1,534	334	334	334
Drawdowns from the Holding Account.....			2,007	2,007	2,007	2,007	2,007
Internal Funds and Balances.....			1,162	3,778	-	-	-
Other.....			-	-	978	978	978
Drawdowns from Royalties for Regions Fund ^(b)			-	78	50	100	-
Total Funding			12,092	9,508	3,579	3,429	3,329

(a) Partly funded from the Royalties for Regions Fund.

(b) Regional Community Services Fund.

FINANCIAL STATEMENTS

Income Statement

Expenses

The decrease in the Total Cost of Services of \$6.8 million (7.1%) for 2014-15 compared to the 2013-14 Estimated Actual mainly relates to reduced spending on Marine Stewardship Council Third Party Certification, Beacon Island remediation works, Shark Mitigation research, Greater Kimberley Marine Park (funded from Royalties for Regions) and the 15% procurement saving corrective measure.

Income

Total income is expected to be \$35.4 million in 2014-15 which is an increase of \$170,000 (0.5%) compared to the 2013-14 Estimated Actual. This largely relates to increased interest payments from fisheries for Voluntary Fisheries Adjustment Scheme loans.

Statement of Financial Position

The Department's total equity is expected to increase by \$3.4 million (3.7%) between the 2013-14 Estimated Actual and the 2014-15 Budget Estimate. This largely reflects an increase in total assets of \$6.1 million (4.2%) from the AIP. The expected increase in assets mainly relates to building works for the Indian Ocean Marine Research Centre - Watermans Bay.

Total liabilities have increased by \$2.8 million (5%) mainly due to the increased loan commitments to the Western Australian Treasury Corporation for Voluntary Fisheries Adjustment Scheme loans.

Statement of Cashflows

The 2014-15 closing cash assets balance of \$9.6 million represents a decrease of \$1.2 million in comparison to the 2013-14 Estimated Actual. The decrease is mainly attributable to payments for investment activities from cash balances.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	51,232	50,719	53,528	55,077	57,422	58,875	58,918
Grants and subsidies ^(c)	1,325	772	2,414	530	200	200	200
Supplies and services.....	18,891	20,228	19,668	14,272	12,129	8,024	7,856
Accommodation.....	7,083	3,237	3,237	3,266	3,296	3,296	3,296
Depreciation and amortisation.....	4,222	4,865	4,865	5,326	5,876	5,876	5,876
Equipment repairs and maintenance.....	1,817	2,445	2,283	2,118	2,584	2,941	2,491
Other expenses.....	5,359	6,586	9,902	8,530	9,036	8,740	8,356
TOTAL COST OF SERVICES.....	89,929	88,852	95,897	89,119	90,543	87,952	86,993
Income							
Sale of goods and services.....	144	143	143	146	148	152	152
Regulatory fees and fines.....	23,328	25,951	25,951	25,698	25,843	25,843	25,843
Grants and subsidies.....	2,395	3,393	3,393	2,541	1,633	1,666	1,666
Other revenue.....	6,438	9,318	4,955	6,227	8,714	8,370	7,899
Total Income.....	32,305	38,805	34,442	34,612	36,338	36,031	35,560
NET COST OF SERVICES.....	57,624	50,047	61,455	54,507	54,205	51,921	51,433
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	48,381	50,361	60,443	54,187	53,263	52,398	53,161
Resources received free of charge.....	641	765	765	780	796	812	812
Royalties for Regions Fund ^(d)	1,083	999	2,191	1,147	1,041	1,362	111
TOTAL INCOME FROM STATE GOVERNMENT.....	50,105	52,125	63,399	56,114	55,100	54,572	54,084
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(7,519)	2,078	1,944	1,607	895	2,651	2,651

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 449, 461 and 465 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$1.1 million (2012-13), \$1 million (2013-14 Budget), \$2.2 million (2013-14 estimated outturn), \$1.1 million (2014-15), \$1 million (2015-16), \$1.4 million (2016-17) and \$0.1 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Fisheries Research Grants.....	1,060	-	-	-	-	-	-
Grant to RecFishWest.....	219	-	1,642	-	-	-	-
Grants to Fishers with Disabilities Association Inc.....	20	75	75	75	75	75	75
Natural Resource Management Grants.....	-	372	372	230	-	-	-
Other Grants.....	26	125	125	125	125	125	125
Rock Fishing Safety Measures.....	-	200	200	100	-	-	-
TOTAL.....	1,325	772	2,414	530	200	200	200

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	20	3,672	2,760	5,350	7,957	10,204	12,451
Restricted cash.....	5,146	4,068	6,457	2,457	2,364	2,364	2,364
Holding account receivables.....	2,007	2,166	2,007	2,007	2,007	2,007	2,007
Receivables.....	1,011	1,592	1,138	1,011	1,011	1,038	1,065
Other.....	9,525	9,284	9,669	9,822	9,984	10,156	10,328
Total current assets.....	17,709	20,782	22,031	20,647	23,323	25,769	28,215
NON-CURRENT ASSETS							
Holding account receivables.....	8,020	9,769	9,929	11,863	14,347	16,831	19,315
Property, plant and equipment.....	49,836	50,027	47,640	56,730	54,893	52,973	51,053
Intangibles.....	9,396	12,468	12,123	11,250	10,377	9,504	8,631
Restricted cash.....	1,351	1,565	1,565	1,779	-	227	454
Other.....	46,927	45,087	53,332	50,473	46,561	42,431	37,933
Total non-current assets.....	115,530	118,916	124,589	132,095	126,178	121,966	117,386
TOTAL ASSETS.....	133,239	139,698	146,620	152,742	149,501	147,735	145,601
CURRENT LIABILITIES							
Employee provisions.....	10,826	10,688	9,495	9,495	9,495	9,495	9,495
Payables.....	3,575	2,150	3,608	3,481	3,481	3,608	3,735
Other.....	10,309	10,556	10,453	17,606	17,418	17,240	17,062
Total current liabilities.....	24,710	23,394	23,556	30,582	30,394	30,343	30,292
NON-CURRENT LIABILITIES							
Employee provisions.....	3,080	2,763	3,080	3,080	3,080	3,080	3,080
Borrowings.....	28,465	24,965	27,999	23,730	19,230	14,462	9,426
Other.....	-	11	-	-	-	-	-
Total non-current liabilities.....	31,545	27,739	31,079	26,810	22,310	17,542	12,506
TOTAL LIABILITIES.....	56,255	51,133	54,635	57,392	52,704	47,885	42,798
EQUITY							
Contributed equity.....	72,291	74,709	85,056	86,522	86,782	86,892	86,902
Accumulated surplus/(deficit).....	(10,066)	(532)	(8,122)	(6,515)	(5,620)	(2,969)	(318)
Reserves.....	14,759	14,388	15,051	15,343	15,635	15,927	16,219
Total equity.....	76,984	88,565	91,985	95,350	96,797	99,850	102,803
TOTAL LIABILITIES AND EQUITY.....	133,239	139,698	146,620	152,742	149,501	147,735	145,601

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	44,988	46,445	56,527	50,246	48,772	47,907	48,670
Capital appropriation	13,450	3,979	12,765	2,111	210	10	10
Holding account drawdowns.....	2,587	2,007	2,007	2,007	2,007	2,007	2,007
Royalties for Regions Fund ^(b)	3,067	999	2,191	1,225	1,091	1,462	111
Net cash provided by State Government.....	64,092	53,430	73,490	55,589	52,080	51,386	50,798
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(47,713)	(50,783)	(54,923)	(55,077)	(57,422)	(58,875)	(58,918)
Grants and subsidies	(1,325)	(772)	(2,414)	(530)	(200)	(200)	(200)
Supplies and services.....	(17,867)	(18,701)	(18,141)	(12,846)	(10,489)	(6,361)	(6,193)
Accommodation.....	(4,686)	(3,237)	(3,237)	(3,266)	(3,296)	(3,296)	(3,296)
Other payments.....	(13,419)	(14,267)	(17,421)	(15,689)	(16,598)	(16,687)	(15,853)
Receipts							
Regulatory fees and fines.....	23,800	25,951	25,951	25,698	25,843	25,843	25,843
Grants and subsidies	2,395	3,393	3,393	2,541	1,633	1,666	1,666
Sale of goods and services	144	143	143	145	148	151	151
GST receipts.....	4,702	4,166	4,166	4,114	3,848	3,848	3,848
Other receipts.....	3,256	9,379	5,016	6,099	8,433	8,094	7,623
Net cash from operating activities.....	(50,713)	(44,728)	(57,467)	(48,811)	(48,100)	(45,817)	(45,329)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(17,055)	(11,583)	(12,092)	(9,508)	(3,579)	(3,429)	(3,329)
Proceeds from sale of non-current assets	129	334	334	1,534	334	334	334
Net cash from investing activities.....	(16,926)	(11,249)	(11,758)	(7,974)	(3,245)	(3,095)	(2,995)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(328)	(3,295)	(261)	(4,051)	(4,269)	(4,522)	(4,790)
Other proceeds.....	44	3,295	261	4,051	4,269	4,522	4,790
Net cash from financing activities.....	(284)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(3,831)	(2,547)	4,265	(1,196)	735	2,474	2,474
Cash assets at the beginning of the reporting period.....	10,348	11,852	6,517	10,782	9,586	10,321	12,795
Cash assets at the end of the reporting period.....	6,517	9,305	10,782	9,586	10,321	12,795	15,269

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

(b) Regional Community Services Fund - \$3.1 million (2012-13), \$1 million (2013-14 Budget), \$2.2 million (2013-14 estimated outturn), \$1.2 million (2014-15), \$1.1 million (2015-16), \$1.5 million (2016-17) and \$0.1 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Fines							
Fisheries Infringements	208	-	-	-	-	-	-
Other							
Administered Appropriations	150	-	-	-	-	-	-
TOTAL INCOME	358	-	-	-	-	-	-
EXPENSES							
Other							
Compensation Payments - Fishing and Related Industry Compensation (Marine Reserves) Act 1997	20	-	-	-	-	-	-
Fisheries Infringements - Payments to the Consolidated Account.....	208	-	-	-	-	-	-
TOTAL EXPENSES.....	228	-	-	-	-	-	-

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Recreational Fishing Special Purpose Account**

The Recreational Fishing Special Purpose Account was established under the *Fish Resources Management Act 1994* (the Act). The purpose of the account is to hold funds which may be applied by the Minister to any of the purposes prescribed by section 239 of the Act. The funds support activity relating to recreational fishing.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	901	1,742	2,127	1,547
Receipts:				
Appropriations.....	14,930	13,750	16,192	15,275
Other.....	7,004	7,270	7,270	7,315
	22,835	22,762	25,589	24,137
Payments	20,708	20,664	24,042	22,658
CLOSING BALANCE	2,127	2,098	1,547	1,479

Fisheries Research and Development Special Purpose Account

The Fisheries Research and Development Special Purpose Account continues under the Act and is utilised to fund the management of commercial, fish and fish habitat protection and pearling and aquaculture activities.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	9,012	9,726	3,942	6,266
Receipts:				
Appropriations.....	48,306	36,174	46,442	40,059
Other.....	27,587	36,705	27,937	28,077
	84,905	82,605	78,321	74,402
Payments	80,963	76,593	72,055	66,561
CLOSING BALANCE	3,942	6,012	6,266	7,841

Fisheries Adjustment Schemes Special Purpose Account

The Fisheries Adjustment Schemes Special Purpose Account was established under the *Fisheries Adjustment Schemes Act 1987*. The purpose of this account is to hold funds in accordance with section 5 of this Act which shall be applied by the Minister for the purposes prescribed by section 6 of this Act. It is mainly utilised to fund the payment of compensation agreed under the Fisheries Adjustment Scheme.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	268	384	447	947
Receipts:				
Appropriations.....	500	500	500	500
Other.....	44	5,692	2,644	6,034
	812	6,576	3,591	7,481
Payments	365	5,381	2,644	6,034
CLOSING BALANCE	447	1,195	947	1,447

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
GST Input Credits.....	4,282	3,596	3,596	3,533	3,267	3,267	3,267
GST Receipts on Sales	420	570	570	581	581	581	581
TOTAL.....	4,702	4,166	4,166	4,114	3,848	3,848	3,848

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

Part 13

Treasurer; Minister for Energy; Citizenship and Multicultural Interests

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
603	Treasury			
	– Delivery of Services	39,091	41,877	42,355
	– Administered Grants, Subsidies and other Transfer Payments.....	3,943,796	4,005,820	4,118,330
	– Administered Capital Appropriation	1,498,144	1,392,184	1,416,921
	Total.....	5,481,031	5,439,881	5,577,606
619	Economic Regulation Authority			
	– Delivery of Services	4,089	5,289	2,486
	Total.....	4,089	5,289	2,486
627	Office of the Auditor General			
	– Delivery of Services	6,790	6,825	6,926
	– Capital Appropriation.....	300	300	300
	Total.....	7,090	7,125	7,226
	GRAND TOTAL			
	– Delivery of Services	49,970	53,991	51,767
	– Administered Grants, Subsidies and other Transfer Payments.....	3,943,796	4,005,820	4,118,330
	– Capital Appropriation.....	300	300	300
	– Administered Capital Appropriation	1,498,144	1,392,184	1,416,921
	Total.....	5,492,210	5,452,295	5,587,318

TREASURY

PART 13 - TREASURER; MINISTER FOR ENERGY; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 54

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Estimate	2015-16 Forward Estimate	2016-17 Forward Estimate	2017-18 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
DELIVERY OF SERVICES							
Item 69 Net amount appropriated to deliver services.....	36,981	37,733	40,519	40,997	41,951	43,128	43,807
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,303	1,358	1,358	1,358	1,358	1,358	1,358
Total appropriations provided to deliver services ^(a)	38,284	39,091	41,877	42,355	43,309	44,486	45,165
ADMINISTERED TRANSACTIONS							
<i>Operating Subsidy Payments</i>							
Item 70 Bunbury Water Corporation ^(b)	-	-	-	420	428	437	446
Item 71 Busselton Water Corporation ^(b)	-	-	-	444	473	486	498
Item 72 Electricity Retail and Generation Corporation (Synergy) ^(c)	428,942	489,309	591,986	570,600	549,552	593,199	568,646
Item 73 Esperance Port Authority	-	940	940	826	705	577	441
Item 74 Regional Power Corporation (Horizon Power).....	55,594	60,161	59,243	46,856	47,749	45,383	58,594
Item 75 Public Transport Authority	646,184	683,790	712,103	746,998	795,023	842,526	860,771
Item 76 Water Corporation of Western Australia	436,702	601,350	565,924	582,516	596,052	627,411	641,619
Item 77 Western Australian Land Authority	34,858	47,373	48,122	35,192	36,095	36,178	36,263
<i>Grants, Subsidies and Transfer Payments</i>							
Item 78 Department of Corrective Services ^(d)	658	4,940	4,940	15,943	71,454	59,484	59,484
Item 79 Decommissioning of the Office of Shared Services ^(e)	-	2,420	-	1,000	-	-	-
Item 80 Goods and Services Tax (GST) Administration Costs.....	76,440	77,900	77,800	80,200	81,600	83,100	83,700
Item 81 Health and Disability Services Complaints Office	2,426	2,498	2,498	2,564	2,637	2,702	2,769
Item 82 Metropolitan Redevelopment Authority	1,332	6,468	4,061	13,865	16,122	7,040	-
Item 83 Provision for Unfunded Liabilities in the Government Insurance Fund	2,590	3,469	2,445	2,336	2,060	1,833	1,728
Item 84 Refund of Past Years Revenue Collections - Public Corporations.....	7,743	20,000	20,000	10,000	10,000	10,000	10,000
Item 85 Rottneest Island Authority.....	4,821	8,355	6,700	7,094	6,855	5,200	5,200
Item 86 Royalties for Regions ^(f).....	654,767	652,278	652,278	782,956	644,894	558,407	571,889
Item 87 National Disability Insurance Scheme - Perth Hills Trial Site ^(g)	-	-	-	9,625	48,243	-	-
Item 88 State Property - Emergency Services Levy.....	14,661	16,000	16,000	16,000	16,000	16,000	16,000
Item 89 Sustainable Funding and Contracting with the Not-for-Profit Sector ^(h)	-	9,305	9,305	9,696	10,108	10,513	10,880
Item 90 WA Health ⁽ⁱ⁾	-	-	-	21,819	11,919	3,981	-

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Item 91 All Other Grants, Subsidies and							
Transfer Payments ^(j)	11,627	12,009	9,778	14,471	9,489	21,881	10,230
<i>Comprising:</i>							
Acts of Grace.....	-	5	166	5	5	5	5
ANZAC Day Trust.....	300	300	300	300	300	300	300
First Home Owners Boost Recoveries	294	1,000	1,000	800	800	800	800
HIH Insurance Rescue Package.....	2	5	2	2	2	2	2
Incidentals	5	315	360	365	370	375	380
Interest on Public Moneys Held in							
Participating Trust Fund Accounts	5,115	5,000	4,305	4,632	6,295	7,321	7,346
Interest Subsidy on Loan Facility for							
Reform of Metropolitan Local							
Government ^(k)	-	-	-	-	887	728	557
Margaret River Bushfire Financial							
Assistance.....	3,614	-	-	-	-	-	-
Shire of Broome	-	1,600	-	1,600	-	-	-
Superannuation Reforms - Payments to							
Government Employees Superannuation							
Board ^(l)	1,503	2,765	2,765	5,957	-	-	-
Town of Cambridge	-	-	-	-	-	11,500	-
Water Corporation of Western Australia							
Part Reimbursement of Land Sales	-	200	-	-	-	-	-
Western Australian Treasury							
Corporation Management Fees.....	794	819	880	810	830	850	840
Broome Port Authority	324	-	-	-	-	-	-
Closing the Gap.....	-	31,830	-	-	-	-	-
Provision for Voluntary Separations ^(m)	-	100,000	87,242	-	-	-	-
Tariff Migration Cost to Schools ⁽ⁿ⁾	-	-	-	-	5,000	5,000	5,000
Western Australian Sports Centre Trust.....	-	-	-	-	976	976	976
<i>Authorised by Other Statutes</i>							
Gold Corporation Act 1987.....	2	3	3	3	3	3	3
Judge's Salaries and Pensions Act 1950.....	12,778	15,551	13,980	15,474	17,188	19,073	21,122
<i>Comprising:</i>							
Benefit Payments	12,509	15,359	13,790	15,278	17,007	18,889	20,934
Administration Expense ^(o)	269	192	190	196	181	184	188
Parliamentary Superannuation Act 1970	9,167	8,244	8,424	8,708	9,032	12,919	10,434
<i>Comprising:</i>							
Benefit Payments	8,851	8,019	8,200	8,478	8,819	12,704	10,213
Administration Expense ^(o)	316	225	224	230	213	215	221
State Superannuation Act 2000	583,081	632,850	657,845	651,406	647,992	639,621	630,197
<i>Comprising:</i>							
Pension Scheme.....	215,988	208,569	212,898	206,747	199,339	191,810	184,100
<i>Comprising:</i>							
Benefit Payments.....	214,148	206,677	211,051	204,314	197,079	189,525	181,756
Administration Expense ^(o)	1,840	1,892	1,847	2,433	2,260	2,285	2,344
Gold State Super	307,360	364,384	385,050	384,941	389,126	388,490	386,994
<i>Comprising:</i>							
Benefit Payments.....	298,151	354,195	375,326	379,060	383,657	382,961	381,325
Administration Expense ^(o)	9,101	10,083	9,620	5,777	5,365	5,425	5,565
Government Services ^(p)	108	106	104	104	104	104	104
West State Super	59,733	59,897	59,897	59,718	59,527	59,321	59,103
Tobacco Products Control Act 2006.....	21,420	21,783	21,783	22,118	22,492	23,037	23,614
Unclaimed Money Act 1990	899	750	1,200	1,200	1,200	1,200	1,200
Unclaimed Money (Superannuation and							
RSA Providers) Act 2003.....	20	220	220	-	-	-	-
Western Australian Treasury Corporation							
Act 1986 - Interest.....	354,147	434,000	431,000	448,000	545,000	670,000	778,000
TOTAL RECURRENT ADMINISTERED	3,361,183	3,943,796	4,005,820	4,118,330	4,206,341	4,298,167	4,409,704

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CAPITAL							
<i>Government Equity Contributions</i>							
Item 139 Broome Port Authority.....	-	-	-	10,575	10,575	-	-
Item 140 Department of Corrective Services ^(d) ..	31,630	60,549	60,549	36,991	-	-	-
Item 141 Electricity Networks Corporation (Western Power)	-	74,862	74,862	76,925	73,498	74,143	78,808
Item 142 Esperance Port Authority	-	1,850	1,850	1,960	2,081	2,210	2,346
Item 143 Metropolitan Redevelopment Authority	78,607	117,683	33,346	148,074	52,400	-	-
Item 144 Port Hedland Port Authority	-	-	-	12,758	17,242	19,989	23,180
Item 145 Regional Power Corporation (Horizon Power).....	7,620	12,563	10,586	8,618	1,118	1,118	1,118
Item 146 Royalties for Regions ^(f)	563,058	803,647	803,647	365,232	370,658	357,325	428,111
Item 147 WA Health ^(h)	11,775	51,772	43,148	141,954	72,320	26,877	24,316
Item 148 Water Corporation of Western Australia	-	5,080	-	109,334	14,036	-	-
Bunbury Port Authority.....	-	1,300	1,300	-	-	-	-
Dampier Port Authority.....	-	9,720	9,720	-	-	-	-
Decommissioning of the Office of Shared Services ^(e)	-	8,896	-	-	-	-	-
Department of Education ^(g)	-	102,682	102,682	-	-	-	-
Electricity Retail and Generation Corporation (Synergy) ^(c)	24,464	-	-	-	-	-	-
Forest Products Commission	10,673	4,700	4,700	-	-	-	-
Fremantle Port Authority	20,490	30,840	29,869	-	-	-	-
Western Australian Land Authority	-	-	-	-	-	30,000	-
<i>Other</i>							
Item 149 Fiona Stanley Hospital Construction Account.....	125,000	15,000	15,000	10,000	-	-	-
Item 150 Perth Children's Hospital Account ...	70,000	182,000	182,000	349,500	44,000	-	-
Item 151 The New Perth Stadium Account	100,000	15,000	15,000	145,000	420,000	490,000	120,000
Oakajee Port Special Purpose Account.....	-	-	-	-	-	339,000	-
Perry Lakes Trust Account.....	1,000	-	-	-	-	-	-
Western Australian Future Fund ^(r)	-	-	-	-	-	73,900	76,600
<i>Authorised by Other Statutes</i>							
Loans (Co-operative Companies) Act 2004	1,000	-	3,925	-	-	-	-
TOTAL ADMINISTERED CAPITAL APPROPRIATION.....	1,045,317	1,498,144	1,392,184	1,416,921	1,077,928	1,414,562	754,479
GRAND TOTAL	4,444,784	5,481,031	5,439,881	5,577,606	5,327,578	5,757,215	5,209,348
EXPENSES							
Total Cost of Services.....	134,071	218,986	223,462	450,427	476,192	333,125	333,895
Net Cost of Services ^(s)	53,107	49,934	54,410	50,159	51,339	52,636	53,406
CASH ASSETS ^(t)	7,084	20,154	6,029	6,290	6,551	6,812	7,073

- (a) The 2012-13 Actual has been restated for comparability purposes to account for the transfer of the Economic Reform Division to the Department of Finance as shown in the reconciliation table after the financial statements.
- (b) Amendments to the *Water Corporations Act 1995* to enhance the operations of Bunbury Water Board (Aqwest) and Busselton Water Board, to bring them under the same legislative framework and governance arrangements as the Water Corporation, took effect in November 2013. The amendments enable Aqwest and the Busselton Water Corporation to receive operating subsidy payments consistent with the Water Corporation, commencing from 1 July 2014. The amendments also require the corporations to pay dividends.
- (c) From 1 January 2014, the Electricity Retail Corporation (Synergy) and Electricity Generation Corporation (Verve Energy) were merged into a single entity known as the Electricity Retail and Generation Corporation (Synergy). Comparative figures shown represent the combined figures for the two individual former corporations.

- (d) Reflects funding to be applied to the Custodial Infrastructure Program to be undertaken by the Department of Corrective Services (DCS). The DCS is required to submit business cases and planning details for Government approval to access these funds.
- (e) Reflects funding applied to the decommissioning of the Office of Shared Services and to re-establish corporate services functions of agencies.
- (f) Appropriations to the Royalties for Regions Special Purpose Account are split between payments for recurrent and capital purposes (based on project information). Further detail on the Royalties for Regions program is available in Budget Paper No. 3: *Economic and Fiscal Outlook*.
- (g) Under agreements with the Commonwealth, the Department will make payments to the National Disability Insurance Agency (NDIA) to meet the State's funding contribution for the NDIA-managed trial in the Perth Hills.
- (h) Reflects funding to be applied to the Government's Sustainable Funding and Contracting with the Not-for-Profit Sector Initiative to be undertaken by agencies. Agencies are required to submit business cases and planning details for Government approval to access these funds.
- (i) Reflects funding to be applied to the Perth Children's Hospital Transition Program to be undertaken by WA Health. WA Health is required to submit business cases and planning details for Cabinet approval to access these funds.
- (j) All other items include all Administered Grants, Subsidies and Transfers not covered elsewhere by individual Acts.
- (k) Reflects funding for a subsidised loan facility, comprising a 2% interest subsidy on loans of up to \$45 million to be made available to metropolitan local governments to assist with costs associated with the reform of metropolitan Local Government in Perth.
- (l) Funding for the Government Employees Superannuation Board (GESB) to continue with the implementation of superannuation administration outsourcing reforms.
- (m) A total of \$100 million was originally allocated in the 2013-14 Budget to offer voluntary separations to general government employees. An additional \$32 million was added to the provision in the 2013-14 Mid-year Review to reflect a higher than expected average cost per separation. In February 2014, a further \$26.4 million was provided to increase the number of separations available by 200 to a total of 1,200, bringing the total provision to \$158.4 million. Of this amount, \$13.5 million has been funded by agencies from their own resources and a total of \$57.7 million has been transferred to agency budgets, resulting in a remaining provision of \$87.2 million.
- (n) Beyond 2014-15, Horizon Power will cease the provision of the Tariff Migration Subsidy that is provided to various entities and implement cost reflective bilateral contracts. An amount of \$5 million per annum (starting 2015-16) has been provisioned to account for the increased cost to schools. This allocation may be released to the Department of Education once the outcome of negotiations with Horizon Power on cost-reflective pricing is complete.
- (o) Superannuation scheme administration expense reflects the costs of administering an unfunded defined benefit superannuation/pension scheme by an appropriation from the Consolidated Account.
- (p) This reflects costs for regulatory support of defined benefit schemes where GESB incurs these costs on behalf of the general government sector.
- (q) Reflects funding to be applied towards additional infrastructure required at selected secondary schools to accommodate the relocation of Year 7 students from primary to secondary school in 2015.
- (r) From 2016-17, the Western Australian Future Fund will receive funding equal to 1% of total royalty revenue.
- (s) 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.
- (t) As at 30 June each financial year.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Voluntary Separation Scheme	1,407	(727)	(785)	(824)	(824)
Consultancy Services to Develop a Potential Asset Divestment Program	1,500	-	-	-	-
Resources Received Free of Charge	1,395	(4,620)	(4,505)	(4,578)	(4,487)
Transfer of Accommodation Expenses from the Department of Finance.....	-	3,940	4,082	4,316	4,443
Transfer of Corporate Services Expenses from the Department of Finance.....	174	417	425	433	441

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Accountable Authority and the 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:	Sustainable and transparent public sector finances.	1. Financial Management and Reporting
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 strong and competitive State economy.	2. Economic and Revenue Forecasts and Policy Development
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Value for money outcomes in service delivery and infrastructure provision.	3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision
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.	4. Leads the Planning and Delivery of New Government Buildings

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Financial Management and Reporting	8,382	9,887	8,692	8,080	8,255	8,447	8,550
2. Economic and Revenue Forecasts and Policy Development	8,258	6,561	7,294	6,959	7,189	7,415	7,550
3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision	28,087	28,353	33,146	30,010	30,767	31,618	32,078
4. Leads the Planning and Delivery of New Government Buildings	89,344	174,185	174,330	405,378	429,981	285,645	285,717
Total Cost of Services	134,071	218,986	223,462	450,427	476,192	333,125	333,895

Significant Issues Impacting the Agency

Economic Outlook

- The Western Australian economy is in transition from investment-driven growth to export-driven growth. Business investment has moderated from a peak in 2012-13, but exports of iron ore are expanding at a strong pace as production commences at recently commissioned projects.
- The State's economy, as measured by Gross State Product (GSP), is expected to grow by 3.75% in 2013-14 and 2.75% in 2014-15, which is below the growth rate achieved in recent years. Over the forward estimates, GSP growth is forecast to steadily increase to reach 5% by 2017-18, driven by large increases in iron ore and Liquefied Natural Gas (LNG) exports.
- The shift in economic activity from construction to production has led to a softening in labour market conditions with employment and wages growth easing from very strong increases in recent years. Labour market conditions are expected to remain relatively soft in 2014-15, and consequently, tax revenue is expected to grow at a more modest pace. For example, after strong growth of 12.3% in 2012-13, payroll tax is expected to grow by just 4.1% in 2013-14 and 6% in 2014-15.
- The softening in labour market conditions is expected to reduce net overseas migration to the State, which in turn is expected to result in population growth moderating from 3.5% in 2012-13 to 2.6% in 2013-14 and 2.1% per annum thereafter (consistent with long-run average population growth of 2% per annum). The moderation in population growth is expected to flow through to softer property market activity and weakening transfer duty collections. For example, after strong growth of 37.3% in 2012-13, total transfer duty is expected to grow by just 8.8% in 2013-14 and decline by 4.4% in 2014-15.

State Finances

- The impact of softer labour market conditions and property market activity on payroll tax and transfer duty revenue combined with a continuing rapid decline in Western Australia's share of national GST grants, are expected to see the State's revenue base grow by an average of 3.6% per annum across the four years 2014-15 to 2017-18, well down on average growth over the last decade of 8.1% per annum.
- General government operating surpluses are forecast in 2013-14 and 2014-15, but at less than 1% of total revenue, the forecast surpluses represent a very slim 'buffer' that could be eroded by relatively small movements in the exchange rate and/or iron ore price.
- Treasury will continue to work with agencies across the public sector to deliver the Government's Fiscal Action Plan, including achievement of the measures adopted in the original Plan detailed in the 2013-14 Budget and expanded in the 2013-14 Mid-year Review, as well as implementation of the new measures announced in this Budget (including a number of targeted revenue measures, a reduction in general government sector procurement and the pursuit of further efficiencies in the delivery of the Asset Investment Program).

Goods and Service Tax (GST) Grants

- Treasury continues to devote its specialist knowledge and expertise to advocate for an improvement in the State's share of national GST grants. The Commonwealth Grants Commission (CGC) is currently undertaking a review of its methods for distributing the GST revenue among jurisdictions and will report by February 2015.
- Treasury's submissions to the CGC will continue to highlight flaws in the current methodology, which lacks policy neutrality and has significant gaps in the assessment of States' expenditure needs – inhibiting labour and capital from moving to their most productive uses. For example, the current method penalises States that implement policies in support of economic development and rewards jurisdictions that underperform. Western Australia's above-average effort in supporting our mining sector is not adequately recognised, and the CGC's current assessment of mining revenues is structured such that a very small increase in royalties could have a very significant impact on GST funding.
- More broadly, Treasury will also continue to support the Government's broader pursuit of a more equitable share of Commonwealth grants for Western Australia, in recognition of the State's population growth and its subsequent pressure on State services and infrastructure.

Efficiency of Government Service Delivery

- Activity Based Funding will be rolled out across WA Health from 1 July 2014, to facilitate the purchase of public hospital activity at an approved price and activity level.
- The approved State price for purchasing public hospital activity over a financial year is higher than the national average cost determined by the Independent Hospital Pricing Authority, with a Community Service Subsidy (CSS) provided to WA Health in recognition of this difference.
- The CSS has been set at a declining value over the forward estimates, reflecting the intention to transition the State price to the national average cost by 2017-18. This convergence will require steady and sustained improvements in WA Health towards more efficient public hospital service delivery. Treasury will continue working closely with WA Health in this regard.
- Assistance will be provided to the Department of Education to help it implement some key reforms in 2015, including a new Student Centred Funding Model and the delivery of school infrastructure through a proposed Public Private Partnership package.
- Treasury is also working with other agencies (e.g. Department for Child Protection and Family Support, Public Transport Authority of Western Australia, Department of Corrective Services) to develop cost and demand models and identify opportunities to deliver services more efficiently.
- Treasury is continuing to work closely with the Department of Commerce to implement the Government's public sector wages policy, which caps wage and condition increases to projected growth in the CPI and is critical to the sustainability of the State's finances.

Program Evaluation

- In September 2013, Treasury established a new Program Evaluation Unit (PEU) to assist in the consistent and coordinated evaluation of government funded programs and to assess their value for money. The PEU has since established a program evaluation website, an information-sharing network, an evaluation tool kit and other resources aimed at building a culture of evaluation and continuous improvement across the Western Australian public sector.
- In collaboration with other central agencies, and led by a number of Directors General across the sector, the PEU is supporting the evaluation of large or significant government programs or services. These evaluations will assess whether there is still a genuine need for a particular program or service, and identify opportunities for delivering the service more efficiently and effectively.

Strategic Projects

- Strategic Projects (SP) will continue to oversee the planning and delivery of the State's most significant non-residential building projects, working closely with the Department of Finance's Building Management and Works business, which provides project management and business systems support. SP also monitors and reports to Government on the performance of major building and infrastructure projects across the public sector.
- At the commencement of 2014-15, SP's capital works portfolio comprises 20 projects with a total estimated value of more than \$8 billion. Seven of these projects are operational, seven are under construction and six are in the planning phase.
- During 2014-15, the \$232 million Eastern Goldfields Regional Prison, \$126 million Acacia Prison Expansion and \$120 million Busselton Health Campus will be completed. The \$1.2 billion Perth Children's Hospital and \$360 million Midland Health Campus may also be completed by the end of 2014-15, notwithstanding their current approved completion dates extend beyond June 2015.
- Construction of the new Perth Stadium and Sports Precinct will commence during 2014-15 under a design-build-finance-maintain contract, which will be awarded early in the financial year. Contracts for the delivery of the new WA Museum and Karratha Health Campus will also be awarded.
- A project definition plan for the delivery of a package of primary and secondary schools under a public private partnership will be submitted to the Government for consideration in early 2014-15. Procurement of the schools package under the approved delivery model will also commence in 2014-15.
- In 2013-14, SP completed the update and enhancement of the Strategic Asset Management Framework (SAMF) suite of policies and guidelines for whole-of-life management of government assets. The updated SAMF is scheduled for submission to the Government for approval in early 2014-15.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Sustainable and transparent public sector finances:					
Status of the State's credit rating.....	Triple-A	Triple-A	AA+/Aaa	AA+/Aaa	1
Unqualified audit opinion on the Annual Report on State Finances	Yes	Yes	Yes	Yes	
Outcome: A strong and competitive State economy:					
Accuracy of key general government revenue forecasts:					
Tax revenue	7.7%	+/-5.0%	-3.2%	+/-5.0%	
Mining revenue.....	-6.8%	+/-5.0%	2.3%	+/-5.0%	
Accuracy of key economic forecasts (percentage point difference):					
Employment growth	0.8	+/-0.5	0.25	+/-0.5	
Real State Final Demand (SFD) growth.....	-1.75	+/-2.0	0.5	+/-2.0	
Outcome: Value for money outcomes in service delivery and infrastructure provision:					
Percentage of the Department's material resource allocation recommendations complying with the service provision analysis framework.....	98%	100%	100%	100%	
Percentage of highest value agencies complying with the Strategic Asset Management framework or equivalent accredited mechanism.....	40%	75%	27%	75%	2
Outcome: Value for money from the management of the Government's non-residential buildings and public works:					
Percentage of significant projects in the New Buildings program delivered within approved:					
Budget	82%	100%	100%	100%	
Timeframe	82%	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)

- 2013-14 and 2014-15: AA+/Aaa denotes the credit rating (applicable at the time of finalising these Budget Statements) issued by Standard & Poor's (S&P's) and Moody's respectively. The 2013-14 Budget forecast reflected the triple-A credit rating assessments issued by both credit ratings agencies at that time. S&P's downgraded the State (from AAA negative outlook to AA+ stable outlook) in September 2013. At the time of finalising these Budget Statements, Moody's continues to assess Western Australia's credit rating as Aaa with a negative outlook.
- Four of the fifteen highest value agencies are currently compliant with the Strategic Asset Management Framework. However, seven of the fifteen are Government Trading Enterprises (GTEs) that do not currently have to comply with the framework. Of the four remaining agencies, three are expecting to be compliant by 2014-15.

Services and Key Efficiency Indicators

1. Financial Management and Reporting

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 8,382	\$'000 9,887	\$'000 8,692	\$'000 8,080	1
Less Income	17	-	-	-	
Net Cost of Service.....	8,365	9,887	8,692	8,080	
Employees (Full Time Equivalents).....	49	52	45	45	
Efficiency Indicators					
Percentage of Financial Reports Released as per Agreed Timeframes	100%	100%	100%	100%	

Explanation of Significant Movements

(Notes)

- The reduction in Net Cost of Service between the 2013-14 Budget and the 2013-14 Estimated Actual reflects adjustments made during 2013-14 in Treasury's establishment structure and associated corporate resources within each of the services.

2. Economic and Revenue Forecasts and Policy Development

This service involves analysis and advice on economic and revenue policy issues, including development of forecasts for each of the State's major revenue sources.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 8,258	\$'000 6,561	\$'000 7,294	\$'000 6,959	1
Less Income	15	-	-	-	
Net Cost of Service.....	8,243	6,561	7,294	6,959	
Employees (Full Time Equivalents).....	40	37	41	41	
Efficiency Indicators					
Number of Ministerials, Briefings or Reports Provided on Economic Issues	145	232	232	232	

- (a) Total Cost of Service and Full Time Equivalent for 2012-13 Actual have been adjusted to exclude the Regulatory Gatekeeping Unit and the Regulatory Reform Branch.

Explanation of Significant Movements

(Notes)

- The increase in Net Cost of Service between the 2013-14 Budget and the 2013-14 Estimated Actual reflects funding adjustments approved during 2013-14, adjustments made to Treasury's establishment structure and associated corporate resources within each of the services.

3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 28,087	\$'000 28,353	\$'000 33,146	\$'000 30,010	1
Less Income	52	-	-	-	
Net Cost of Service.....	28,035	28,353	33,146	30,010	
Employees (Full Time Equivalents).....	147	151	150	150	
Efficiency Indicators					
Number of Economic and Expenditure Reform Committee Papers on Service Delivery and Infrastructure Advice	108	98	98	98	

Explanation of Significant Movements

(Notes)

1. Net Cost of Service increases between the 2013-14 Budget and the 2013-14 Estimated Actual and subsequently decreases in 2014-15 Budget. This is mainly due to a one-off funding increase in 2013-14 only for consultancy services for the potential Asset Divestment Program. In addition, adjustments have been made to Treasury's establishment structure and associated corporate resources within each of the services.

4. Leads the Planning and Delivery of New Government Buildings

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 89,344	\$'000 174,185	\$'000 174,330	\$'000 405,378	1
Less Income	80,880	169,052	169,052	400,268	
Net Cost of Service.....	8,464	5,133	5,278	5,110	
Employees (Full Time Equivalents).....	44	57	57	57	
Efficiency Indicators					
Cost as a Percentage of the Total Annual Value of the Planning and Delivery of Capital Works Projects	0.6%	0.7%	0.7%	0.7%	

Explanation of Significant Movements

(Notes)

1. The 2014-15 Budget is significantly higher than the 2013-14 Estimated Actual for both Total Cost of Service and Income, due to the scheduling and cash flow of major capital works. This can fluctuate significantly year to year depending on the projects and timing of the building works.

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^{(b)(c)}	31,345	31,645	36,525	32,127	33,056	34,033	34,153
Supplies and services	100,185	184,237	183,833	411,184	435,859	291,581	292,099
Accommodation ^(d)	387	443	443	4,410	4,558	4,792	4,922
Depreciation and amortisation	747	1,363	1,363	1,363	1,363	1,363	1,363
Other expenses.....	2,368	1,298	1,298	1,343	1,356	1,356	1,358
TOTAL COST OF SERVICES	135,032	218,986	223,462	450,427	476,192	333,125	333,895
Income							
Sale of goods and services	80,864	169,052	169,052	400,268	424,853	280,489	280,489
Other revenue	101	-	-	-	-	-	-
Total Income	80,965	169,052	169,052	400,268	424,853	280,489	280,489
NET COST OF SERVICES.....	54,067	49,934	54,410	50,159	51,339	52,636	53,406
INCOME FROM STATE GOVERNMENT							
Service appropriations	39,245	39,091	41,877	42,355	43,309	44,486	45,165
Resources received free of charge.....	12,651	11,189	12,584	8,147	8,373	8,493	8,584
TOTAL INCOME FROM STATE GOVERNMENT.....	51,896	50,280	54,461	50,502	51,682	52,979	53,749
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(2,171)	346	51	343	343	343	343

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 280, 293 and 293 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

(c) The increase in employee benefits expense between 2013-14 Budget and 2013-14 Estimated Actual is due to an approved adjustment of \$3.3 million for Treasury's salary cap limit from the supplies and services budget with no net change in Treasury's overall expense limit.

(d) The increase in accommodation expense between 2013-14 Estimated Actual and 2014-15 Budget Estimate is due to a transfer of accommodation expenses from the Department of Finance for 2014-15 and the forward estimates.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	6,084	19,287	5,015	5,262	5,509	5,756	6,003
Holding account receivables	1,363	-	1,363	1,363	1,363	1,363	1,363
Receivables.....	5,756	7,623	6,255	6,318	6,381	6,444	6,507
Other.....	8,209	6,061	8,209	8,209	8,209	8,209	8,209
Total current assets	21,412	32,971	20,842	21,152	21,462	21,772	22,082
NON-CURRENT ASSETS							
Holding account receivables	5,519	8,245	6,882	8,245	9,608	10,971	12,334
Property, plant and equipment	44	42	42	39	35	32	29
Intangibles	9,089	3,935	7,728	6,368	5,009	3,649	2,289
Restricted cash.....	1,000	867	1,014	1,028	1,042	1,056	1,070
Total non-current assets.....	15,652	13,089	15,666	15,680	15,694	15,708	15,722
TOTAL ASSETS	37,064	46,060	36,508	36,832	37,156	37,480	37,804
CURRENT LIABILITIES							
Employee provisions	9,007	8,847	8,390	8,360	8,330	8,300	8,281
Payables.....	11,928	21,416	11,927	11,927	11,927	11,927	11,927
Other.....	718	739	729	740	751	762	762
Total current liabilities.....	21,653	31,002	21,046	21,027	21,008	20,989	20,970
NON-CURRENT LIABILITIES							
Employee provisions	2,260	2,130	2,260	2,260	2,260	2,260	2,260
Other.....	4	4	4	4	4	4	4
Total non-current liabilities	2,264	2,134	2,264	2,264	2,264	2,264	2,264
TOTAL LIABILITIES.....	23,917	33,136	23,310	23,291	23,272	23,253	23,234
EQUITY							
Contributed equity	62,730	60,386	62,730	62,730	62,730	62,730	62,730
Accumulated surplus/(deficit).....	(49,583)	(47,462)	(49,532)	(49,189)	(48,846)	(48,503)	(48,160)
Total equity	13,147	12,924	13,198	13,541	13,884	14,227	14,570
TOTAL LIABILITIES AND EQUITY.....	37,064	46,060	36,508	36,832	37,156	37,480	37,804

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	38,860	37,728	40,514	40,992	41,946	43,123	43,802
Net cash provided by State Government.....	38,860	37,728	40,514	40,992	41,946	43,123	43,802
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(31,205)	(36,313)	(41,655)	(36,935)	(38,018)	(38,995)	(39,115)
Supplies and services	(97,747)	(162,483)	(160,684)	(394,261)	(418,534)	(274,136)	(274,562)
Accommodation ^(b)	(656)	(443)	(443)	(4,409)	(4,564)	(4,798)	(4,928)
Other payments.....	(12,978)	(19,743)	(19,743)	(17,404)	(17,432)	(17,432)	(17,435)
Receipts							
Sale of goods and services	77,584	168,052	168,052	399,268	423,853	279,489	279,489
GST receipts	10,643	13,011	13,011	13,010	13,010	13,010	13,010
Other receipts.....	194	18	18	-	-	-	-
Net cash from operating activities	(54,165)	(37,901)	(41,444)	(40,731)	(41,685)	(42,862)	(43,541)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,276)	-	-	-	-	-	-
Net cash from investing activities	(1,276)	-	-	-	-	-	-
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(10,000)	-	-	-	-	-	-
Proceeds from borrowings.....	10,000	-	-	-	-	-	-
Net cash from financing activities.....	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(16,581)	(173)	(930)	261	261	261	261
Cash assets at the beginning of the reporting period.....	21,323	20,452	7,084	6,029	6,290	6,551	6,812
Net cash transferred to/from other agencies.....	2,342	(125)	(125)	-	-	-	-
Cash assets at the end of the reporting period.....	7,084	20,154	6,029	6,290	6,551	6,812	7,073

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

(b) The increase in accommodation expense between 2013-14 Estimated Actual and 2014-15 Budget Estimate is due to a transfer of accommodation expenses from the Department of Finance for 2014-15 and the forward estimates.

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement	135,032	218,986	223,462	450,427	476,192	333,125	333,895
Transfer of the Economic Reform Division to Department of Finance	(961)	-	-	-	-	-	-
Adjusted Total Cost of Services	134,071	218,986	223,462	450,427	476,192	333,125	333,895
APPROPRIATIONS							
Service Appropriations as per Income Statement	39,245	39,091	41,877	42,355	43,309	44,486	45,165
Transfer of the Economic Reform Division to Department of Finance	(961)	-	-	-	-	-	-
Adjusted Total Appropriations Provided to Deliver Services	38,284	39,091	41,877	42,355	43,309	44,486	45,165

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Commonwealth Grants							
Compensation for Crude Oil Excise							
Condensate	62,966	58,700	62,400	58,000	56,400	56,200	52,800
First Home Owners Boost	217	-	50	-	-	-	-
GST Grants	2,935,296	2,458,400	2,472,600	2,214,700	1,616,100	1,118,100	799,100
Local Government (Financial Assistance Grants) ...	157,815	169,972	170,027	179,207	189,628	200,607	212,222
Local Government (Road Funding)	100,518	106,826	106,894	110,941	115,667	120,607	125,758
Non-Government Schools	898,347	925,275	967,576	1,048,071	1,143,087	1,238,895	1,343,139
North West Shelf Grants	1,030,503	1,067,200	1,134,300	1,055,300	1,025,500	1,022,700	959,900
Other	2,086,471	2,036,264	1,983,241	2,070,496	1,952,437	2,093,579	2,088,084
Total Commonwealth Grants	7,272,133	6,822,637	6,897,088	6,736,715	6,098,819	5,850,688	5,581,003
GOVERNMENT ENTERPRISES							
Dividends							
Albany Port Authority	1,700	1,405	2,906	3,392	1,625	1,784	1,809
Broome Port Authority	493	579	2,597	3,880	2,781	3,006	3,073
Bunbury Port Authority	4,373	5,412	7,034	10,533	7,216	8,857	9,228
Bunbury Water Corporation ^(a)	-	-	-	876	1,012	395	900
Busselton Water Corporation ^(a)	-	-	-	1,587	1,379	1,048	945
Dampier Port Authority	8,029	6,588	12,742	15,747	11,119	11,012	10,834
Electricity Networks Corporation (Western Power)	102,135	40,084	124,395	20,260	64,090	60,157	64,090
Electricity Retail and Generation Corporation (Synergy) ^(b)	103,836	84,220	38,841	57,575	60,045	52,994	21,699
Esperance Port Authority	3,238	-	-	2,970	4,197	4,686	4,822
Forest Products Commission	3,310	578	2,092	2,089	455	1,124	994
Fremantle Port Authority	10,903	16,052	18,795	27,243	16,454	17,782	18,113
Geraldton Port Authority	6,704	11,624	11,150	30,212	24,948	23,566	22,567
Gold Corporation	20,703	16,087	19,278	15,757	17,640	20,281	23,389
Insurance Commission of Western Australia	-	63,448	64,527	35,914	37,183	38,901	38,965
Land Information Authority	-	-	3,956	4,086	4,429	6,158	12,100
Port Hedland Port Authority	21,004	22,557	29,776	89,028	74,274	82,459	84,223
Regional Power Corporation (Horizon Power) ...	41,100	29,219	33,292	46,069	20,322	19,648	17,503
Water Corporation of Western Australia	366,144	430,456	440,393	469,333	536,403	583,627	637,990
Western Australian Land Authority	94,070	31,946	31,946	32,442	31,653	49,969	31,069
Western Australian Treasury Corporation	11,378	7,823	10,410	9,372	10,335	11,642	12,931
Provision for Western Power ^(c)	-	64,951	-	64,951	66,580	67,318	71,787
Provision for Other Electricity ^(d)	-	(834)	-	(857)	557	(322)	(400)
Total Dividends	799,120	832,195	854,130	942,459	994,697	1,066,092	1,088,631

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Income Tax Equivalent Regime							
Albany Port Authority	1,624	722	1,542	884	1,110	1,175	1,241
Broome Port Authority	1,869	775	775	1,487	1,544	1,711	1,951
Bunbury Port Authority	4,050	4,031	4,160	3,713	5,105	6,084	7,586
Bunbury Water Corporation ^(a)	322	455	429	483	574	589	605
Busselton Water Corporation ^(a)	219	481	481	653	627	599	579
Chemistry Centre (WA)	-	186	186	27	23	127	158
Dampier Port Authority	8,887	15,240	15,240	6,483	7,614	7,144	6,743
Electricity Retail and Generation Corporation (Synergy) ^(b)	52,095	52,220	65,123	70,511	55,848	35,084	13,544
Fremantle Port Authority	16,690	10,592	12,939	13,071	13,474	15,408	15,717
Geraldton Port Authority	9,859	11,149	6,182	9,979	13,254	17,514	14,879
Gold Corporation	12,170	11,645	12,303	10,910	13,489	14,635	13,068
Insurance Commission of Western Australia	-	-	13,042	25,015	31,125	34,422	38,410
Land Information Authority	11,643	8,442	8,442	7,592	8,798	14,816	13,431
Port Hedland Port Authority	18,356	46,646	26,261	41,536	49,621	55,649	62,978
Regional Power Corporation (Horizon Power) ...	30,076	9,955	30,380	13,397	12,951	11,160	11,746
Water Corporation of Western Australia	207,649	288,906	284,227	278,743	304,559	330,682	358,959
Western Australian Land Authority	20,707	29,704	28,354	28,846	24,211	37,641	39,366
Western Australian Treasury Corporation	6,878	5,709	6,179	6,814	7,676	8,526	9,113
Provision for Other Electricity ^(d)	-	(550)	-	(283)	(87)	(150)	(150)
Total Income Tax Equivalent Regime	403,094	496,308	516,245	519,861	551,516	592,816	609,924
Local Government Rates Equivalent							
Albany Port Authority	83	108	85	89	93	97	101
Broome Port Authority	94	86	86	166	170	175	179
Bunbury Port Authority	180	150	150	185	220	264	317
Busselton Water Corporation ^(a)	-	-	30	31	32	32	33
Dampier Port Authority	285	305	307	458	476	483	495
Electricity Retail and Generation Corporation (Synergy) ^(b)	749	501	501	501	501	501	501
Electricity Networks Corporation (Western Power)	1,271	1,461	1,461	1,520	1,580	1,627	1,668
Esperance Port Authority	275	134	134	159	169	180	191
Fremantle Port Authority	582	587	611	641	673	707	742
Geraldton Port Authority	617	160	440	700	721	743	765
Gold Corporation	796	650	650	650	650	650	-
Port Hedland Port Authority	323	306	320	326	336	346	357
Potato Marketing Corporation	-	4	-	-	-	-	-
Regional Power Corporation (Horizon Power) ...	328	426	293	302	312	321	331
Water Corporation of Western Australia	5,019	5,083	5,083	5,273	5,405	5,540	5,679
Western Australian Land Authority	6,098	4,201	5,987	6,515	6,690	6,829	6,956
Total Local Government Rates Equivalent	16,700	14,162	16,138	17,516	18,028	18,495	18,315
Total Government Enterprises	1,218,914	1,342,665	1,386,513	1,479,836	1,564,241	1,677,403	1,716,870
Other							
Consolidated Account Revenue Received from Agencies	12,354,433	14,857,234	14,777,274	15,211,922	16,531,529	17,564,583	18,583,284
Gold State Superannuation Reimbursement	159,923	152,192	159,925	159,926	159,928	159,929	159,931
Interest	196,713	135,965	145,941	139,227	167,064	193,327	197,369
Loan Guarantee Fees	109,211	120,962	120,012	126,020	129,554	131,334	133,738
Other Revenue	35,115	15,899	21,210	12,536	12,567	12,599	12,632
Pension Recoups	14,737	13,061	15,931	14,190	14,109	15,087	15,541
Total Other Revenue	12,870,132	15,295,313	15,240,293	15,663,821	17,014,751	18,076,859	19,102,495
TOTAL INCOME	21,361,179	23,460,615	23,523,894	23,880,372	24,677,811	25,604,950	26,400,368

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
EXPENSES							
Superannuation ^(e)	(332,537)	504,545	362,445	547,986	619,876	693,255	803,755
Interest	414,582	493,000	472,305	516,132	631,295	768,821	867,846
Appropriations for:							
Operating Subsidies	1,607,301	1,882,923	1,983,861	1,982,059	2,025,895	2,148,228	2,164,110
Other Appropriations	1,937,325	2,158,844	2,127,333	2,115,390	2,248,448	2,263,500	2,286,170
Salaries and Allowances	94,122	99,155	100,397	103,329	105,176	107,603	106,792
Services	13,710,617	14,567,051	14,640,100	15,174,136	15,690,075	16,182,144	16,418,591
Total Appropriations	17,349,365	18,707,973	18,851,691	19,374,914	20,069,594	20,701,475	20,975,663
All Other Expenses							
Commonwealth Grants On-Passed to Agencies...	1,887,335	2,017,759	1,964,715	2,044,840	1,925,730	2,065,751	2,059,149
Local Government Financial Assistance Grants ..	157,815	169,972	170,027	179,207	189,628	200,607	212,222
Local Government Road Funding	100,518	106,826	106,894	110,941	115,667	120,607	125,758
Non-Government Schools	898,347	925,275	967,576	1,048,071	1,143,087	1,238,895	1,343,139
Other Expenses	1,160	-	-	-	-	-	-
Royalties for Regions ^(f)	373,603	691,055	537,064	607,854	561,362	611,008	572,675
Total Other Expenses	3,418,778	3,910,887	3,746,276	3,990,913	3,935,474	4,236,868	4,312,943
TOTAL EXPENSES	20,850,188	23,616,405	23,432,717	24,429,945	25,256,239	26,400,419	26,960,207

- (a) Amendments to the *Water Corporations Act 1995* to enhance the operations of Bunbury Water Board (Aqwest) and Busselton Water Board, to bring them under the same legislative framework and governance arrangements as the Water Corporation, took effect in November 2013. The amendments enable Aqwest and Busselton Water Corporation to receive operating subsidy payments consistent with the Water Corporation, commencing from 1 July 2014. The amendments also require the corporations to pay dividends.
- (b) From 1 January 2014 the Electricity Retail Corporation (Synergy) and Electricity Generation Corporation (Verve Energy) were merged into a single entity known as the Electricity Retail and Generation Corporation (Synergy). Comparative figures shown represent the combined figures for the two individual former corporations.
- (c) The budget incorporates a provision for Western Power to undertake capital expenditure of \$64.9 million in 2014-15 related to customer driven works. This provision recognises the inherent uncertainty of forecasting customer demand requirements. This provision will be transferred to Western Power's budget upon demonstration of project commitments. Release of the provision will see changes in taxes and dividends paid by Western Power.
- (d) The budget incorporates a provision for Horizon Power to undertake capital expenditure of \$4.4 million in 2014-15 reflecting the contingency for site and transmission asset investment in South Hedland. Release of the contingency is subject to Horizon Power providing justification to the satisfaction of the State Government. Release of the contingency will see changes in taxes and dividends paid by Horizon Power. Includes non-cash costs (including actuarial valuation changes) that are not reflected in cash appropriations.
- (e) Includes non-cash costs (including actuarial valuation changes) that are not reflected in cash appropriations.
- (f) Represents the expensing of Royalties for Regions moneys to agencies. As well as these expenses, there are also capital payments made by the Royalties for Regions program. For accounting purposes, these capital costs are not reflected in the schedule of administered operating transactions.

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Contract Services - Strategic Projects	77,584	168,052	168,052	399,268	423,853	279,489	279,489
GST Input Credits	2,704	1,011	1,011	1,010	1,010	1,010	1,010
GST Receipts on Sales	7,939	12,000	12,000	12,000	12,000	12,000	12,000
Other Receipts	194	18	18	-	-	-	-
TOTAL	88,421	181,081	181,081	412,278	436,863	292,499	292,499

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

ECONOMIC REGULATION AUTHORITY

PART 13 - TREASURER; MINISTER FOR ENERGY; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 55

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 92 Net amount appropriated to deliver services.....	1,903	4,089	5,289	2,486	2,516	2,488	2,488
Total appropriations provided to deliver services	1,903	4,089	5,289	2,486	2,516	2,488	2,488
TOTAL APPROPRIATIONS.....	1,903	4,089	5,289	2,486	2,516	2,488	2,488
EXPENSES							
Total Cost of Services.....	10,225	10,889	11,183	11,437	11,957	11,414	11,414
Net Cost of Services ^(a)	5,573	4,513	6,007	2,730	2,953	2,732	2,732
CASH ASSETS ^(b)	3,594	4,078	3,162	3,152	2,847	2,734	2,671

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Recognition of Resources Received Free of Charge	294	244	244	244	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 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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	The efficient, safe and equitable provision of utility services in Western Australia.	1. Submissions to the Economic Regulation Authority Governing Body

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Submissions to the Economic Regulation Authority Governing Body.....	10,225	10,889	11,183	11,437	11,957	11,414	11,414
Total Cost of Services	10,225	10,889	11,183	11,437	11,957	11,414	11,414

Significant Issues Impacting the Agency

- Throughout the course of 2014-15 the Authority will:
 - undertake assessments under the National Gas Law, with the assessment of the ATCO Gas Networks Distribution System due for completion before mid-April 2015, the assessment of the Goldfields Gas Pipeline due for completion before July 2015 and the assessment of the Dampier to Bunbury Natural Gas Pipeline due to commence no later than 1 January 2015;
 - prepare the triennial report on the effectiveness of the wholesale electricity market at meeting the market objectives, which will be provided to the Minister for Energy by the end of 2014;
 - undertake new obligations under the Electricity Corporations (Electricity Generation and Retail Corporation) Regulations 2013 (EGRC) following the merger of Verve Energy and Synergy, which will include undertaking a review of the operation of the EGRC regulatory scheme for the purpose of assessing its effectiveness and providing a report to the Minister no later than two months after the review is completed;
 - undertake 18 local government authority sewerage licence audits and reviews concurrently, with the reviews due to commence in July 2014;
 - commence its five-yearly review of the Railways (Access) Code 2000, which will result in a report to the Treasurer;
 - commence its biennial review of the Gas Marketing Code of Conduct (the Code) to determine changes required to the Code, informed by advice to be provided by the Gas Marketing Code Consultative Committee; and
 - conduct its triennial review of all electricity licences to ensure best practice and minimise regulatory costs.
- It is expected that regulations will be finalised to introduce full cost recovery from electricity, gas and water service providers licensed by the Authority. The new regulations will increase the level of funding from regulated industries, and reduce the Authority's need for funding from the Consolidated Account.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: The efficient, safe and equitable provision of utility services in Western Australia:					
Number of submissions made to the Authority's Governing Body.....	264	280	260	260	
Rating by the Authority's Governing Body as to the content, accuracy and presentation of these submissions ^(b)	4.1	4	4.2	4	
Number (percentage) of submissions provided by the required deadline.....	100	85	97	100	
Rating by the Authority's Governing Body as to their perception of the timeliness of submissions ^(b)	4.1	4	4	4	

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

(b) Performance is rated as follows by the Governing Body: 1 = very poor, 2 = poor, 3 = satisfactory, 4 = good, 5 = excellent.

Services and Key Efficiency Indicators**1. Submissions to the Economic Regulation Authority Governing Body**

The Authority regulates monopoly aspects of the gas, electricity and rail industries and licenses providers of gas, electricity and water services. The Authority also inquires into matters referred by the State Government. In addition, the Authority has a range of responsibilities in the retailing of gas and surveillance of the wholesale electricity market in Western Australia.

The Authority's functions are designed to maintain a competitive, efficient and fair commercial environment, particularly where businesses operate as natural monopolies, for the benefit of the Western Australian community.

In making its decisions, the Authority strives to ensure consumers receive quality services for a reasonable price.

The requirement for the Authority to prepare performance indicators is limited to its management functions under section 23 of the *Economic Regulation Authority Act 2003*. As such, the quantity, quality and cost per submission that is prepared by the Authority Secretariat for consideration by the Governing Body is used to determine the Authority's performance and service efficiency.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 10,225	\$'000 10,889	\$'000 11,183	\$'000 11,437	
Less Income	4,652	6,376	5,176	8,707	1
Net Cost of Service.....	5,573	4,513	6,007	2,730	
Employees (Full Time Equivalents).....	53	56	56	56	
Efficiency Indicators					
Cost per Submission Made to the Economic Regulation Authority Governing Body.....	38,731	38,889	43,011	43,988	2

Explanation of Significant Movements

(Notes)

- Income in 2014-15 is forecast to increase mainly due to the expected implementation of full cost recovery from licensing.
- The 2013-14 Estimated Actual of \$43,011 shows an increase from the 2013-14 Budget as the budgeted amount did not include notional expenditure on resources received free of charge.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Computer Hardware and Software Replacement	576	9	9	285	-	9	273
NEW WORKS							
Office Equipment Replacement.....	33	-	-	16	17	-	-
Total Cost of Asset Investment Program	609	9	9	301	17	9	273
FUNDED BY							
Drawdowns from the Holding Account			9	301	17	9	273
Total Funding			9	301	17	9	273

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an increase in supplies and services of \$0.3 million in 2014-15 compared to the 2013-14 Estimated Actual. This is due to three gas access reviews occurring in 2014-15.

Income

Total regulatory fees for 2014-15 are forecast to increase by \$3.5 million to \$8.6 million compared to the 2013-14 Estimated Actual. This is mainly due to the expected implementation of full cost recovery of the Authority's functions relating to electricity, gas and water licensees.

Service appropriations will decrease by \$2.8 million in 2014-15 due to an increase in revenue from industry as a result of the implementation of licensing industry funding.

Statement of Cashflows

In 2014-15, service appropriations are estimated at \$2.4 million, a decrease of \$2.8 million from the 2013-14 Estimated Actual. This is offset by an increase in revenue from industry as a result of the implementation of licensing industry funding.

Supplies and services are estimated to increase by 23.3% in 2014-15 compared to the 2013-14 Estimated Actual. This is due to three gas access reviews occurring in 2014-15.

Total regulatory fees for 2014-15 shows an increase of \$3.4 million compared to the 2013-14 Estimated Actual. This is mainly due to the expected implementation of full cost recovery on the Authority's functions relating to electricity, gas and water licensees.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	7,342	7,833	7,833	7,735	8,156	8,198	8,198
Supplies and services	1,233	1,667	1,729	2,036	2,087	1,453	1,453
Accommodation.....	1,122	898	1,130	1,160	1,193	1,225	1,225
Depreciation and amortisation	59	65	65	68	69	71	71
Other expenses.....	469	426	426	438	452	467	467
TOTAL COST OF SERVICES.....	10,225	10,889	11,183	11,437	11,957	11,414	11,414
Income							
Regulatory fees and fines.....	4,470	6,297	5,097	8,581	8,877	8,555	8,555
Other revenue	182	79	79	126	127	127	127
Total Income	4,652	6,376	5,176	8,707	9,004	8,682	8,682
NET COST OF SERVICES.....	5,573	4,513	6,007	2,730	2,953	2,732	2,732
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,903	4,089	5,289	2,486	2,516	2,488	2,488
Resources received free of charge.....	244	-	294	244	244	244	244
TOTAL INCOME FROM STATE GOVERNMENT.....	2,147	4,089	5,583	2,730	2,760	2,732	2,732
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(3,426)	(424)	(424)	-	(193)	-	-

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 53, 56 and 56 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	3,441	3,965	2,989	2,959	2,847	2,714	2,631
Receivables.....	2,267	925	2,201	2,195	2,301	2,405	2,389
Other.....	102	461	102	102	102	102	102
Total current assets.....	5,810	5,351	5,292	5,256	5,250	5,221	5,122
NON-CURRENT ASSETS							
Holding account receivables.....	477	597	588	369	456	552	334
Property, plant and equipment.....	71	(80)	28	256	167	72	290
Intangibles.....	3	6	1	-	-	-	-
Restricted cash.....	153	113	173	193	-	20	40
Other.....	-	(7)	-	-	-	-	-
Total non-current assets.....	704	629	790	818	623	644	664
TOTAL ASSETS.....	6,514	5,980	6,082	6,074	5,873	5,865	5,786
CURRENT LIABILITIES							
Employee provisions.....	1,481	1,511	1,480	1,479	1,478	1,477	1,477
Payables.....	349	178	349	349	349	349	270
Other.....	139	1,169	139	139	139	139	139
Total current liabilities.....	1,969	2,858	1,968	1,967	1,966	1,965	1,886
NON-CURRENT LIABILITIES							
Employee provisions.....	355	258	348	341	334	327	327
Other.....	1	1	1	1	1	1	1
Total non-current liabilities.....	356	259	349	342	335	328	328
TOTAL LIABILITIES.....	2,325	3,117	2,317	2,309	2,301	2,293	2,214
EQUITY							
Contributed equity.....	773	773	773	773	773	773	773
Accumulated surplus/(deficit).....	3,416	2,090	2,992	2,992	2,799	2,799	2,799
Total equity.....	4,189	2,863	3,765	3,765	3,572	3,572	3,572
TOTAL LIABILITIES AND EQUITY.....	6,514	5,980	6,082	6,074	5,873	5,865	5,786

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	1,819	3,969	5,169	2,404	2,412	2,383	2,433
Holding account drawdowns.....	-	-	9	301	17	9	273
Net cash provided by State Government.....	1,819	3,969	5,178	2,705	2,429	2,392	2,706
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(7,283)	(7,833)	(7,833)	(7,715)	(8,156)	(8,198)	(8,198)
Supplies and services	(2,032)	(1,635)	(1,635)	(2,016)	(2,131)	(1,497)	(1,497)
Accommodation.....	(900)	(898)	(898)	(928)	(961)	(993)	(993)
Other payments.....	(785)	(662)	(663)	(705)	(688)	(708)	(734)
Receipts							
Regulatory fees and fines.....	3,277	6,297	5,097	8,543	8,839	8,516	8,516
GST receipts	490	260	261	290	262	267	293
Other receipts.....	182	70	70	117	118	117	117
Net cash from operating activities	(7,051)	(4,401)	(5,601)	(2,414)	(2,717)	(2,496)	(2,496)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(10)	-	(9)	(301)	(17)	(9)	(273)
Net cash from investing activities	(10)	-	(9)	(301)	(17)	(9)	(273)
NET INCREASE/(DECREASE) IN CASH HELD	(5,242)	(432)	(432)	(10)	(305)	(113)	(63)
Cash assets at the beginning of the reporting period.....	8,836	4,510	3,594	3,162	3,152	2,847	2,734
Cash assets at the end of the reporting period.....	3,594	4,078	3,162	3,152	2,847	2,734	2,671

(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 Authority:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
GST Input Credits.....	490	260	261	290	262	267	293
Other Receipts	182	70	70	117	118	117	117
Recoups from Industry	3,277	6,297	5,097	8,543	8,839	8,516	8,516
TOTAL.....	3,949	6,627	5,428	8,950	9,219	8,900	8,926

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

INSURANCE COMMISSION OF WESTERN AUSTRALIA

ASSET INVESTMENT PROGRAM

The Commission's Asset Investment Program for 2014-15 and across the forward estimates period totals \$18.8 million. The major components include:

- information and communications technology (ICT) hardware to replace network and server infrastructure, desktop workstations, ICT security, enhanced disaster recovery capability, and imaging and workflow facilities; and
- ICT software incorporating systems developed for use by the Commission's customers, application development software, performance monitoring applications, core insurance system enhancements, general desktop applications and expenditure on the upgrade of a range of systems identified in the Commission's ICT strategic planning.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
ICT Hardware	16,550	11,775	740	1,235	1,295	1,180	1,065
ICT Software	36,066	25,176	1,206	2,450	2,735	2,810	2,895
Motor Vehicles	7,962	5,811	959	651	500	500	500
Plant and Equipment.....	1,648	747	316	341	150	190	220
Telephone and Communication Equipment.....	140	60	20	20	20	20	20
Total Cost of Asset Investment Program	62,366	43,569	3,241	4,697	4,700	4,700	4,700
FUNDED BY							
Internal Funds and Balances			3,241	4,697	4,700	4,700	4,700
Total Funding			3,241	4,697	4,700	4,700	4,700

OFFICE OF THE AUDITOR GENERAL

PART 13 - TREASURER; MINISTER FOR ENERGY; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 56

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 93 Net amount appropriated to deliver services.....	6,017	6,096	6,131	6,212	6,460	6,607	6,754
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	648	694	694	714	734	753	753
Total appropriations provided to deliver services	6,665	6,790	6,825	6,926	7,194	7,360	7,507
CAPITAL							
Item 152 Capital Appropriation	860	300	300	300	300	250	300
TOTAL APPROPRIATIONS.....	7,525	7,090	7,125	7,226	7,494	7,610	7,807
EXPENSES							
Total Cost of Services.....	22,500	22,817	23,254	23,698	24,816	25,931	26,510
Net Cost of Services ^(a)	7,010	6,662	6,954	6,875	7,321	7,736	7,883
CASH ASSETS ^(b)	3,256	2,491	3,383	3,309	2,874	2,388	1,431

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

(b) As at 30 June each financial year.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2014-15 Procurement Savings	-	(209)	-	-	-
Reinstatement of Leave Liability and Salary Cap Corrective Measures	271	156	267	539	539

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

The Office of the Auditor General is a public sector department established to support the Auditor General. The Auditor General is an independent officer of the Parliament, and as such reports directly to Parliament and ultimately the people of Western Australia, providing assurance about the efficient and effective delivery of services and the responsible management of the State's finances.

Desired Outcome	Service
An informed Parliament on public sector accountability and performance.	1. Public Sector Auditing

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Public Sector Auditing.....	22,500	22,817	23,254	23,698	24,816	25,931	26,510
Total Cost of Services.....	22,500	22,817	23,254	23,698	24,816	25,931	26,510

Significant Issues Impacting the Agency

- The performance and legislative review of the *Auditor General Act 2006* and the Auditor General's functions by the Joint Standing Committee on Audit (the Committee) is expected to occur in 2014-15. The Office will fully support the Committee to undertake its review.
- The restructure, amalgamation and creation of new agencies will again challenge financial audit capacity in 2014-15. Changes include the creation of several new health agencies, the merger of Verve Energy and Synergy and the amalgamation of a number of regional port authorities. Substantial audit effort will be involved in evaluating the financial and management arrangements of the new agencies.
- In 2013-14 the Office noted that an increased number of Commonwealth and Royalties for Regions certifications would result in additional audit effort. This required level of audit effort is expected to continue to grow in 2014-15.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: An informed Parliament on public sector accountability and performance:					
The extent that the Office is effective in informing Parliament about public sector accountability and performance is measured by the number of tabled reports compared to targets for each of the following categories of audit matter:.....					
Service Delivery - reports tabled.....	4	5	5	5	
Economic Development - reports tabled.....	2	3	4	3	
Social and Environment - reports tabled.....	3	4	3	3	
Governance - reports tabled.....	15	13	14	14	

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

Services and Key Efficiency Indicators

1. Public Sector Auditing

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	22,500	22,817	23,254	23,698	
Less Income	15,490	16,155	16,300	16,823	
Net Cost of Service.....	7,010	6,662	6,954	6,875	
Employees (Full Time Equivalents).....	124	124	129	130	
Efficiency Indicators					
Total Audit Cost per \$ Million of Gross Government Expenditure	\$497	\$482	\$469	\$466	
Attest Audit Cost per \$ Million of Gross Government Expenditure	\$373	\$337	\$328	\$326	
Performance Audit Cost per \$ Million of Gross Government Expenditure.....	\$124	\$145	\$141	\$140	
Average Number of Days Taken After Balance Date to Issue Financial Audit Opinions ^(a)	70.9	-	69.1	70	

(a) Average number of days taken after balance date to issue financial audit opinions is a new key efficiency indicator for 2014-15. Accordingly, a budget target was not set for 2013-14. However, 2012-13 actual and 2013-14 estimated actual have been provided for comparative purposes.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software - 2013-14 Program.....	597	597	597	-	-	-	-
NEW WORKS							
Computer Hardware and Software							
2014-15 Program	597	-	-	597	-	-	-
2015-16 Program	614	-	-	-	614	-	-
2016-17 Program	640	-	-	-	-	640	-
2017-18 Program	1,101	-	-	-	-	-	1,101
Total Cost of Asset Investment Program	3,549	597	597	597	614	640	1,101
FUNDED BY							
Capital Appropriation.....			300	300	300	250	300
Drawdowns from the Holding Account			297	297	314	390	330
Internal Funds and Balances			-	-	-	-	471
Total Funding			597	597	614	640	1,101

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	13,932	14,093	14,740	14,678	15,237	15,964	16,337
Supplies and services.....	5,284	5,148	4,932	5,171	5,569	5,840	5,974
Accommodation.....	2,057	2,089	2,143	2,154	2,222	2,294	2,339
Depreciation and amortisation.....	459	500	666	694	721	721	721
Other expenses.....	768	987	773	1,001	1,067	1,112	1,139
TOTAL COST OF SERVICES.....	22,500	22,817	23,254	23,698	24,816	25,931	26,510
Income							
Other revenue.....	15,490	16,155	16,300	16,823	17,495	18,195	18,627
Total Income.....	15,490	16,155	16,300	16,823	17,495	18,195	18,627
NET COST OF SERVICES.....	7,010	6,662	6,954	6,875	7,321	7,736	7,883
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	6,665	6,790	6,825	6,926	7,194	7,360	7,507
Resources received free of charge.....	470	467	467	467	467	467	467
TOTAL INCOME FROM STATE GOVERNMENT.....	7,135	7,257	7,292	7,393	7,661	7,827	7,974
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	125	595	338	518	340	91	91

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 124, 129 and 130 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	2,789	2,085	2,876	2,762	2,287	2,287	1,330
Holding account receivables.....	297	297	297	314	390	330	390
Receivables.....	7,210	8,398	7,911	8,533	9,308	9,885	10,798
Other.....	282	114	282	282	282	282	282
Total current assets.....	10,578	10,894	11,366	11,891	12,267	12,784	12,800
NON-CURRENT ASSETS							
Holding account receivables.....	1,339	1,708	1,708	2,088	2,419	2,810	3,141
Property, plant and equipment.....	534	830	499	173	100	100	183
Intangibles.....	203	293	169	398	364	283	580
Restricted cash.....	467	406	507	547	587	101	101
Total non-current assets.....	2,543	3,237	2,883	3,206	3,470	3,294	4,005
TOTAL ASSETS.....	13,121	14,131	14,249	15,097	15,737	16,078	16,805
CURRENT LIABILITIES							
Employee provisions.....	2,656	2,398	2,856	2,856	2,856	2,856	2,856
Payables.....	719	218	770	752	752	752	1,088
Other.....	517	1,071	568	616	616	616	616
Total current liabilities.....	3,892	3,687	4,194	4,224	4,224	4,224	4,560
NON-CURRENT LIABILITIES							
Employee provisions.....	792	610	980	980	980	980	980
Total non-current liabilities.....	792	610	980	980	980	980	980
TOTAL LIABILITIES.....	4,684	4,297	5,174	5,204	5,204	5,204	5,540
EQUITY							
Contributed equity.....	7,181	7,481	7,481	7,781	8,081	8,331	8,631
Accumulated surplus/(deficit).....	1,256	2,353	1,594	2,112	2,452	2,543	2,634
Total equity.....	8,437	9,834	9,075	9,893	10,533	10,874	11,265
TOTAL LIABILITIES AND EQUITY.....	13,121	14,131	14,249	15,097	15,737	16,078	16,805

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	6,024	6,124	6,159	6,232	6,473	6,639	6,786
Capital appropriation	860	300	300	300	300	250	300
Holding account drawdowns.....	297	297	297	297	314	390	330
Net cash provided by State Government.....	7,181	6,721	6,756	6,829	7,087	7,279	7,416
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(13,503)	(14,042)	(14,301)	(14,630)	(15,237)	(15,964)	(16,337)
Supplies and services.....	(5,371)	(4,971)	(4,755)	(4,951)	(5,451)	(5,488)	(5,622)
Accommodation.....	(1,606)	(1,638)	(1,692)	(1,703)	(1,771)	(1,843)	(1,888)
Other payments.....	(2,684)	(2,787)	(2,573)	(2,801)	(2,867)	(2,912)	(2,939)
Receipts							
GST receipts	1,858	1,800	1,800	1,800	1,800	1,800	1,800
Other receipts.....	15,427	15,344	15,489	15,979	16,618	17,282	17,714
Net cash from operating activities	(5,879)	(6,294)	(6,032)	(6,306)	(6,908)	(7,125)	(7,272)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(451)	(597)	(597)	(597)	(614)	(640)	(1,101)
Net cash from investing activities	(451)	(597)	(597)	(597)	(614)	(640)	(1,101)
NET INCREASE/(DECREASE) IN CASH HELD	851	(170)	127	(74)	(435)	(486)	(957)
Cash assets at the beginning of the reporting period.....	2,405	2,661	3,256	3,383	3,309	2,874	2,388
Cash assets at the end of the reporting period.....	3,256	2,491	3,383	3,309	2,874	2,388	1,431

(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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Audit Fees	15,427	15,344	15,489	15,979	16,618	17,282	17,714
GST Input Credits.....	221	170	170	170	170	170	170
GST Receipts on Sales	1,637	1,630	1,630	1,630	1,630	1,630	1,630
TOTAL.....	17,285	17,144	17,289	17,779	18,418	19,082	19,514

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

WESTERN AUSTRALIAN TREASURY CORPORATION

ASSET INVESTMENT PROGRAM

The Corporation's Asset Investment Program is limited to an ongoing program to update information technology that supports the delivery of its services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware/Software - 2013-14 Program	1,631	1,631	1,631	-	-	-	-
NEW WORKS							
Computer Hardware/Software							
2014-15 Program	1,844	-	-	1,844	-	-	-
2015-16 Program	1,462	-	-	-	1,462	-	-
2016-17 Program	659	-	-	-	-	659	-
2017-18 Program	634	-	-	-	-	-	634
Total Cost of Asset Investment Program	6,230	1,631	1,631	1,844	1,462	659	634
FUNDED BY							
Internal Funds and Balances			1,631	1,844	1,462	659	634
Total Funding			1,631	1,844	1,462	659	634

INDEPENDENT MARKET OPERATOR

ASSET INVESTMENT PROGRAM

The Independent Market Operator will spend \$6 million on its Asset Investment Program over the forward estimates period, with \$2.6 million allocated in 2014-15.

The program includes expenditure on its Market Regulator System, which is necessary to support the maintenance and enhancement of the Wholesale Electricity Market System and related Market System infrastructure. It also includes funding for the continued development of the Gas Information Services (GIS) infrastructure.

This funding is consistent with the forecast asset investment outlined in the Economic Regulatory Authority's determination for the period 2013-14 to 2015-16 as part of the triennium funding arrangements.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
GIS New Project.....	461	88	88	157	216	-	-
Infrastructure Upgrade.....	2,237	1,527	170	170	270	270	-
Market Regulator System	36,221	31,820	2,913	2,089	1,812	500	-
NEW WORKS							
Accounting System.....	100	-	-	100	-	-	-
Enterprise Monitoring Solution	225	-	-	75	75	75	-
Standard Operating Environmental Upgrade	150	-	-	50	50	50	-
Total Cost of Asset Investment Program	39,394	33,435	3,171	2,641	2,423	895	-
FUNDED BY							
Borrowings.....			3,171	2,641	2,423	895	-
Total Funding			3,171	2,641	2,423	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 maintains the adequacy and quality of electricity supplies to regional customers. Horizon Power will invest a further \$88.2 million during 2014-15.

Asset Management Plan

Horizon Power is forecast to invest \$28.7 million in 2014-15 and a total of \$120.2 million across the forward estimates period, to mitigate prioritised extreme and high risks associated with Horizon Power's energy and non-energy assets. This investment contributes towards ensuring regulatory compliance, reliability and capacity of all of Horizon Power's systems to support the safety, development and enhancement of communities throughout regional Western Australia.

South Hedland Site and Transmission Works

Horizon Power is forecast to invest \$25.6 million in 2014-15 to complete the preparation of the South Hedland Site.

The project total investment of \$138 million, including provisions, will result in the installation and connection of sufficient temporary generation capacity to meet Horizon Power's forecast load in the North West Interconnected System over the next two years to 2015-16.

The South Hedland site for the temporary generation solution is intended to be used for a permanent solution provided by an Independent Power Producer, under a process being overseen by the Pilbara Power Procurement Board (the Board). The Board is chaired by the Department of Finance and consists of representatives from the Departments of Treasury and State Development, Pilbara Cities and Horizon Power.

Murchison Radio Observatory Power Station

In 2014-15, Horizon Power will spend \$12.4 million to continue the design and build of a 1 megawatt (MW) solar-diesel power station to support the Commonwealth Scientific and Industrial Research Organisation's Australian Square Kilometre Array Pathfinder Project (ASKAP). The ASKAP site is located at the Murchison Radio Observatory, Boolardy Station, approximately 400 kilometres from Geraldton.

Onslow Power Station Network Connection

In 2014-15 and 2015-16, Horizon Power is forecast to invest \$6.8 million to fund electricity distribution network extensions in the town of Onslow. These extensions are essential to connect the new power station (to be built by Chevron Australia (Chevron) under the State Development Agreement) and support the growing population of Onslow.

Onslow Temporary Generation

Until the new power station under the State Development Agreement with Chevron is commissioned, there is a need for Horizon Power to put in place short-term generation to service demand growth which is forecast to increase to above 7 MW in 2016. This requires the installation of several additional generators with capital costs of \$0.6 million in 2014-15 and 2015-16.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Asset Management Plan							
Asset Replacement.....	72,823	20,159	6,722	7,208	14,913	14,459	16,084
Capacity.....	13,795	3,832	269	1,254	1,046	4,433	3,230
Regulatory Compliance.....	31,819	21,148	8,189	6,021	3,939	345	366
Reliability.....	31,446	15,342	924	4,499	6,515	3,230	1,860
Safety.....	106,102	75,292	16,702	9,726	6,557	8,069	6,458
Customer Funded Works - Other.....	83,130	79,130	27,751	4,000	-	-	-
Major Projects							
Carnarvon Power Station Redevelopment.....	77,029	75,029	11,870	2,000	-	-	-
Murchison Radio Observatory Power Station ^(a)	16,245	2,886	1,132	12,387	972	-	-
Onslow Power Infrastructure Project.....	1,500	750	750	750	-	-	-
Onslow Temporary Generation.....	2,883	2,307	2,307	390	186	-	-
South Hedland Site and Transmission Works.....	133,586	107,985	73,189	25,601	-	-	-
Other Works							
Knowledge and Technology Investment.....	24,522	2,972	253	4,225	6,904	4,623	5,798
Mobile Plant and Operational Fleet.....	28,251	16,916	2,450	2,261	1,618	2,868	4,588
Onslow Power Station Network Connection.....	7,498	689	305	6,497	312	-	-
Property Management.....	19,269	8,189	3,130	2,994	1,049	3,182	3,855
Regularisation							
Aboriginal and Remote Community Power Supply							
Project Phase 2.....	26,505	24,505	9,468	2,000	-	-	-
COMPLETED WORKS							
Customer Funded Works							
Karratha Gap Ridge Industrial Subdivision.....	7,026	7,026	400	-	-	-	-
Port Hedland Road Crossing.....	13,840	13,840	310	-	-	-	-
Major Projects							
Karratha Temporary Generation Project.....	43,470	43,470	1,686	-	-	-	-
Pilbara Underground Power Project.....	130,001	130,001	22,439	-	-	-	-
Other Works							
Geographic Information System.....	5,039	5,039	493	-	-	-	-
Information Technology Business Investment.....	15,842	15,842	1,537	-	-	-	-
Regularisation							
Town Reserves Regularisation Project III.....	4,794	4,794	185	-	-	-	-
NEW WORKS							
Asset Investment Program Efficiency Measure.....	(10,012)	-	-	(3,688)	(2,152)	(2,060)	(2,112)
Total Cost of Asset Investment Program.....	886,403	677,143	192,461	88,125	41,859	39,149	40,127
FUNDED BY							
Capital Appropriation.....			9,468	7,500	-	-	-
Borrowings.....			130,776	69,738	(92,700)	39,149	40,127
Internal Funds and Balances.....			51,442	3,417	134,559	-	-
Drawdowns from Royalties for Regions Fund ^(b)			775	7,470	-	-	-
Total Funding.....			192,461	88,125	41,859	39,149	40,127

(a) Partly funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

SYNERGY

ASSET INVESTMENT PROGRAM

The Electricity Generation and Retail Corporation (Synergy) was formed from the merger of Verve Energy and Synergy on 1 January 2014. This Asset Investment Program (AIP) is the initial combined plan for the merged Synergy. Over the forward estimates period Synergy will spend \$293.6 million on its AIP, broadly allocated to generation, retail and corporate programs.

Generation

A total of \$263.4 million will be used to sustain Synergy's generation portfolio utilising coal, gas, liquid fuel and renewable energy sources. Major items within this total include:

- \$167.3 million of this is allocated for various projects to support safety, reliability, efficiency and environmental targets at Muja Stages C and D. Major works include:
 - \$13.6 million to accommodate two shifting and low load requirements including the installation of modern governor systems;
 - \$5.5 million for precipitator performance upgrade;
 - \$5.5 million for a condensate polisher plant upgrade at Stage C;
 - \$3.5 million for statutory fire systems upgrades;
 - \$5.7 million for compliance upgrade of lifting equipment; and
 - \$5 million for generator stator rewinds at Stage C that are nearing the end of their technical life; and
- \$57.1 million is allocated for strategic spares and other works to improve gas turbine reliability and security of supply including:
 - \$6.5 million for a speedtronics upgrade on the Pinjar Gas Turbines;
 - \$22 million for strategic spares at the Cockburn Gas Turbine; and
 - \$9.5 million for the installation of a bypass stack and other works on the Worsley Gas Turbine.

The remainder is for various projects to deliver effective operations and management of Synergy's generation portfolio.

Retail

A total of \$31.8 million will be primarily spent on various information technology (IT) related projects that are necessary to appropriately manage and build Synergy's relationship with its more than one million customers. The amount of \$6 million is allocated to the continuing program to replace and upgrade IT assets implemented prior to the disaggregation of Western Power which are now beyond their economic life. An allocation of \$3.9 million is to support changes to existing billing and customer systems to support changing customer needs. The remainder is allocated to numerous projects to support the new products and services to better serve customers, including projects related to Synergy's digital strategy which will enable customers to access products and services directly from digital devices. This digital presence is supported by the completed Critical Call Centre Communications Upgrade project.

Corporate

A total of \$11.9 million will be primarily spent on replacing a number of corporate systems and processes for finance and Human Resources that no longer meet business requirements or are currently on unsupported systems. These systems have not been upgraded since disaggregation and vendor support is becoming increasingly limited. These new systems and processes will enable Synergy to better manage its financial position and support the work force planning and management requirements of the newly merged business. The remainder is allocated for minor building and property enhancements.

Efficiency Measures

The Government has approved the implementation of several efficiency measures totalling \$13.5 million. These savings will be reallocated across projects as part of the 2014-15 Mid-year Review.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS ^(a)							
Corporate - Property Plant and Equipment	14,875	13,507	300	300	468	300	300
Generation							
Cockburn Gas Turbine.....	59,335	29,335	342	15,250	250	7,250	7,250
Collie Power Station	79,928	70,451	7,255	7,314	1,763	200	200
High Efficiency Gas Turbines.....	297,543	291,143	1,150	1,650	1,750	1,500	1,500
Kwinana Power Station	75,963	70,618	7,373	3,125	940	640	640
Muja C and D Power Station	493,429	326,085	32,384	23,412	35,634	37,389	70,909
Other Generation Infrastructure Projects	173,299	149,112	19,352	4,649	8,536	5,001	6,001
Pinjar Gas Turbine.....	44,324	33,374	1,140	2,500	3,250	2,600	2,600
Worsley Gas Turbine.....	10,669	969	400	-	8,500	600	600
Retail							
Asset Replacement Program and Critical Core Server							
Disaster Recovery	11,363	5,348	4,672	3,610	2,405	-	-
Customer Information and Billing System.....	44,379	40,467	1,200	1,000	912	1,000	1,000
Product and Software Development.....	14,082	10,953	5,000	500	629	1,000	1,000
System Enhancements	50,634	31,938	3,000	1,150	2,146	7,700	7,700
COMPLETED WORKS							
Generation - Muja A and B Power Station	60,700	60,700	60,700	-	-	-	-
Retail - Critical Call Centre Communications Upgrade.....	3,769	3,769	3,500	-	-	-	-
NEW WORKS							
Corporate - Business Systems Replacement	10,600	-	-	5,000	4,000	1,300	300
Asset Investment Program Efficiency Measure	(13,500)	-	-	-	(3,500)	(5,000)	(5,000)
Total Cost of Asset Investment Program	1,431,392	1,137,769	147,768	69,460	67,683	61,480	95,000
FUNDED BY							
Internal Funds and Balances			147,768	69,460	67,683	61,480	95,000
Total Funding			147,768	69,460	67,683	61,480	95,000

(a) Synergy and Verve Energy were merged into a single entity known as Synergy, from 1 January 2014. Synergy's current Asset Investment Program represents the aggregation of the former Synergy and Verve Energy programs with further amendments to occur as part of the Mid-year Review following the full assessment of operational needs.

WESTERN POWER NETWORKS

ASSET INVESTMENT PROGRAM

Electricity plays an essential role in the economic development of the State and improving the living standards of the community. Western Power's focus is to provide customers with access to safe, reliable and affordable electricity.

As part of Western Power's access arrangement submission and approvals process, the Economic Regulation Authority (ERA) undertakes a rigorous review of Western Power's forecast expenditure. The process ensures that there is a demonstrable need for the investment proposed by Western Power, and that the investment is efficient.

On 29 November 2012, the ERA released its final determination on Western Power's third access arrangement for the period of 1 July 2012 to 30 June 2017. The ERA sets service performance targets, and network tariffs and charges that are in the interest of the customer.

Western Power is expected to achieve the service performance targets and outcomes in the third access arrangement and will invest \$824.4 million in 2014-15 (prior to the application of corrective measures), in order to progress towards delivering the following high level outcomes:

- addressing the highest priority public safety risks;
- expanding network capacity to meet growth and connect new customers; and
- maintaining service levels and improving service delivery through efficiency.

Western Power continually assesses and reprioritises its Asset Investment Program (AIP) based on a range of factors including risk, consequence and efficiency of allocation. As a result, individual funding category allocations remain subject to change given the dynamic environment in which Western Power operates. In this respect, finalised 2013-14 program expenditures will not be available until Western Power completes its 2013-14 end of year audit processes.

Safety - Our Most Important Priority

The safety of the community and its staff is, and will remain, Western Power's most important priority. Maintaining a network that reduces the safety risks for employees, contractors and the community is central to its purpose.

In recognition of this, Western Power will commit \$366 million in 2014-15 to continue a number of important safety programs, including:

- pole management, including \$246.3 million on:
 - the replacement and reinforcement of wood poles to address safety concerns associated with pole failures; and
 - the replacement of wood pole cross arms to mitigate consequences of cross arm failure including the ignition of pole top fires, or result in fallen conductors and network outages.
- \$76 million on conductor management and bushfire mitigation projects, including the replacement of conductors that have the highest consequences of failure, including the potential to cause a fire or result in electrocution, electric shock or power disruptions to customers; and
- \$44 million on connection management, including the replacement of key 'at risk' overhead customer service connections to target full replacement of all 'at risk' connections by the end of 2014-15.

Connecting Customers

Western Power continues to focus on connecting customers and investing in infrastructure to support the State.

Western Power is currently undertaking one of the largest electricity infrastructure projects in Australia – the Mid West Energy Project. This project involves the construction of a 330 kilovolt (kV) double circuit transmission line connecting Perth to Three Springs – enabling the connection of a number of mining projects and electricity generators in the Mid West region. The project will also improve network service standards and security, benefitting all users in the region.

In 2014-15, Western Power will invest \$89.2 million on this project and expects the new 330kV line to be energised by mid-2014. This project will support significant investment in the Mid West region from the resource and electricity generation sectors.

In addition, Western Power is planning to invest \$92.6 million to facilitate customers connecting to the transmission and distribution networks in 2014-15. Significant projects include providing capacity with the reinforcement of the Shenton Park substation and upgrades to Joel Terrace in East Perth.

Enhancing the Customer Experience

To deliver benefits to both customers and local government authorities, Western Power will continue investment in the State Underground Power Program in 2014-15. The partnership between the State Government, Western Power and participating local governments proposes Western Power underground powerlines in the suburbs of Coolbinia, Shoalwater North, Ardross East, Melville South, Laverton (Horizon Power funded), Collie, Kalamunda, Pinjarra, Bunbury, Albany and Northbridge.

To maintain customer service levels, Western Power will continue the replacement of poor performing assets and assets operating beyond their expected functional life span. The network currently contains a proportion of assets that will require replacement in order to maintain historical average customer service levels. A total of \$70.8 million has been allocated for asset replacement in 2014-15 for transmission and distribution assets such as transformers, circuit breakers and surge arrestors.

As part of the 2014-15 Budget, the Government approved the introduction of a range of corrective measures, including a 5% reduction in the cost of delivering the AIP across the forward estimates period. As a result, Western Power will reduce its networks' asset investment expenditure by \$122.3 million across the forward estimates, and \$31.7 million in 2014-15.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Capitalised Borrowing Costs	77,382	56,655	5,803	4,910	5,200	5,243	5,374
Government Initiative - State Underground Power Program.....	141,065	60,531	29,784	20,034	20,000	20,000	20,500
Growth							
Distribution							
Capacity Expansion	149,396	112,716	62,422	36,680	-	-	-
Distribution Customer Access.....	390,201	390,200	194,726	-	-	-	-
Major Projects - Mid West Energy Project	432,894	343,691	213,495	89,203	-	-	-
Transmission							
Capacity Expansion	128,758	72,829	45,452	55,929	-	-	-
Transmission Customer Driven.....	56,745	56,744	20,968	-	-	-	-
Other Asset Investment							
Motor Vehicle Fleet and Mobile Plant.....	242,946	75,372	38,517	40,800	41,700	42,012	43,062
System Management.....	15,116	8,368	1,720	1,050	530	2,552	2,616
Safety							
Bushfire Mitigation.....	360,814	121,987	77,707	64,561	53,471	59,652	61,143
Conductor Management.....	160,068	43,133	6,631	11,486	34,327	35,122	36,000
Connection Management	122,916	71,110	32,741	43,546	3,151	2,523	2,586
Pole Management	1,489,310	471,514	218,902	246,334	203,472	280,501	287,489
Service							
Business Support and Information Technology	305,444	99,816	56,626	56,326	46,329	50,512	52,461
Corporate Real Estate	131,638	49,151	22,189	16,750	24,840	19,962	20,935
Metering	209,418	55,077	42,529	42,896	37,751	34,320	39,374
Regulatory Compliance	173,186	60,158	31,122	19,585	36,421	28,192	28,830
Reliability Driven Asset Replacement.....	276,524	121,407	74,016	70,768	19,261	19,261	45,827
COMPLETED WORKS							
Safety - Streetlight Safety Management	19,993	19,993	7,756	-	-	-	-
Security							
Thermal Management.....	2,852	2,852	2,852	-	-	-	-
Voltage and Fault Level Management	8,490	8,490	4,861	-	-	-	-
NEW WORKS							
Government Initiative							
Perth Waterfront Works.....	3,500	-	-	3,500	-	-	-
Asset Investment Program Efficiency Measure	(122,316)	-	-	(31,658)	(26,991)	(31,357)	(32,310)
Total Cost of Asset Investment Program	4,776,340	2,301,794	1,190,819	792,700	499,462	568,495	613,887
FUNDED BY							
Borrowings.....			766,666	309,531	(10,559)	63,315	129,573
Internal Funds and Balances.....			424,153	483,169	510,021	505,180	484,314
Total Funding			1,190,819	792,700	499,462	568,495	613,887

WESTERN POWER PROVISIONS

ASSET INVESTMENT PROGRAM

Western Power is committed to connecting customers and investing in infrastructure to support the State. A provision of \$227.7 million has been made in 2014-15 (prior to the application of corrective measures) for allocation to Western Power's customer driven works. This provision is separate to the remainder of Western Power's Asset Investment Program (AIP) in recognition of the inherent uncertainty in forecasting customer demand requirements. The allocation will be transferred to Western Power's budget upon demonstration of project commitments, including either contractual commitments with customers, or demonstrated receipt of customer contributions.

In 2014-15, Western Power is forecasting approximately 26,000 new customer connection requests, which includes street lights. Western Power is statutorily obliged to connect new customers. In the event demand for customer driven work increases above forecast, Western Power will bring forward capital expenditure from future periods in line with the approved capital expenditure funding mechanism, or if required, submit a business case to Government to secure the required capital expenditure.

Transmission customer driven works include expanding or reinforcing the network to connect new customer loads or generators. In 2014-15, Western Power is forecasting a total of \$24.1 million for substation upgrades, new connections and line relocations.

Distribution of customer driven works typically reflect a large number of small projects to facilitate customer requests for connection to the network. Western Power is forecasting \$203.7 million for new or modified connections to the distribution network, to connect new subdivisions, enable network expansion and address asset relocations.

As part of the 2014-15 Budget, the Government approved the introduction of a range of corrective measures, including a 5% reduction in the cost of delivering the AIP across the forward estimates period. As a result, Western Power will reduce its provisions' asset investment expenditure by \$64.7 million across the forward estimates, and \$11.4 million in 2014-15.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
NEW WORKS							
Growth							
Distribution							
Capacity Expansion	212,622	-	-	-	67,667	71,600	73,355
Customer Driven	851,867	-	-	203,669	210,197	216,297	221,704
Transmission							
Capacity Expansion	142,589	-	-	-	63,166	39,221	40,202
Customer Driven	85,993	-	-	24,094	20,137	20,623	21,139
Asset Investment Program Efficiency Measure	(64,658)	-	-	(11,393)	(18,058)	(17,387)	(17,820)
Total Cost of Asset Investment Program	1,228,413	-	-	216,370	343,109	330,354	338,580
FUNDED BY							
Borrowings			-	194,690	322,751	311,667	319,314
Internal Funds and Balances			-	21,680	20,358	18,687	19,266
Total Funding			-	216,370	343,109	330,354	338,580

ELECTRICITY SECTOR PROVISIONS

ASSET INVESTMENT PROGRAM

A provision of \$20.7 million was made as part of the 2013-14 Budget process, to reflect the contingency for Horizon Power's site and transmission asset investment at South Hedland. Release of this contingency is subject to Horizon Power providing justification to the satisfaction of the State Government. Horizon Power has drawdown \$16.3 million throughout the 2013-14 financial year, and anticipates that the project expenditure will remain within the total funding approved of \$138 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
NEW WORKS							
Horizon Power							
South Hedland Site and Transmission Works Contingency	4,398	-	-	4,398	-	-	-
Total Cost of Asset Investment Program	4,398	-	-	4,398	-	-	-
FUNDED BY							
Borrowings			-	4,398	-	-	-
Total Funding			-	4,398	-	-	-

Part 14
Minister for Local Government; Community Services; Seniors and
Volunteering; Youth

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
645	Local Government and Communities			
	– Delivery of Services	130,740	128,569	123,397
	– Administered Grants, Subsidies and Other Transfer Payments.....	1,520	1,520	-
	– Capital Appropriation.....	302	615	-
	Total.....	132,562	130,704	123,397
	GRAND TOTAL			
	– Delivery of Services	130,740	128,569	123,397
	– Administered Grants, Subsidies and Other Transfer Payments.....	1,520	1,520	-
	– Capital Appropriation.....	302	615	-
	Total.....	132,562	130,704	123,397

LOCAL GOVERNMENT AND COMMUNITIES

PART 14 - MINISTER FOR LOCAL GOVERNMENT; COMMUNITY SERVICES; SENIORS AND VOLUNTEERING; YOUTH

DIVISION 57

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 94 Net amount appropriated to deliver services.....	117,748	129,818	127,991	122,810	128,827	133,400	128,863
Item 95 Contribution to the Western Australian Family Foundation Trust Account.....	250	250	250	250	250	250	250
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	575	672	328	337	348	358	358
Total appropriations provided to deliver services	118,573	130,740	128,569	123,397	129,425	134,008	129,471
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	-	1,520	1,520	-	-	-	-
CAPITAL							
Capital Appropriation.....	227	302	615	-	-	-	-
TOTAL APPROPRIATIONS.....	118,800	132,562	130,704	123,397	129,425	134,008	129,471
EXPENSES							
Total Cost of Services.....	133,780	146,446	146,821	137,222	140,598	145,356	136,057
Net Cost of Services ^(a)	127,089	143,199	142,290	135,011	138,524	143,334	134,035
CASH ASSETS ^(b)	37,518	29,804	30,644	24,887	25,191	25,371	25,434

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(291)	-	-	-	-
2013-14 Voluntary Separation Scheme	2,200	-	-	-	-
2014-15 Procurement Savings	-	(440)	-	-	-
Beyond Gambling Grants	934	-	-	-	-
Country High Schools Hostels Ex Gratia Scheme	(2,556)	-	-	-	-
Education And Care Regulatory Unit	-	287	299	-	-
Grandcarers Respite Scheme Wanslea	-	125	125	125	125
Metropolitan Local Government Reform	-	5,973	5,790	5,566	-
Royalties for Regions					
Occasional Care	(61)	-	-	-	-
Regional Community Childcare Development Fund	-	-	-	1,500	1,500
Regional Workers Incentive Allowance	(6)	(45)	(74)	(76)	3
Seniors Housing Information Service ^(a)	-	100	100	100	-
Seniors Safety and Security Rebate	-	1,000	1,000	1,000	-
The Decommissioning of the Office of Shared Services	(38)	117	123	123	-
Transfer of Community Languages Program	1,058	1,058	1,058	1,058	1,058
Transfer of Salaries and Allowances Act 1975 Funding	(344)	(353)	(362)	(372)	(372)
Universal Access to Early Childhood Education	450	225	-	-	-

(a) Grant payable to the Department of Commerce for the provision of the Service.

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.	Western Australians live in inclusive communities with strong and effective local governments and community services.	<ol style="list-style-type: none"> 1. Regulate and support the Early Childhood Education and Care and the Local Government sectors 2. Build and deliver community services and programs 3. Promotion and support of Multiculturalism

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Regulate and Support the Early Childhood Education and Care and the Local Government Sectors	22,903	23,814	23,524	20,091	19,806	19,746	20,628
2. Build and Deliver Community Services and Programs	105,949	117,904	117,361	111,498	115,161	119,937	109,583
3. Promotion and Support of Multiculturalism ...	4,928	4,728	5,936	5,633	5,631	5,673	5,846
Total Cost of Services	133,780	146,446	146,821	137,222	140,598	145,356	136,057

Significant Issues Impacting the Agency

- The Department was established on 1 July 2013 to facilitate closer collaboration and stronger partnerships between the State Government, local governments and community service organisations. It is working with leaders of the peak bodies of the local government and community sectors to promote the coordination of quality services, improve the links between the sectors and empower communities to determine local priorities and strategies to respond to their particular social challenges.
- The Government is committed to the long-overdue reform of Perth metropolitan local governments. The Department is working with the local government sector to ensure that the new local governments are in place by 1 July 2015. To support the sector through the reform process, the Government is making available up to \$60 million in loans and grants.
- Local governments are expected to meet high standards of governance and accountability in providing an increasingly complex range of services to their communities. The Department is working to build the capacity of local government elected members and staff to undertake the required strategic and corporate planning, and asset and financial management, through the provision of targeted training, advice and support.
- Increasing pressures on community service organisations have prompted a significant growth in demand for the Department's funded community services, with some program areas recording a 50% increase in customer numbers since 2007. In 2013-14, the Department distributed an additional \$2 million to community service organisations as a result of the Government's Sustainable Funding and Contracting with the Not-For-Profit Sector – Component II allocation, with a further \$600,000 to be distributed to eligible providers in 2014-15.
- As the State's Regulatory Authority for early education and care services, the Department assesses and rates services under the National Quality Framework (NQF). In implementing the NQF, the Department seeks to raise the quality, drive continuous improvement and consistency in early education and care services, and provide better quality information to parents when selecting a service. However, assessment and rating against the NQF criteria is resource intensive and has placed greater demands on State Government resources.
- Western Australia is experiencing sustained population growth, along with significant demographic and social change. The number of families with children grew by 13% from 2006 to 2011 and the number of Western Australians aged 60 years and over is expected to increase by more than 180% by 2050. One in five Western Australian seniors will be from a Culturally and Linguistically Diverse (CaLD) background by 2026. Population growth, demographic change and ageing are placing increased demands on services, including the costs of concessions and benefits available to seniors.
- There are more than 480,000 young people aged 12 to 25 in Western Australia, representing one-fifth of the State's population. The Department develops programs and policies that meet the needs of young people in Western Australia.
- In responding to the growing demand for skilled volunteers in Western Australia, strategies to support organisations with recruitment, retention, training, screening and management of volunteers are a continued priority.
- An estimated 310,000 people provide unpaid care throughout the State, with the number expected to rise as the population ages. The Department provides funding to support carers, administers policies and initiatives to raise awareness of carers in the community and workplace, provides support to the Carers Advisory Council and monitors compliance with the *Carers Recognition Act 2004*.

- The Department prioritises a range of initiatives to support women's capacity to participate in all aspects of the community. Significant barriers remain concerning women's workforce participation, opportunities to obtain leadership roles, and long-term economic independence, including sustainable retirement incomes. A range of factors continue to contribute to a gender pay gap of 24% in Western Australia, which is the largest in the country.
- Western Australia is experiencing 'super diversity'. At the 2011 Census, 31% of the population was born overseas, with 64% born in a non-native English speaking country. The State's population comes from more than 200 countries, speaks approximately 270 languages and dialects and identifies with more than 100 religious faiths. The scale and rate of growth in the State's diverse population brings a range of opportunities and challenges for government policy development and service delivery.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Western Australians live in inclusive communities with strong and effective local governments and community services:					
Extent to which local governments conducted planning to improve their capability and local services	22%	63%	63%	70%	1
Percentage of assessed early childhood education and care services that do not require significant work to achieve national standards.....	98%	95%	95%	95%	2
Extent to which users of community services were satisfied and had their needs met	94%	95%	96%	95%	
Percentage of stakeholders who report that the Office of Multicultural Interests had a positive impact on the promotion and support of multiculturalism.....	n/a	75%	78%	80%	3

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

Explanation of Significant Movements

(Notes)

1. The 2013-14 survey expanded the definition of 'capability' to include Corporate and Business Planning. Local governments were required to have capability plans completed by 30 June 2013. The 2012-13 survey occurred before the deadline, therefore, the increase between 2012-13 Actual and 2013-14 Budget is explained by local governments working in the interval to complete the plans and can be regarded as a real improvement in local government planning and capability.
2. The Education and Care Regulatory Unit is undergoing changes in the way it assesses services which may affect future results.
3. This is a new Key Effectiveness Indicator and no data is available for 2012-13.

Services and Key Efficiency Indicators

1. Regulate and Support the Early Childhood Education and Care and the Local Government Sectors

This service provides for the regulation and quality assurance of early education and care services and strengthening the governance of the local government sector.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	22,903	23,814	23,524	20,091	1
Less Income	2,065	1,639	1,539	670	
Net Cost of Service.....	20,838	22,175	21,985	19,421	
Employees (Full Time Equivalents).....	132	132	133	130	
Efficiency Indicators					
Average Administrative Cost per Approved Education and Care Service	\$14,339	\$13,856	\$14,330	\$12,891	2
Average Administrative Cost per Local Government for Sector Regulation and Support.....	\$46,564	\$50,239	\$52,028	\$45,167	3

Explanation of Significant Movements

(Notes)

1. The 2014-15 Budget Target is less than the 2013-14 Estimated Actual due to the implementation of the *Cat Act 2011* and the Country High Schools Hostels Ex Gratia Scheme both being finalised in 2013-14. There has also been a reduction in expenditure associated with the Early Childhood Education and Care National Partnership, which ceased in 2013-14.
2. The 2014-15 Budget Target is less than the 2013-14 Estimated Actual due to a reduction in expenditure associated with the Early Childhood Education and Care National Partnership, which ceased in 2013-14.
3. The 2014-15 Budget Target is less than the 2013-14 Estimated Actual due to the implementation of the *Cat Act 2011* being finalised in 2013-14.

2. Build and Deliver Community Services and Programs

This service provides for the development, planning and provision of information, programs and support for Western Australians across community services and local governments.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	105,949	117,904	117,361	111,498	
Less Income	4,588	1,603	2,987	1,535	
Net Cost of Service.....	101,361	116,301	114,374	109,963	
Employees (Full Time Equivalents).....	168	168	174	142	
Efficiency Indicators					
Average Cost per Effective Service	\$199	\$244	\$250	\$256	
Average Administrative Cost to Provide Benefits to Seniors Card Holders.....	\$7.14	\$9.59	\$9.84	\$6.99	1
Average Cost per Community Building Project.....	\$85,050	\$99,326	\$100,190	\$95,188	

Explanation of Significant Movements

(Notes)

1. The 2013-14 Estimated Actual is higher than the 2014-15 Budget Target due to the biennial mail out of the seniors discount directory and the development of the new data infrastructure to support the administration of the Seniors Card both occurring in 2013-14.

3. Promotion and support of Multiculturalism

This service supports the development and implementation of policies, programs and services that achieve the full potential of multiculturalism.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 4,928	\$'000 4,728	\$'000 5,936	\$'000 5,633	
Less Income	38	5	5	6	
Net Cost of Service.....	4,890	4,723	5,931	5,627	
Employees (Full Time Equivalents).....	26	26	26	25	
Efficiency Indicators					
Average Cost per Project to Support and Promote Multiculturalism	\$76,950	\$88,619	\$96,906	\$90,217	

ASSET INVESTMENT PROGRAM

The Asset Investment Program comprises \$103,000 for the ongoing replacement of computers and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Computer and Office Equipment Replacement – 2013-14 Program	103	103	103	-	-	-	-
Information Technology – The Decommissioning of the Office of Shared Services	842	842	709	-	-	-	-
NEW WORKS							
Computer and Office Equipment Replacement 2014-15 Program	103	-	-	103	-	-	-
2015-16 Program	103	-	-	-	103	-	-
2016-17 Program	103	-	-	-	-	103	-
2017-18 Program	103	-	-	-	-	-	103
Total Cost of Asset Investment Program	1,357	945	812	103	103	103	103
FUNDED BY							
Capital Appropriation			615	-	-	-	-
Drawdowns from the Holding Account			103	103	103	103	103
Internal Funds and Balances			94	-	-	-	-
Total Funding			812	103	103	103	103

FINANCIAL STATEMENTS**Income Statement***Expenses*

Although the Department has received additional funding of \$7.4 million in 2014-15 for a number of programs, the Total Cost of Services is estimated to reduce by \$9.6 million when compared to the 2013-14 Estimated Actual. Key contributors to this reduction include one-off additional voluntary separation expenses of \$2.2 million in 2013-14 and \$5.9 million in program rationalisation savings. Grant funding associated with the Country High Schools Hostels Ex Gratia Scheme (\$3.1 million) also ceased in 2013-14, following the closure of the Scheme.

Income

The total income for 2014-15 reduces by \$2.3 million when compared to the 2013-14 Estimated Actual. This mainly reflects an expected reduction in grant funding of \$934,000 associated with the Department's Beyond Gambling initiative in 2014-15 and the cessation of Commonwealth funding of \$880,000 under the Early Childhood Education and Care National Partnership, subject to the negotiation of a new Agreement.

Statement of Financial Position

Cash assets are expected to reduce in line with drawdowns on cash reserves as highlighted under the Statement of Cashflows section below.

Statement of Cashflows

The Department's net cash holdings in the 2014-15 Budget Estimate is \$24.9 million, representing a reduction of 18.8% from the 2013-14 Estimated Actual. The reduction is mainly due to the use of \$2.2 million in cash to fund additional voluntary separations in 2013-14 and the carryover of cash from previous years to fund Royalties for Regions Country Local Government Fund initiatives, and to enable the completion of the amalgamation between the Town and Shire of Narrogin.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	33,107	33,679	36,084	31,998	32,741	33,311	32,722
Grants and subsidies ^(c)	60,785	64,372	62,498	58,252	61,215	63,008	53,655
Supplies and services	33,087	42,454	40,603	39,892	39,123	41,376	42,019
Accommodation	3,344	3,607	4,908	4,938	5,167	5,365	5,365
Depreciation and amortisation	1,918	983	1,396	1,083	1,181	1,157	1,157
Other expenses	1,539	1,351	1,332	1,059	1,171	1,139	1,139
TOTAL COST OF SERVICES	133,780	146,446	146,821	137,222	140,598	145,356	136,057
Income							
Sale of goods and services	664	689	689	638	706	654	654
Grants and subsidies	4,376	1,925	3,209	1,184	973	973	973
Other revenue	1,651	633	633	389	395	395	395
Total Income	6,691	3,247	4,531	2,211	2,074	2,022	2,022
NET COST OF SERVICES	127,089	143,199	142,290	135,011	138,524	143,334	134,035
INCOME FROM STATE GOVERNMENT							
Service appropriations	118,573	130,740	128,569	123,397	129,425	134,008	129,471
Resources received free of charge	2,826	2,734	2,734	2,841	2,953	3,069	3,069
Royalties for Regions Fund ^(d)	1,481	4,065	3,780	2,920	6,354	6,320	1,558
TOTAL INCOME FROM STATE GOVERNMENT	122,880	137,539	135,083	129,158	138,732	143,397	134,098
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(4,209)	(5,660)	(7,207)	(5,853)	208	63	63

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 326, 333 and 297 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$1.5 million (2012-13), \$3.4 million (2013-14 Budget), \$3.3 million (2013-14 estimated outcome), \$2.9 million (2014-15), \$1.4 million (2015-16), \$1.6 million (2016-17), \$1.6 million (2017-18), Country Local Government Fund - \$0.7 million (2013-14 Budget), \$0.5 million (2013-14 estimated outcome), \$4.9 million (2015-16) and \$4.8 million (2016-17).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Beyond Gambling Grants	1,517	460	1,394	460	460	460	460
Broome Chinatown Sails	210	-	-	-	-	-	-
Bunbury Choose Respect Program	50	-	-	-	-	-	-
Cadets Western Australia Instructor Recognition Payments	863	925	925	925	925	925	925
Cadets Western Australia River Rangers Instructor Recognition Payments	122	90	90	119	119	119	119
Cat Act 2011 Implementation.....	2,601	344	344	-	-	-	-
Community Gardens.....	-	100	100	100	100	100	100
Community Languages Program	-	-	1,058	1,058	1,058	1,058	1,058
Companion Animal Shelters.....	200	200	200	200	200	-	-
Country High School Hostels Ex Gratia Scheme	-	5,617	3,061	-	-	-	-
Foodbank Western Australia 2030 Project.....	3,000	-	-	-	-	-	-
Grandcarers Support Scheme.....	-	225	225	450	450	450	450
Local Government Reform in Aboriginal Communities.....	25	335	335	-	-	-	-
Local Government Scholarship Fund	26	29	29	29	29	29	29
National Youth Week	80	80	80	80	80	80	80
Office of Multicultural Interests - Community Grants	1,386	784	784	786	786	786	786
Other Grants	705	208	138	38	38	38	138
Other Local Government Grants.....	9	9	9	9	9	9	9
Redress Scheme.....	33	-	-	-	-	-	-
Regional Local Government Amalgamations	360	588	588	721	-	-	-
Royalties for Regions - Country Local Government Fund Capacity Building	1,755	3,042	1,802	982	3,905	3,426	-
Royalties for Regions - Regional Community Childcare Development Fund	796	1,200	1,200	1,200	997	360	360
Seniors Cost of Living Rebates.....	37,123	39,961	39,961	42,740	45,757	48,866	48,866
Seniors Housing Information Service.....	-	-	-	100	100	100	-
Seniors Safety and Security Rebates.....	2,234	900	900	927	927	927	-
Social Enterprise Fund.....	2,418	3,800	3,800	2,053	-	-	-
Social Innovation Grants	4,500	3,400	3,400	-	-	-	-
Structural Reform of Metropolitan Local Government	-	1,800	1,800	5,000	5,000	5,000	-
Youth Activity Grants	261	25	25	25	25	25	25
Youth Other Grants	145	-	-	-	-	-	-
Western Australia Family Foundation	366	250	250	250	250	250	250
TOTAL.....	60,785	64,372	62,498	58,252	61,215	63,008	53,655

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	23,100	27,986	18,294	14,870	15,174	15,354	15,417
Restricted cash.....	13,526	968	11,395	8,900	8,900	8,900	8,900
Holding account receivables.....	103	103	103	103	103	103	103
Receivables.....	1,346	1,218	1,346	1,346	1,346	1,346	1,346
Other.....	49	13	49	49	49	49	49
Total current assets.....	38,124	30,288	31,187	25,268	25,572	25,752	25,815
NON-CURRENT ASSETS							
Holding account receivables.....	16,635	17,540	17,540	18,545	19,648	20,727	21,806
Property, plant and equipment.....	47,708	41,035	46,700	45,782	44,747	43,721	42,695
Intangibles.....	279	720	953	921	893	865	837
Restricted cash.....	892	850	955	1,117	1,117	1,117	1,117
Other.....	338	91	88	58	43	43	43
Total non-current assets.....	65,852	60,236	66,236	66,423	66,448	66,473	66,498
TOTAL ASSETS.....	103,976	90,524	97,423	91,691	92,020	92,225	92,313
CURRENT LIABILITIES							
Employee provisions.....	6,689	6,557	6,714	6,739	6,764	6,789	6,814
Payables.....	402	762	402	402	402	402	402
Other.....	3,086	2,421	3,100	3,196	3,292	3,409	3,409
Total current liabilities.....	10,177	9,740	10,216	10,337	10,458	10,600	10,625
NON-CURRENT LIABILITIES							
Employee provisions.....	1,742	1,594	1,742	1,742	1,742	1,742	1,742
Other.....	30	6	30	30	30	30	30
Total non-current liabilities.....	1,772	1,600	1,772	1,772	1,772	1,772	1,772
TOTAL LIABILITIES.....	11,949	11,340	11,988	12,109	12,230	12,372	12,397
EQUITY							
Contributed equity.....	65,905	57,707	66,520	66,520	66,520	66,520	66,520
Accumulated surplus/(deficit).....	7,468	1,284	261	(5,592)	(5,384)	(5,321)	(5,258)
Reserves.....	18,654	20,193	18,654	18,654	18,654	18,654	18,654
Total equity.....	92,027	79,184	85,435	79,582	79,790	79,853	79,916
TOTAL LIABILITIES AND EQUITY.....	103,976	90,524	97,423	91,691	92,020	92,225	92,313

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	117,165	129,732	127,561	122,289	128,219	132,826	128,289
Capital appropriation	227	302	615	-	-	-	-
Holding account drawdowns.....	103	103	103	103	103	103	103
Royalties for Regions Fund ^(b)	1,481	4,065	3,780	2,920	6,354	6,320	1,558
Net cash provided by State Government.....	118,976	134,202	132,059	125,312	134,676	139,249	129,950
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(34,399)	(33,591)	(35,996)	(31,828)	(32,571)	(33,150)	(32,678)
Grants and subsidies	(59,889)	(64,372)	(62,498)	(58,252)	(61,215)	(63,008)	(53,655)
Supplies and services	(25,637)	(38,300)	(37,750)	(36,921)	(36,040)	(38,158)	(38,801)
Accommodation.....	(2,761)	(3,759)	(4,904)	(4,934)	(5,163)	(5,361)	(5,361)
Other payments.....	(11,050)	(7,025)	(5,861)	(5,584)	(5,696)	(5,653)	(5,653)
Receipts							
Grants and subsidies	4,376	1,925	3,209	1,184	973	973	973
Sale of goods and services	652	689	689	638	706	654	654
GST receipts	5,124	4,357	4,357	4,342	4,342	4,342	4,342
Other receipts.....	1,844	633	633	389	395	395	395
Net cash from operating activities	(121,740)	(139,443)	(138,121)	(130,966)	(134,269)	(138,966)	(129,784)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,603)	(405)	(812)	(103)	(103)	(103)	(103)
Net cash from investing activities	(2,603)	(405)	(812)	(103)	(103)	(103)	(103)
NET INCREASE/(DECREASE) IN CASH HELD							
	(5,367)	(5,646)	(6,874)	(5,757)	304	180	63
Cash assets at the beginning of the reporting period.....	42,885	35,450	37,518	30,644	24,887	25,191	25,371
Cash assets at the end of the reporting period.....	37,518	29,804	30,644	24,887	25,191	25,371	25,434

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

(b) Regional Community Services Fund - \$1.5 million (2012-13), \$3.4 million (2013-14 Budget), \$3.3 million (2013-14 estimated outturn), \$2.9 million (2014-15), \$1.4 million (2015-16), \$1.6 million (2016-17), \$1.6 million (2017-18), Country Local Government Fund - 0.7 million (2013-14 Budget), \$0.5 million (2013-14 estimated outturn), \$4.9 million (2015-16) and \$4.8 million (2016-17).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Other							
Administered Appropriation	-	1,520	1,520	-	-	-	-
Other Revenue	480	-	-	-	-	-	-
TOTAL INCOME	480	1,520	1,520	-	-	-	-
EXPENSES							
Other							
Employee Expenses	92	381	381	-	-	-	-
Supplies and Services	293	1,139	1,139	-	-	-	-
TOTAL EXPENSES.....	385	1,520	1,520	-	-	-	-

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.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	312	312	196	196
Receipts:				
Appropriations.....	250	250	250	250
	562	562	446	446
Payments	366	250	250	250
CLOSING BALANCE	196	312	196	196

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* and *Cocos (Keeling) Islands Act 1955*.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	22	12	12	12
Receipts:				
Appropriations.....	-	-	-	-
Other.....	358	350	374	388
	380	362	386	400
Payments	368	350	374	388
CLOSING BALANCE	12	12	12	12

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Commonwealth Grants and Contributions.....	3,104	1,325	1,325	459	473	473	473
GST Input Credits.....	155	91	91	61	61	61	61
GST Receipts on Sales	4,969	4,266	4,266	4,281	4,281	4,281	4,281
Other Grants and Contributions.....	1,272	600	1,884	725	500	500	500
Other Receipts	1,844	633	633	389	395	395	395
Regulatory Fees and Services Rendered.....	652	689	689	638	706	654	654
TOTAL.....	11,996	7,604	8,888	6,553	6,416	6,364	6,364

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 will spend \$10.3 million on its Asset Investment Program in 2014-15. The redevelopment of burial areas is ongoing at Karrakatta Cemetery.

Redevelopment of Fremantle Cemetery's infrastructure and landscaping continues in response to the community's need for improved access and amenities.

Replacement and rehabilitation of the ageing cremators continues, particularly at the Karrakatta, Pinnaroo and Fremantle cemeteries.

Investment in on-site facilities is also ongoing across cemeteries, particularly in information technology and fire and security systems.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Cemetery Renewal Program - Karrakatta	10,199	4,004	1,125	295	400	1,400	600
Development of Rockingham Regional Memorial Park	3,045	1,280	320	315	200	150	150
Minor Works on Cemeteries and On-site Facilities							
Fremantle	10,929	3,989	712	4,160	700	190	290
Guildford	3,167	1,532	285	75	250	200	250
Karrakatta	29,792	17,441	1,755	3,750	1,501	1,050	1,150
Midland	2,879	1,742	130	122	150	200	200
Pinnaroo Valley Memorial Park	7,077	4,036	689	426	275	330	380
Rockingham Regional Memorial Park	2,082	1,556	90	106	50	80	50
Office Building	4,156	2,106	366	500	200	200	200
Pinnaroo Lake Development	2,607	1,497	50	190	250	250	100
Replacement of Cremators	6,186	2,906	808	780	400	400	400
Whitby Falls Cemetery Development	4,354	100	50	54	500	500	1,500
Whiteman Park Development	7,220	40	40	-	50	2,000	1,630
COMPLETED WORKS							
Regional Crematorium Pinnaroo	800	800	800	-	-	-	-
NEW WORKS							
Rockingham Regional Memorial Park Chapel	170	-	-	-	20	50	100
Asset Investment Program Efficiency Measure	(1,470)	-	-	(523)	(247)	(350)	(350)
Total Cost of Asset Investment Program	93,193	43,029	7,220	10,250	4,699	6,650	6,650
FUNDED BY							
Asset Sales			90	-	-	-	-
Internal Funds and Balances			7,130	10,250	4,699	6,650	6,650
Total Funding			7,220	10,250	4,699	6,650	6,650

Part 15

Minister for Environment; Heritage

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
661	Parks and Wildlife			
	– Delivery of Services	201,996	209,671	199,495
	– Capital Appropriation.....	2,412	5,614	704
	Total.....	204,408	215,285	200,199
671	Environment Regulation			
	– Delivery of Services	706	4,462	2,734
	– Capital Appropriation.....	855	855	865
	Total.....	1,561	5,317	3,599
679	Botanic Gardens and Parks Authority			
	– Delivery of Services	12,752	14,489	14,346
	Total.....	12,752	14,489	14,346
687	Office of the Environmental Protection Authority			
	– Delivery of Services	9,732	14,533	14,725
	– Capital Appropriation.....	-	-	59
	Total.....	9,732	14,533	14,784
695	Swan River Trust			
	– Delivery of Services	12,020	12,020	12,446
	Total.....	12,020	12,020	12,446
704	Zoological Parks Authority			
	– Delivery of Services	10,933	11,250	11,272
	– Capital Appropriation.....	1,470	1,470	735
	Total.....	12,403	12,720	12,007

Part 15

Minister for Environment; Heritage

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
713	Heritage Council of Western Australia			
	– Delivery of Services	7,129	7,138	7,711
	– Capital Appropriation.....	11	11	1,750
	Total	7,140	7,149	9,461
720	National Trust of Australia (WA)			
	– Delivery of Services	2,801	2,801	2,878
	– Capital Appropriation.....	435	435	435
	Total	3,236	3,236	3,313
	GRAND TOTAL			
	– Delivery of Services	258,069	276,364	265,607
	– Capital Appropriation.....	5,183	8,385	4,548
	Total	263,252	284,749	270,155

PARKS AND WILDLIFE

PART 15 - MINISTER FOR ENVIRONMENT; HERITAGE

DIVISION 58

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 96 Net amount appropriated to deliver services.....	193,004	201,473	209,148	198,955	206,338	209,663	211,991
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	506	523	523	540	558	573	588
Total appropriations provided to deliver services	193,510	201,996	209,671	199,495	206,896	210,236	212,579
CAPITAL							
Item 153 Capital Appropriation.....	2,582	2,412	5,614	704	932	1,386	2,249
TOTAL APPROPRIATIONS.....	196,092	204,408	215,285	200,199	207,828	211,622	214,828
EXPENSES							
Total Cost of Services.....	286,565	290,764	292,887	285,990	296,865	295,157	294,435
Net Cost of Services ^(a)	207,093	201,754	207,340	202,232	211,909	209,811	211,959
CASH ASSETS ^(b)	79,027	85,961	78,653	81,623	78,592	81,562	81,562

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(2,401)	-	-	-	-
2013-14 Voluntary Separation Scheme	3,530	-	-	-	-
2014-15 Procurement Savings	-	(4,476)	-	-	-
Adjustment to Salaries Cap.....	534	40	-	-	-
Burrup Maitland Industrial Estates Agreement.....	450	550	450	450	-
Insurance Escalation	1,800	-	-	-	-
Insurance Premium Transfer.....	-	(40)	(40)	(40)	(40)
Peel Harvey Estuary	-	(100)	(100)	(100)	-
Personal Protective Equipment for Fire Management.....	763	-	-	-	-

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Social and Environmental Responsibility: Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.	Community enjoyment of park facilities and services, wildlife and the natural environment displayed in parks.	1. Parks Management
	Conservation and sustainable utilisation of biodiversity.	2. Wildlife Management 3. Forest Management

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Parks Management	96,117	95,342	94,348	93,731	96,945	96,328	94,967
2. Wildlife Management	134,703	142,175	143,231	139,370	145,087	143,835	144,266
3. Forest Management	55,745	53,247	55,308	52,889	54,833	54,994	55,202
Total Cost of Services	286,565	290,764	292,887	285,990	296,865	295,157	294,435

Significant Issues Impacting the Agency

- The Government's new Caravan and Camping (Parks for People) initiative, directed at parks in the State's South West and Mid West, will expand the number of low-cost camping and caravanning facilities in those regions, promote the State's world-class parks system, and help people enjoy their parks safely by providing a range of facilities and services. With \$2.6 million allocated in 2013-14 and \$18.5 million over the period 2014-15 to 2016-17, the initiative will provide better facilities for regional communities, boost regional tourism and recreation, and improve access to low-cost caravan and camping opportunities in natural areas. The Parks for People initiative will also deliver upgrades to the Department's electronic information on accessing camping and outdoor recreation opportunities.
- The Department will continue to strengthen and expand its partnership approach to managing the State's terrestrial and marine parks and reserves with volunteers, private conservation organisations, Aboriginal communities and the private sector using a new legislative framework.
- The Department will continue to prepare management plans and implement conservation actions for terrestrial and marine reserves across the State. This includes continuing to implement the Government's expanded Kimberley Science and Conservation Strategy (KSCS) to provide the largest ever targeted investment in conservation of the Kimberley's natural assets, the protection of Aboriginal cultural heritage and rock art, and the development of sustainable nature-based tourism.
- New marine reserves will be established under the KSCS at Horizontal Falls and in the North Kimberley, along with an extension to the proposed North Kimberley marine reserve to the Northern Territory border. Also under the KSCS, a new Horizontal Falls National Park will be established and a proposed additional national park, stretching over two million hectares, will be progressed in consultation with Native Title holders.
- Priority will be given to preparatory work for the proposed new Biodiversity Conservation Act to replace the *Wildlife Conservation Act 1950*.

- 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. Planning and implementation of prescribed burning has been overhauled to ensure alignment with the international risk management standard. There will continue to be a focus on enhancing training and operational delivery in this area.
- Western Australia has a unique and highly significant biodiversity that faces constant threats and complex challenges, requiring integrated multi-disciplinary approaches to conservation and management.
- The Forest Management Plan 2014-2023 came into effect on 1 January 2014. The plan proposes a number of new initiatives to be implemented by the Department.
- The Department will continue its work with other State agencies in the completion of the strategic assessment of the impact of development on matters of national environmental significance under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* to improve environmental outcomes and promote more efficient environmental assessment in the Perth metropolitan and Peel regions.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Community enjoyment of park facilities and services, wildlife and the natural environment displayed in parks:					
Average level of visitor satisfaction with their visit.....	88%	85%	88%	85%	1
Outcome: Conservation and sustainable utilisation of biodiversity:					
Total number of listed threatened taxa and ecological communities.....	754	763	763	772	2
Number of threatened taxa and ecological communities with improved conservation status.....	3	nil	2	1	3
Number of threatened taxa and ecological communities with declining conservation status.....	9	3	3	2	4
Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan	69.3%	69%	68.5%	68%	5
Proportion of terrestrial sub-bioregions with greater than 15% reservation	22.2%	22.2%	22.2%	22.2%	6
Proportion of marine bioregions with marine conservation reserves	52.6%	53%	53%	53%	7
Cumulative removal of jarrah sawlogs by approved harvesting operations compared to limits in the Forest Management Plan	n/a	n/a	1,160,000m ³	132,000m ³	8
Cumulative removal of karri sawlogs by approved harvesting operations compared to limits in the Forest Management Plan	n/a	n/a	540,000m ³	59,000m ³	8

(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 2013-14 Estimated Actual is a three year rolling average based on previous years' satisfaction results. No data is available at this time to predict the 2013-14 figure as it is still being collected. The 2014-15 Budget Target is based on the corporate target.
2. A review of the conservation status of flora and fauna species has indicated a net increase in the number of species to be listed as threatened.
3. Two species of flora were de-listed during 2013-14, and it is expected that a further species will be de-listed in the coming year.
4. Three listed species had a decline in conservation status during 2013-14 and a further two species are anticipated to have a decline in status in 2014-15.
5. The proportion of species and communities covered by recovery plans varies each year as additional plans are prepared and new species or communities are added to the lists.
6. There have not been, nor expected to be, any significant land reservations to result in changes to the threshold reservation.
7. There have not been, nor expected to be, any new marine parks created in new marine bioregions.
8. Forest Management has adopted new effectiveness indicators and, as a result, an actual for 2012-13 is not available. For the 2013-14 Estimated Actual, the cumulative totals of jarrah and karri sawlogs are calculated for the Forest Management Plan 2004-13. Had the new indicator been reported in last year's budget statements, the 2013-14 Budget would have been 1,310,000 m³ for jarrah and 540,000 m³ for karri. The 2014-15 Budget Target is the average annual sustained yield for jarrah and karri sawlogs as detailed in the 'Forest Management Plan 2014-2023', which came into effect on 1 January 2014.

Services and Key Efficiency Indicators

1. Parks Management

Management of lands and waters: dealing with public involvement, visitation and appreciation of the natural environment on lands and waters managed by the Department.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	96,117	95,342	94,348	93,731	
Less Income	31,218	32,286	30,998	30,176	
Net Cost of Service.....	64,899	63,056	63,350	63,555	
Employees (Full Time Equivalents).....	542	509	530	527	
Efficiency Indicators					
Average Cost per Hectare of Managing Parks	\$3.37	\$3.34	\$3.31	\$3.29	

2. Wildlife Management

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	134,703	142,175	143,231	139,370	
Less Income	36,695	46,951	44,776	44,111	
Net Cost of Service.....	98,008	95,224	98,455	95,259	
Employees (Full Time Equivalents).....	790	811	800	780	
Efficiency Indicators					
Average Cost per Hectare of Managing Wildlife Habitat	\$4.72	\$4.94	\$4.97	\$4.81	

3. 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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	55,745	53,247	55,308	52,889	
Less Income	11,559	9,773	9,773	9,471	
Net Cost of Service.....	44,186	43,474	45,535	43,418	
Employees (Full Time Equivalents).....	270	270	260	253	
Efficiency Indicators					
Average Cost per Hectare of Managing Forest	\$43.02	\$41.1	\$42.8	\$40.93	

ASSET INVESTMENT PROGRAM

The Department will continue with its investment in the park improvement program, its firefighting fleet, conservation land acquisition, plant and equipment, and tourism road improvements to conserve natural areas, provide protection for surrounding communities and to provide opportunities for sustainable nature-based tourism.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Conservation Parks Infrastructure and Roads	19,977	18,177	10,689	1,800	-	-	-
Kimberley Tourism Initiatives	3,125	1,864	1,187	1,261	-	-	-
Park Improvement Program							
Capes and Dampier Marine Parks	1,117	580	580	370	167	-	-
Caravan and Camping (Parks for People)	21,050	2,550	2,550	7,000	6,250	5,250	-
Great Kimberley Marine Park	2,740	1,250	1,250	-	80	1,410	-
New Kimberley National Parks	1,030	50	50	440	400	140	-
COMPLETED WORKS							
Conservation Land Acquisition - 2013-14 Program	270	270	270	-	-	-	-
Firefighting Fleet Replacement - 2013-14 Program	3,745	3,745	3,745	-	-	-	-
Park Improvement Program							
2013-14 Program	3,250	3,250	3,250	-	-	-	-
Camden Sound and Eighty Mile Beach Marine Park	886	886	720	-	-	-	-
Gnangara Park Development 2013-14 Program	400	400	400	-	-	-	-
Plant and Equipment							
2013-14 Program	5,039	5,039	5,039	-	-	-	-
Retro Fitting Heavy Fleet	3,002	3,002	3,002	-	-	-	-
Tourism Road Improvement Program - 2013-14 Program	1,225	1,225	1,225	-	-	-	-
NEW WORKS							
Bunbury Headquarters Business Plan	250	-	-	250	-	-	-
Conservation Land Acquisition							
2014-15 Program	280	-	-	280	-	-	-
2015-16 Program	290	-	-	-	290	-	-
2016-17 Program	305	-	-	-	-	305	-
2017-18 Program	320	-	-	-	-	-	320
Firefighting Fleet Replacement							
2014-15 Program	3,791	-	-	3,791	-	-	-
2015-16 Program	3,839	-	-	-	3,839	-	-
2016-17 Program	3,888	-	-	-	-	3,888	-
2017-18 Program	3,939	-	-	-	-	-	3,939
Park Improvement Program							
2014-15 Program	3,300	-	-	3,300	-	-	-
2015-16 Program	3,350	-	-	-	3,350	-	-
2016-17 Program	3,550	-	-	-	-	3,550	-
2017-18 Program	3,700	-	-	-	-	-	3,700
Gnangara Park Development							
2014-15 Program	400	-	-	400	-	-	-
2015-16 Program	400	-	-	-	400	-	-
2016-17 Program	400	-	-	-	-	400	-
2017-18 Program	400	-	-	-	-	-	400
Plant and Equipment							
2014-15 Program	5,348	-	-	5,348	-	-	-
2015-16 Program	5,546	-	-	-	5,546	-	-
2016-17 Program	5,815	-	-	-	-	5,815	-
2017-18 Program	6,105	-	-	-	-	-	6,105
Tourism Road Improvement Program							
2014-15 Program	1,250	-	-	1,250	-	-	-
2015-16 Program	1,455	-	-	-	1,455	-	-
2016-17 Program	1,500	-	-	-	-	1,500	-
2017-18 Program	1,650	-	-	-	-	-	1,650
Asset Investment Program Efficiency Measure	(4,269)	-	-	(1,261)	(1,089)	(1,113)	(806)
Total Cost of Asset Investment Program	123,658	42,288	33,957	24,229	20,688	21,145	15,308
FUNDED BY							
Capital Appropriation			5,614	704	932	1,386	2,249
Asset Sales			500	500	500	500	500
Drawdowns from the Holding Account			8,987	9,404	9,509	9,509	9,509
Internal Funds and Balances			5,950	2,750	2,850	2,950	3,050
Drawdowns from Royalties for Regions Fund			12,906	10,871	6,897	6,800	-
Total Funding			33,957	24,229	20,688	21,145	15,308

FINANCIAL STATEMENTS**Income Statement***Expenses*

The 2013-14 Total Cost of Services is estimated to reduce from \$292.9 million to \$286 million in 2014-15. This represents a \$6.9 million reduction, or 2.4%, primarily due to the 2013-14 Voluntary Separation Scheme and additional procurement savings in 2014-15

Income

The Department's 2013-14 total income other than income from State Government, is estimated to reduce from \$85.5 million to \$83.8 million in 2014-15. This represents a \$1.7 million, or 2%, reduction due to a fall in expected revenue from grants and subsidies.

The projected surplus of \$5.4 million in 2014-15 largely reflects income being used to fund asset investment.

Statement of Financial Position

The most significant asset for the Department is land held for conservation and multiple uses, reported within the category property, plant and equipment. Restricted cash represents the majority of the Department's cash holdings and is utilised for specific purpose accounts.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual ^(b)	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Estimate	2015-16 Forward Estimate	2016-17 Forward Estimate	2017-18 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	168,673	177,033	180,516	175,566	178,983	180,644	183,624
Grants and subsidies ^(d)	2,413	781	781	900	900	900	900
Supplies and services	75,497	71,486	70,545	68,785	75,283	72,034	68,357
Accommodation.....	3,961	3,041	3,041	3,181	3,321	3,211	3,211
Depreciation and amortisation	20,451	19,717	19,717	19,717	19,717	19,717	19,717
Other expenses.....	15,570	18,706	18,287	17,841	18,661	18,651	18,626
TOTAL COST OF SERVICES.....	286,565	290,764	292,887	285,990	296,865	295,157	294,435
Income							
Sale of goods and services	20,909	17,523	15,523	16,423	16,923	16,923	16,923
Grants and subsidies	32,786	35,939	33,689	31,701	31,701	31,701	28,731
Other revenue	25,777	35,548	36,335	35,634	36,332	36,722	36,822
Total Income	79,472	89,010	85,547	83,758	84,956	85,346	82,476
NET COST OF SERVICES.....	207,093	201,754	207,340	202,232	211,909	209,811	211,959
INCOME FROM STATE GOVERNMENT							
Service appropriations	193,510	201,996	209,671	199,495	206,896	210,236	212,579
Resources received free of charge.....	1,884	1,448	1,448	1,448	1,448	1,448	1,448
Royalties for Regions Fund ^(e)	2,675	5,303	2,524	6,737	7,030	3,775	710
TOTAL INCOME FROM STATE GOVERNMENT.....	198,069	208,747	213,643	207,680	215,374	215,459	214,737
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(9,024)	6,993	6,303	5,448	3,465	5,648	2,778

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

(b) The 2012-13 Actual results have been derived from the former Department of Environment and Conservation audited financial statements.

(c) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 1,602, 1,590 and 1,560 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(e) Regional Infrastructure and Headworks Fund - \$0.3 million (2013-14 Budget), \$0.3 million (2013-14 estimated outturn), Regional Community Services Fund - \$2.7 million (2012-13), \$5 million (2013-14 Budget), \$2.3 million (2013-14 estimated outturn), \$6.7 million (2014-15), \$7 million (2015-16), \$3.8 million (2016-17) and \$0.7 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Environmental Community Grants Program.....	1,595	-	-	-	-	-	-
Kimberley Science and Conservation Strategy.....	468	781	681	900	900	900	900
Kimberley Toad Busters.....	300	-	-	-	-	-	-
Other.....	50	-	100	-	-	-	-
TOTAL.....	2,413	781	781	900	900	900	900

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual ^(b) \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	7,800	10,828	3,673	2,773	1,973	1,073	173
Restricted cash.....	67,035	69,396	69,113	78,084	75,053	78,023	78,023
Holding account receivables.....	8,987	9,404	9,404	9,509	9,509	9,509	-
Receivables.....	17,034	13,068	16,793	16,793	16,793	16,793	16,793
Other.....	4,530	13,831	15,582	15,582	15,582	15,582	15,582
Total current assets.....	105,386	116,527	114,565	122,741	118,910	120,980	110,571
NON-CURRENT ASSETS							
Holding account receivables.....	99,871	111,050	111,050	121,258	131,466	141,674	161,391
Property, plant and equipment.....	3,632,047	4,235,041	3,646,912	3,650,924	3,651,395	3,652,323	3,647,414
Restricted cash.....	4,192	5,737	5,867	766	1,566	2,466	3,366
Total non-current assets.....	3,736,110	4,351,828	3,763,829	3,772,948	3,784,427	3,796,463	3,812,171
TOTAL ASSETS.....	3,841,496	4,468,355	3,878,394	3,895,689	3,903,337	3,917,443	3,922,742
CURRENT LIABILITIES							
Employee provisions.....	30,590	23,357	31,692	31,734	31,776	31,818	31,830
Payables.....	4,218	3,905	4,179	4,179	4,179	4,179	4,179
Other.....	11,463	9,965	13,361	13,591	9,903	10,133	10,393
Total current liabilities.....	46,271	37,227	49,232	49,504	45,858	46,130	46,402
NON-CURRENT LIABILITIES							
Employee provisions.....	10,072	13,736	9,982	9,982	9,982	9,982	9,982
Total non-current liabilities.....	10,072	13,736	9,982	9,982	9,982	9,982	9,982
TOTAL LIABILITIES.....	56,343	50,963	59,214	59,486	55,840	56,112	56,384
EQUITY							
Contributed equity.....	2,852,976	2,867,517	2,873,188	2,884,763	2,892,592	2,900,778	2,903,027
Accumulated surplus/(deficit).....	78,731	99,397	92,546	97,994	101,459	107,107	109,885
Reserves.....	853,446	1,450,478	853,446	853,446	853,446	853,446	853,446
Total equity.....	3,785,153	4,417,392	3,819,180	3,836,203	3,847,497	3,861,331	3,866,358
TOTAL LIABILITIES AND EQUITY.....	3,841,496	4,468,355	3,878,394	3,895,689	3,903,337	3,917,443	3,922,742

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

(b) The 2012-13 Actual results have been derived from the former Department of Environment and Conservation audited financial statements.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual ^(b)	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Estimate	2015-16 Forward Estimate	2016-17 Forward Estimate	2017-18 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	173,793	182,279	189,954	179,778	187,179	190,519	192,862
Capital appropriation	2,582	2,412	5,614	704	932	1,386	2,249
Holding account drawdowns.....	9,062	8,987	8,987	9,404	9,509	9,509	9,509
Royalties for Regions Fund ^(c)	6,383	16,840	15,430	17,608	13,927	10,575	710
Net cash provided by State Government.....	191,820	210,518	219,985	207,494	211,547	211,989	205,330
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(165,645)	(176,761)	(181,243)	(175,294)	(182,629)	(180,372)	(183,352)
Grants and subsidies	(2,413)	(781)	(781)	(900)	(900)	(900)	(900)
Supplies and services.....	(61,385)	(57,543)	(57,702)	(55,942)	(62,440)	(59,191)	(55,514)
Accommodation.....	(3,961)	(3,041)	(3,041)	(3,181)	(3,321)	(3,211)	(3,211)
Other payments.....	(41,049)	(41,701)	(40,182)	(39,736)	(40,556)	(40,546)	(40,521)
Receipts							
Grants and subsidies	32,786	35,939	33,689	31,701	31,701	31,701	28,731
Sale of goods and services	20,998	17,523	15,523	16,423	16,923	16,923	16,923
GST receipts	12,840	10,500	10,500	10,500	10,500	10,500	10,500
Other receipts.....	24,176	35,548	36,335	35,634	36,332	36,722	36,822
Net cash from operating activities	(183,653)	(180,317)	(186,902)	(180,795)	(194,390)	(188,374)	(190,522)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(24,387)	(29,913)	(33,957)	(24,229)	(20,688)	(21,145)	(15,308)
Proceeds from sale of non-current assets	408	500	500	500	500	500	500
Net cash from investing activities	(23,979)	(29,413)	(33,457)	(23,729)	(20,188)	(20,645)	(14,808)
NET INCREASE/(DECREASE) IN CASH HELD							
	(15,812)	788	(374)	2,970	(3,031)	2,970	-
Cash assets at the beginning of the reporting period.....	110,416	85,173	79,027	78,653	81,623	78,592	81,562
Net cash transferred to/from other agencies.....	(15,577)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	79,027	85,961	78,653	81,623	78,592	81,562	81,562

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

(b) The 2012-13 Actual results have been derived from the former Department of Environment and Conservation audited financial statements.

(c) Regional Infrastructure and Headworks Fund - \$3.7 million (2012-13), \$11.8 million (2013-14 Budget), \$8.5 million (2013-14 estimated outturn), \$1.8 million (2014-15), Regional Community Services Fund - \$2.7 million (2012-13), \$5 million (2013-14 Budget), \$6.9 million (2013-14 estimated outturn), \$15.8 million (2014-15), \$13.9 million (2015-16), \$10.6 million (2016-17) and \$0.7 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Royalties							
Fauna Royalties	42	60	60	60	60	60	60
Fines							
Receipts from Regulatory Fees and Fines.....	31	30	30	30	30	30	30
TOTAL INCOME	73	90	90	90	90	90	90
EXPENSES							
Other							
Receipts paid into Consolidated Account	73	90	90	90	90	90	90
TOTAL EXPENSES.....	73	90	90	90	90	90	90

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Grants and Subsidies	32,786	35,939	33,689	31,701	31,701	31,701	28,731
GST Input Credits.....	8,783	5,000	5,000	5,000	5,000	5,000	5,000
GST Receipts on Sales	4,057	5,500	5,500	5,500	5,500	5,500	5,500
Interest Received	3,292	2,988	2,988	2,988	2,988	2,988	2,988
Other Receipts.....	20,884	32,560	33,347	32,646	33,344	33,734	33,834
Receipts from Sale of Goods and Services	20,998	17,523	15,523	16,423	16,923	16,923	16,923
TOTAL.....	90,800	99,510	96,047	94,258	95,456	95,846	92,976

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

ENVIRONMENT REGULATION

PART 15 - MINISTER FOR ENVIRONMENT; HERITAGE

DIVISION 59

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 97 Net amount appropriated to deliver services.....	433	434	4,190	2,453	2,517	2,540	2,540
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	265	272	272	281	290	298	298
Total appropriations provided to deliver services	698	706	4,462	2,734	2,807	2,838	2,838
CAPITAL							
Item 154 Capital Appropriation.....	789	855	855	865	875	885	885
TOTAL APPROPRIATIONS.....	1,487	1,561	5,317	3,599	3,682	3,723	3,723
EXPENSES							
Total Cost of Services.....	60,670	66,251	67,486	72,181	79,197	80,364	81,203
Net Cost of Services ^(a)	(9,753)	(2,104)	(2,669)	(16,424)	(54,435)	(55,340)	(58,606)
CASH ASSETS ^(b)	26,255	23,285	27,305	26,109	21,297	17,825	15,369

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(280)	-	-	-	-
2013-14 Voluntary Separation Scheme	1,523	-	-	-	-
2014-15 Procurement Savings	-	(494)	-	-	-
2014-15 Tariffs, Fees and Charges	-	716	897	1,089	2,194
Insurance Premium Transfer.....	-	40	40	40	40
Native Vegetation Clearing Permit System	-	700	1,200	1,200	1,200
Payroll Tax Liability.....	1,932	1,979	2,043	2,066	2,066
Waste Avoidance and Resource Recovery Account	-	4,150	15,100	15,300	16,050

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Social and Environmental Responsibility:	Emissions and discharges meet acceptable criteria.	1. Environmental Regulation
Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.	Adoption of environmentally sustainable practices to protect, manage and restore the State's natural resources.	2. Environmental Sustainability and Climate Change

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Environmental Regulation	42,165	39,033	40,904	40,236	42,407	44,626	45,733
2. Environmental Sustainability and Climate Change	18,505	27,218	26,582	31,945	36,790	35,738	35,470
Total Cost of Services	60,670	66,251	67,486	72,181	79,197	80,364	81,203

Significant Issues Impacting the Agency

- The Department is continuing to focus upon its regulatory performance and reforms to streamline and improve regulatory processes.
- The Department is participating in the Government's negotiations with the Commonwealth to remove duplication for matters of national environmental significance regulated by clearing permits.
- The increase to the Landfill Levy is forecast to result in 25% of additional revenue of \$4.2 million being credited to the Waste Avoidance and Resource Recovery (WARR) Account, totalling \$15.8 million (2014-15) to implement initiatives related to the management, reduction, reuse, recycling, monitoring or measurement of waste.
- All receipts from the Landfill Levy in excess of the Department's approved expenditure are forecast to be paid into the Consolidated Account as follows: \$20.5 million (2014-15), \$62.2 million (2015-16), \$61.8 million (2016-17) and \$64 million (2017-18).

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Emissions and discharges meet acceptable criteria:					
Number of exceedances of approved environment criteria by regulated activities.....	21	25	25	25	
Number of air National Environment Protection Measure exceedances per annum of criteria pollutants	11	28	10	21	1
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	43%	45%	47%	49%	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 not possible to associate any trends in the above figures as they are heavily influenced by unpredictable natural events and meteorological conditions.
2. The recycling rate presented in this indicator utilises the most recent and accurate data available. The data for the 2013-14 Estimated Actual is based on 2012-13 data for the metropolitan area only. There is a steady trend of increased recycling, which is supported by a general increase in waste disposal costs and waste diversion programs implemented by the Waste Authority.

Services and Key Efficiency Indicators

1. Environmental Regulation

Regulate emissions and discharges to the environment and the transport of hazardous wastes. Regulate the investigation, classifications and management of contaminated sites.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 42,165	\$'000 39,033	\$'000 40,904	\$'000 40,236	
Less Income	25,498	23,763	25,563	27,213	
Net Cost of Service.....	16,667	15,270	15,341	13,023	
Employees (Full Time Equivalents).....	259	305	275	275	
Efficiency Indicators					
Average Cost per Air Monitoring Station.....	\$531,319	\$430,769	\$379,745	\$359,884	
Average Cost per Industry Licence.....	\$28,954	\$25,236	\$29,942	\$27,882	
Average Cost per Contaminated Site Assessment.....	\$6,922	\$5,625	\$3,989	\$5,315	
Average Cost of Remediating State Sites	\$104,630	\$285,154	\$138,154	\$743,250	1

Explanation of Significant Movements

(Notes)

1. The complexity, and therefore costs, of remediation projects funded from the Contaminated Sites Management Account vary from year to year and from site to site. The 2014-15 Budget Target costs include the costs for the second stage of remediation at the former Waste Control site in Bellevue. The number of sites estimated to be funded in 2014-15 is also lower as a result of the anticipated Bellevue expenditure.

2. Environmental Sustainability and Climate Change

Develop and implement policies and strategies that promote environmentally sustainable practices in industry, government and the community, and provides leadership in the development and implementation of strategies to reduce the impact of climate change for Western Australia.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	18,505	27,218	26,582	31,945	1
Less Income	44,925	44,592	44,592	61,392	2
Net Cost of Service	(26,420)	(17,374)	(18,010)	(29,447)	
Employees (Full Time Equivalents).....	71	75	65	65	
Efficiency Indicators					
Cost of Administering Waste Avoidance and Resource Recovery Account as a Percentage of Total Funds.....	10%	8%	9%	7%	3
Cost of Administering Low Emissions Energy Development Fund as a Percentage of Total Funds	0.49%	0.6%	0.6%	0.65%	

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service from 2013-14 Estimated Actual to the 2014-15 Budget Target is mainly a result of additional spending from the funding through an increase in the Landfill Levy effective from 1 January 2015.
- The increased Income for the 2014-15 Budget Target is primarily due to an increase in the Landfill Levy.
- The one percentage point rise in the cost of administering the WARR Account as a proportion of total funds, from the 2013-14 Budget to the 2013-14 Estimated Actual, is mainly due to an increase in the administration costs of the Landfill Levy, relating to professional services associated with legal action. The two percentage point fall from the 2013-14 Estimated Actual to the 2014-15 Budget Target in the cost of administering the WARR Account as a proportion of total funds, is mainly due to the increase in the Landfill Levy.

ASSET INVESTMENT PROGRAM

The Department's Asset Investment Program reflects a minor investment in plant and equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Plant and Equipment - 2013-14 Program.....	855	855	855	-	-	-	-
NEW WORKS							
Plant and Equipment							
2014-15 Program	865	-	-	865	-	-	-
2015-16 Program	875	-	-	-	875	-	-
2016-17 Program	885	-	-	-	-	885	-
2017-18 Program	885	-	-	-	-	-	885
Total Cost of Asset Investment Program	4,365	855	855	865	875	885	885
FUNDED BY							
Capital Appropriation			855	865	875	885	885
Total Funding			855	865	875	885	885

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	37,284	35,922	37,405	36,750	37,976	38,396	38,398
Grants and subsidies ^(c)	8,045	18,321	16,267	19,028	24,122	22,760	22,492
Supplies and services.....	8,086	5,765	5,639	8,081	8,563	10,529	11,634
Accommodation.....	4,701	4,680	4,680	4,790	4,900	5,010	5,010
Depreciation and amortisation.....	962	433	433	433	433	433	433
Other expenses.....	1,592	1,130	3,062	3,099	3,203	3,236	3,236
TOTAL COST OF SERVICES.....	60,670	66,251	67,486	72,181	79,197	80,364	81,203
Income							
Sale of goods and services.....	2,985	4,108	4,108	4,108	4,108	4,108	4,108
Regulatory fees and fines.....	22,229	20,297	22,097	23,747	24,774	25,846	26,951
Grants and subsidies.....	494	-	-	-	-	-	-
Other revenue.....	44,715	43,950	43,950	60,750	104,750	105,750	108,750
Total Income.....	70,423	68,355	70,155	88,605	133,632	135,704	139,809
NET COST OF SERVICES.....	(9,753)	(2,104)	(2,669)	(16,424)	(54,435)	(55,340)	(58,606)
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	698	706	4,462	2,734	2,807	2,838	2,838
Resources received free of charge.....	311	130	130	130	130	130	130
TOTAL INCOME FROM STATE GOVERNMENT.....	1,009	836	4,592	2,864	2,937	2,968	2,968
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	10,762	2,940	7,261	19,288	57,372	58,308	61,574

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 330, 340 and 340 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Contaminated Sites Management Account.....	523	3,707	1,796	2,973	662	442	442
Low Emissions Energy Development Fund.....	2,569	8,614	8,471	5,905	2,360	1,018	-
Waste Avoidance and Resource Recovery Account.....	4,953	6,000	6,000	10,150	21,100	21,300	22,050
TOTAL.....	8,045	18,321	16,267	19,028	24,122	22,760	22,492

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	452	-	2,109	5,794	3,952	3,450	3,964
Restricted cash.....	24,928	22,268	24,179	20,202	17,090	13,961	10,577
Receivables.....	559	266	266	266	266	266	266
Other.....	11,964	-	-	-	-	-	-
Total current assets.....	37,903	22,534	26,554	26,262	21,308	17,677	14,807
NON-CURRENT ASSETS							
Holding account receivables.....	-	1,299	433	866	1,299	1,732	2,165
Property, plant and equipment.....	4,002	2,432	2,432	2,864	3,306	3,758	4,180
Restricted cash.....	875	1,017	1,017	113	255	414	828
Total non-current assets.....	4,877	4,748	3,882	3,843	4,860	5,904	7,173
TOTAL ASSETS.....	42,780	27,282	30,436	30,105	26,168	23,581	21,980
CURRENT LIABILITIES							
Employee provisions.....	4,651	4,929	5,090	5,090	5,090	5,090	5,090
Payables.....	1,717	1,223	1,223	1,223	1,223	1,223	1,223
Other.....	1,670	-	-	-	-	-	-
Total current liabilities.....	8,038	6,152	6,313	6,313	6,313	6,313	6,313
NON-CURRENT LIABILITIES							
Employee provisions.....	2,871	2,961	2,961	2,961	2,961	2,961	2,961
Total non-current liabilities.....	2,871	2,961	2,961	2,961	2,961	2,961	2,961
TOTAL LIABILITIES.....	10,909	9,113	9,274	9,274	9,274	9,274	9,274
EQUITY							
Contributed equity.....	8,601	(9,369)	(9,369)	(28,988)	(90,297)	(151,192)	(214,367)
Accumulated surplus/(deficit).....	23,270	27,538	30,531	49,819	107,191	165,499	227,073
Total equity.....	31,871	18,169	21,162	20,831	16,894	14,307	12,706
TOTAL LIABILITIES AND EQUITY.....	42,780	27,282	30,436	30,105	26,168	23,581	21,980

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

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.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	4,451	4,761	4,681	3,270
Receipts:				
Appropriations.....	-	100	-	-
Other.....	393	285	385	385
	4,844	5,146	5,066	3,655
Payments	163	3,707	1,796	2,973
CLOSING BALANCE	4,681	1,439	3,270	682

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.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
Opening Balance	18,492	18,343	18,238	14,538
Receipts:				
Other.....	10,585	11,550	11,550	15,750
	29,077	29,893	29,788	30,288
Payments	10,839	15,400	15,250	18,720
CLOSING BALANCE	18,238	14,493	14,538	11,568

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Grants and Subsidies	494	-	-	-	-	-	-
GST Input Credits.....	1,662	3,700	3,700	3,700	3,700	3,700	3,700
GST Receipts.....	372	300	300	300	300	300	300
Interest Received	861	750	750	750	750	750	750
Landfill Levy	43,870	43,200	43,200	60,000	104,000	105,000	108,000
Receipts from Sale of Goods and Services	2,985	4,108	4,108	4,108	4,108	4,108	4,108
Regulatory Fees	21,729	20,297	22,097	23,747	24,774	25,846	26,951
TOTAL.....	71,973	72,355	74,155	92,605	137,632	139,704	143,809

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements. However, the following amounts of the Landfill Levy are to be paid to the Consolidated Account: \$20.5 million (2014-15), \$62.2 million (2015-16), \$61.8 million (2016-17) and \$64 million (2017-18).

BOTANIC GARDENS AND PARKS AUTHORITY

PART 15 - MINISTER FOR ENVIRONMENT; HERITAGE

DIVISION 60

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 98 Net amount appropriated to deliver services.....	13,556	12,515	14,252	14,102	14,655	14,953	15,289
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	213	237	237	244	252	260	260
Total appropriations provided to deliver services	13,769	12,752	14,489	14,346	14,907	15,213	15,549
TOTAL APPROPRIATIONS.....	13,769	12,752	14,489	14,346	14,907	15,213	15,549
EXPENSES							
Total Cost of Services.....	22,706	20,198	23,292	21,767	22,770	23,305	24,194
Net Cost of Services ^(a)	14,678	13,319	15,086	14,429	15,337	15,722	16,457
CASH ASSETS ^(b)	11,537	13,000	7,597	7,513	7,082	6,603	5,726

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(289)	-	-	-	-
2013-14 Voluntary Separation Scheme	188	-	-	-	-
2014-15 Procurement Savings	-	(479)	-	-	-
Reinstatement of Salary Cap.....	1,720	1,915	1,938	1,968	1,968
Revisions to Own Source Revenue Estimates.....	1,225	(96)	133	(122)	431
Saudi Arabian Arriyadh Development Authority Nature Conservation Strategy ...	250	-	-	-	-

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Customer Service and Cultural Heritage.....	11,703	10,410	12,005	11,219	11,736	12,011	12,470
2. Biodiversity Conservation and Scientific Research.....	11,003	9,788	11,287	10,548	11,034	11,294	11,724
Total Cost of Services	22,706	20,198	23,292	21,767	22,770	23,305	24,194

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 2012-13. 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)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Awareness and appreciation of recreation and tourist resources, and cultural heritage for visitors' enjoyment:					
The level of visitor satisfaction with Kings Park and Botanic Garden facilities and the Western Australian Botanic Garden.....	97%	99%	99%	99%	
The level of visitor satisfaction with Bold Park and facilities.....	100%	98%	98%	98%	
The percentage change in the number of cultural events held at Kings Park and Botanic Garden compared to previous years	-1%	0%	7%	6%	
The percentage change in the number attending customer awareness and education forums held at Kings Park and Botanic Garden compared to previous years	21%	4%	9%	12%	1
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%	62%	61%	61%	
Percentage of accessions in living collections in Kings Park and Botanic Garden.	33%	37%	35%	35%	
Percentage of accessions lost in living collections in Kings Park and Botanic Garden.	3%	4%	4%	4%	
The 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.....	1.4	1.4	1.4	1.4	
Weed cover in high intensity management areas compared to low intensity management areas in Bold Park.....	0.46	0.46	0.49	0.47	
Number of representative native plant taxa in Kings Park bushland.....	325	325	325	325	
Number of representative native plant taxa in Bold Park bushland.....	310	310	310	310	

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

Explanation of Significant Movements

(Notes)

1. The actual number of people attending customer awareness and education forums for the year 2012-13 was 102,725. The budgeted number for 2013-14 is 88,500, however, it is estimated that 96,192 will attend in 2013-14 and 98,850 in 2014-15.

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 Aboriginal, colonial and contemporary heritage by staging events and displays on the Authority's designated land.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 11,703	\$'000 10,410	\$'000 12,005	\$'000 11,219	
Less Income	5,122	4,389	4,229	4,682	
Net Cost of Service.....	6,581	6,021	7,776	6,537	
Employees (Full Time Equivalents).....	60	60	62	62	
Efficiency Indicators					
Average Cost per Visitor to Kings Park and Botanic Garden	\$1.71	\$1.64	\$1.89	\$1.76	
Average Cost per Attendee at Cultural Events Held in Kings Park and Botanic Garden	\$0.12	\$0.15	\$0.15	\$0.15	
Average Cost per Attendee at Education Forums Held at Kings Park and Botanic Garden	\$3.80	\$1.78	\$1.63	\$1.64	
Response Times for Public Information Requests	95% within 28 days	95% within 28 days	95% within 28 days	95% within 28 days	
Percentage Change in Number of Visitors to Reabold Hill Compared to Previous Years	15.8%	5%	5%	5%	

(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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 11,003	\$'000 9,788	\$'000 11,287	\$'000 10,548	
Less Income	2,906	2,490	3,977	2,656	
Net Cost of Service.....	8,097	7,298	7,310	7,892	
Employees (Full Time Equivalents).....	70	70	73	73	
Efficiency Indicators					
Average Cost of Representative Native Plant Taxa in Kings Park Bushland.....	\$3,179	\$4,411	\$5,087	\$4,754	
Average Cost of the Number of Representative Native Plant Species in Bold Park	\$5,039	\$5,325	\$6,140	\$5,738	
Average Cost per Research Grant Project.....	\$17,950	\$18,500	\$17,604	\$18,500	
Percentage Change in Number of Refereed Scientific Publications Published per Government Funded Position Compared to Previous Years	43%	-42%	-15%	1%	1

Explanation of Significant Movements

(Notes)

- The fluctuation in the Number of Refereed Scientific Publications Published per Government Funded Position indicator is a reflection of the stage and complexity of research projects in any given year.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement Program - 2013-14 Program	1,000	1,000	1,000	-	-	-	-
Biodiversity Conservation Centre Stage 2	1,382	1,382	1,382	-	-	-	-
Nursery Depot Redevelopment	2,507	2,507	2,507	-	-	-	-
NEW WORKS							
Asset Replacement Program							
2014-15 Program	1,000	-	-	1,000	-	-	-
2015-16 Program	1,000	-	-	-	1,000	-	-
2016-17 Program	1,000	-	-	-	-	1,000	-
2017-18 Program	1,000	-	-	-	-	-	1,000
Total Cost of Asset Investment Program	8,889	4,889	4,889	1,000	1,000	1,000	1,000
FUNDED BY							
Drawdowns from the Holding Account			1,000	1,000	1,000	1,000	1,000
Internal Funds and Balances			3,889	-	-	-	-
Total Funding			4,889	1,000	1,000	1,000	1,000

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	11,531	10,298	12,289	12,263	12,580	12,895	13,421
Supplies and services.....	6,834	5,232	6,607	5,390	5,717	5,864	6,079
Accommodation.....	593	594	653	670	686	703	733
Depreciation and amortisation.....	1,460	1,470	1,468	1,470	1,470	1,470	1,470
Other expenses.....	2,288	2,604	2,275	1,974	2,317	2,373	2,491
TOTAL COST OF SERVICES.....	22,706	20,198	23,292	21,767	22,770	23,305	24,194
Income							
Sale of goods and services.....	2,406	2,249	2,391	2,463	2,537	2,613	2,691
Regulatory fees and fines.....	955	417	979	799	818	839	860
Grants and subsidies.....	2,364	923	2,010	2,010	2,010	2,010	2,010
Other revenue.....	2,303	3,290	2,826	2,066	2,068	2,121	2,176
Total Income.....	8,028	6,879	8,206	7,338	7,433	7,583	7,737
NET COST OF SERVICES.....	14,678	13,319	15,086	14,429	15,337	15,722	16,457
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	13,769	12,752	14,489	14,346	14,907	15,213	15,549
Resources received free of charge.....	27	50	28	29	29	30	31
TOTAL INCOME FROM STATE GOVERNMENT.....	13,796	12,802	14,517	14,375	14,936	15,243	15,580
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(882)	(517)	(569)	(54)	(401)	(479)	(877)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 130, 135 and 135 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION (a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	10,031	8,629	5,592	5,508	5,077	4,598	3,721
Restricted cash.....	1,506	4,371	2,005	2,005	2,005	2,005	2,005
Holding account receivables.....	975	1,000	975	975	975	975	975
Receivables.....	1,140	484	906	906	906	906	906
Other.....	867	758	867	867	867	867	867
Total current assets.....	14,519	15,242	10,345	10,261	9,830	9,351	8,474
NON-CURRENT ASSETS							
Holding account receivables.....	4,612	5,057	5,082	5,552	6,022	6,492	6,962
Property, plant and equipment.....	36,162	35,972	39,809	39,621	39,433	39,215	38,997
Other.....	13,807	7,686	13,555	13,303	13,051	12,799	12,547
Total non-current assets.....	54,581	48,715	58,446	58,476	58,506	58,506	58,506
TOTAL ASSETS.....	69,100	63,957	68,791	68,737	68,336	67,857	66,980
CURRENT LIABILITIES							
Employee provisions.....	1,965	1,658	1,670	1,670	1,670	1,670	1,670
Payables.....	431	606	486	486	486	486	486
Other.....	3,125	3,686	3,625	3,625	3,625	3,625	3,625
Total current liabilities.....	5,521	5,950	5,781	5,781	5,781	5,781	5,781
NON-CURRENT LIABILITIES							
Employee provisions.....	652	683	652	652	652	652	652
Other.....	19	19	19	19	19	19	19
Total non-current liabilities.....	671	702	671	671	671	671	671
TOTAL LIABILITIES.....	6,192	6,652	6,452	6,452	6,452	6,452	6,452
EQUITY							
Contributed equity.....	30,022	30,022	30,022	30,022	30,022	30,022	30,022
Accumulated surplus/(deficit).....	12,544	12,465	11,975	11,921	11,520	11,041	10,164
Reserves.....	20,342	14,818	20,342	20,342	20,342	20,342	20,342
Total equity.....	62,908	57,305	62,339	62,285	61,884	61,405	60,528
TOTAL LIABILITIES AND EQUITY.....	69,100	63,957	68,791	68,737	68,336	67,857	66,980

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	12,331	11,282	13,019	12,876	13,437	13,743	14,079
Holding account drawdowns.....	975	1,000	1,000	1,000	1,000	1,000	1,000
Net cash provided by State Government.....	13,306	12,282	14,019	13,876	14,437	14,743	15,079
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(11,255)	(10,398)	(12,584)	(12,263)	(12,580)	(12,895)	(13,422)
Supplies and services	(7,406)	(5,749)	(6,452)	(5,260)	(5,584)	(5,697)	(5,939)
Accommodation.....	(621)	(594)	(653)	(670)	(686)	(707)	(733)
Other payments.....	(3,323)	(2,285)	(2,092)	(2,610)	(2,956)	(3,012)	(3,104)
Receipts							
Regulatory fees and fines.....	955	841	979	799	818	839	860
Grants and subsidies	2,365	923	2,010	2,010	2,010	2,010	2,010
Sale of goods and services	2,529	2,249	2,391	2,463	2,537	2,613	2,691
GST receipts.....	1,173	505	505	505	505	505	505
Other receipts.....	2,310	3,468	2,826	2,066	2,068	2,121	2,176
Net cash from operating activities	(13,273)	(11,040)	(13,070)	(12,960)	(13,868)	(14,223)	(14,956)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,319)	(1,000)	(4,889)	(1,000)	(1,000)	(1,000)	(1,000)
Proceeds from sale of non-current assets	147	54	-	-	-	1	-
Net cash from investing activities	(1,172)	(946)	(4,889)	(1,000)	(1,000)	(999)	(1,000)
NET INCREASE/(DECREASE) IN CASH HELD	(1,139)	296	(3,940)	(84)	(431)	(479)	(877)
Cash assets at the beginning of the reporting period.....	12,676	12,704	11,537	7,597	7,513	7,082	6,603
Cash assets at the end of the reporting period.....	11,537	13,000	7,597	7,513	7,082	6,603	5,726

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

OFFICE OF THE ENVIRONMENTAL PROTECTION AUTHORITY

PART 15 - MINISTER FOR ENVIRONMENT; HERITAGE

DIVISION 61

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 99 Net amount appropriated to deliver services.....	13,968	9,732	14,533	14,725	14,007	14,315	14,553
Total appropriations provided to deliver services	13,968	9,732	14,533	14,725	14,007	14,315	14,553
CAPITAL							
Item 155 Capital Appropriation	68	-	-	59	300	-	180
TOTAL APPROPRIATIONS.....	14,036	9,732	14,533	14,784	14,307	14,315	14,733
EXPENSES							
Total Cost of Services.....	17,513	15,272	15,563	14,947	14,157	14,465	14,673
Net Cost of Services ^(a)	17,246	10,672	15,413	14,797	13,945	14,315	14,553
CASH ASSETS ^(b)	1,253	2,202	917	845	795	795	795

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

(b) As at 30 June each financial year.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Browse Project: Corrective Measure	(220)	(227)	(234)	(242)	(250)
Corporate Services.....	1,021	990	(650)	(500)	(200)
Impact of Audit of 2011-12 Leave Liability Cap.....	(156)	-	-	-	-

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.	Quality advice to the Environmental Protection Authority (EPA) and Minister for Environment (the Minister) on significant proposals, compliance and environmental issues.	1. Environmental Impact Assessment Services to the EPA 2. Environmental Management Services to the EPA 3. Compliance Monitoring Services to the Minister

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Environmental Impact Assessment Services to the EPA.....	15,073	13,070	13,406	9,983	9,457	9,662	9,801
2. Environmental Management Services to the EPA.....	-	-	-	2,896	2,747	2,805	2,844
3. Compliance Monitoring Services to the Minister.....	2,440	2,202	2,157	2,068	1,953	1,998	2,028
Total Cost of Services	17,513	15,272	15,563	14,947	14,157	14,465	14,673

Significant Issues Impacting the Agency

- The slowing economic conditions have led to fewer new development proposals being received, but an increase in applications to expand existing facilities and infrastructure to maximise production from these. Strategic assessment will continue of long-term (50 year horizon) iron ore mining in the Pilbara.
- There will be a continued emphasis on streamlining procedures and introducing guidelines to achieve greater clarity, certainty and consistency in the assessment of proposals, and implementation of a new case management system for tracking and managing approvals through the Environmental Impact Assessment approvals process.
- The Office will continue to contribute to the key Government project on strategic planning and environmental assessment of long-term development in the Perth-Peel region. There will also be a strong focus on cumulative environmental pressures, particularly in the Pilbara and Mid West Yilgarn regions.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Quality advice to the Environmental Protection Authority (EPA) and Minister for Environment (the Minister) on significant proposals, compliance and environmental issues:					
The EPA's satisfaction with the Office of the Environmental Protection Authority's (OEPA) Environmental Impact Assessment (EIA) services during the year, in line with Best Practice Principles of EIA	n/a	n/a	n/a	75%	1
Percentage of project-specific conditions which did not require significant change following the appeal process.....	n/a	n/a	n/a	75%	2
Percentage of assessments that met agreed timelines.....	81%	80%	80%	80%	
The EPA's satisfaction with the OEPA's provision of environmental management services during the year	n/a	n/a	n/a	80%	1
Percentage of all projects that have been audited that are compliant with the Ministerial conditions	84%	80%	85%	80%	3
Percentage of non-compliances where remedial action has been taken by the proponent within the time specified in the Notice of Non-Compliance	n/a	n/a	n/a	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. These indicators are determined through surveys of EPA members (service recipients) who rate the quality of each service against best practice principles. As this practice was introduced in the 2013-14 year, comparative data is not available for prior years but will be available for 2014-15 and subsequent financial years.
2. These indicators were introduced for the 2014-15 year and there is no comparative data available for prior years. Comparatives will be available for the 2014-15 and subsequent financial years.
3. Compliance monitoring is managed through a structured annual Compliance Management program (the Program). The Program sets out the number of audits to be undertaken and, using a priority matrix, identifies the Ministerial Statements to be audited. The percentage of audited projects where all environmental conditions have been met is determined from the audits of Statements within this Program.

Services and Key Efficiency Indicators

1. Environmental Impact Assessment Services to the EPA

Conduct, for the EPA, environmental impact assessments of significant proposals and schemes.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	15,073	13,070	13,406	9,983	
<i>Less Income</i>	267	3,280	150	150	
Net Cost of Service.....	14,806	9,790	13,256	9,833	
Employees (Full Time Equivalents)	86	90	90	57	
Efficiency Indicators					
Cost per Standardised Unit of Assessment Output.....	n/a	n/a	n/a	\$14,261	1

Explanation of Significant Movements

(Notes)

- In 2014-15, a new service has been established which differs from the scope of the service reported in previous years, hence the 2014-15 Cost of Service and that of previous years is not directly comparable. Additionally, a new methodology has been introduced to better reflect the variation in complexity of Environmental Impact Assessment services in calculating the Cost per Standardised Unit of Assessment Output. For this reason, no comparable data is available for previous years

2. Environmental Management Services to the EPA

Develop, for the EPA, statutory policies, guidelines and strategic advice to manage environmental impacts and protect the environment.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	-	-	-	2,896	
<i>Less Income</i>	-	-	-	-	
Net Cost of Service.....	-	-	-	2,896	
Employees (Full Time Equivalents)	-	-	-	29	
Efficiency Indicators					
Cost per Standardised Unit Management Output.....	n/a	n/a	n/a	\$39,136	1

Explanation of Significant Movements

(Notes)

- Environmental Management is a new service that has been introduced in 2014-15, hence comparative data for previous years is not available. Costs for preceding years are incorporated in Environmental Impact Assessment Services.

3. Compliance Monitoring Services to the Minister

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	2,440	2,202	2,157	2,068	
Less Income	-	1,320	-	-	
Net Cost of Service	2,440	882	2,157	2,068	
Employees (Full Time Equivalents).....	11	14	11	11	
Efficiency Indicators					
Average Cost per Environmental Audit Completed.....	\$34,908	\$36,705	\$35,950	\$34,462	1

Explanation of Significant Movements

(Notes)

- The average cost of compliance auditing is calculated by dividing the total cost of compliance services by the number of audits undertaken.

ASSET INVESTMENT PROGRAM

The Asset Investment Program in 2014-15, provides for the continual improvement in information technology to support the reform of environmental processes.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Computing and Office Equipment Replacement Program	891	398	130	57	86	6	180
Information Management System Upgrade	105	16	16	89	-	-	-
Replacement of Marine Vessel	619	293	-	-	326	-	-
Total Cost of Asset Investment Program	1,615	707	146	146	412	6	180
FUNDED BY							
Capital Appropriation			-	59	300	-	180
Asset Sales.....			-	-	62	-	-
Drawdowns from the Holding Account			146	87	50	6	-
Total Funding			146	146	412	6	180

FINANCIAL STATEMENTS**Income Statement***Expenses*

The estimated decrease in the Total Cost of Services of \$0.6 million, or 4%, for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual relates to the implementation of system processes that streamline both the approvals processes and corporate services.

Statement of Financial Position

A deficit net asset position of \$1.1 million is shown for 2014-15 and is due in part to the change in the method of calculation for the leave liability provisions in 2013-14. A leave management policy is in place.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	12,746	12,625	12,425	12,449	12,738	12,511	12,679
Grants and subsidies ^(c)	50	-	-	-	-	-	-
Supplies and services	4,097	2,361	2,851	2,267	1,265	1,800	1,639
Depreciation and amortisation	120	50	50	50	50	50	90
Other expenses.....	500	236	237	181	104	104	265
TOTAL COST OF SERVICES.....	17,513	15,272	15,563	14,947	14,157	14,465	14,673
Income							
Regulatory fees and fines.....	-	4,000	-	-	-	-	-
Grants and subsidies	-	450	-	-	-	-	-
Other revenue	267	150	150	150	212	150	120
Total Income	267	4,600	150	150	212	150	120
NET COST OF SERVICES.....	17,246	10,672	15,413	14,797	13,945	14,315	14,553
INCOME FROM STATE GOVERNMENT							
Service appropriations	13,968	9,732	14,533	14,725	14,007	14,315	14,553
Resources received free of charge.....	760	500	341	-	-	-	-
Royalties for Regions Fund ^(d)	-	390	390	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT.....	14,728	10,622	15,264	14,725	14,007	14,315	14,553
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(2,518)	(50)	(149)	(72)	62	-	-

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 97, 101 and 97 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$0.4 million (2013-14 Budget) and \$0.4 million (2013-14 estimated outturn).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Biodiversity Institute	50	-	-	-	-	-	-
TOTAL	50	-	-	-	-	-	-

**STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)**

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	35	680	172	142	112	112	112
Restricted cash.....	924	1,218	421	349	299	299	299
Holding account receivables.....	146	87	87	50	6	94	94
Receivables.....	245	125	176	176	176	176	176
Other.....	7	22	7	7	7	7	7
Total current assets.....	1,357	2,132	863	724	600	688	688
NON-CURRENT ASSETS							
Holding account receivables.....	581	544	544	544	588	544	594
Property, plant and equipment.....	99	328	195	291	653	609	739
Intangibles.....	204	17	204	204	204	204	204
Restricted cash.....	294	304	324	354	384	384	384
Other.....	215	258	215	215	215	215	215
Total non-current assets.....	1,393	1,451	1,482	1,608	2,044	1,956	2,136
TOTAL ASSETS	2,750	3,583	2,345	2,332	2,644	2,644	2,824
CURRENT LIABILITIES							
Employee provisions.....	2,197	1,509	2,113	2,113	2,113	2,113	2,113
Payables.....	174	-	74	74	24	24	24
Other.....	276	333	276	276	276	276	276
Total current liabilities.....	2,647	1,842	2,463	2,463	2,413	2,413	2,413
NON-CURRENT LIABILITIES							
Employee provisions.....	988	1,057	916	916	916	916	916
Other.....	9	-	9	9	9	9	9
Total non-current liabilities.....	997	1,057	925	925	925	925	925
TOTAL LIABILITIES	3,644	2,899	3,388	3,388	3,338	3,338	3,338
EQUITY							
Contributed equity.....	444	444	444	503	803	803	983
Accumulated surplus/(deficit).....	(1,338)	240	(1,487)	(1,559)	(1,497)	(1,497)	(1,497)
Total equity	(894)	684	(1,043)	(1,056)	(694)	(694)	(514)
TOTAL LIABILITIES AND EQUITY	2,750	3,583	2,345	2,332	2,644	2,644	2,824

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	13,918	9,682	14,483	14,675	13,957	14,265	14,503
Capital appropriation	68	-	-	59	300	-	180
Holding account drawdowns.....	-	146	146	87	50	6	-
Royalties for Regions Fund ^(b)	-	390	390	-	-	-	-
Net cash provided by State Government.....	13,986	10,218	15,019	14,821	14,307	14,271	14,683
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(12,016)	(12,666)	(12,622)	(12,449)	(12,738)	(12,511)	(12,679)
Grants and subsidies	(50)	-	-	-	-	-	-
Supplies and services	(3,354)	(1,861)	(2,461)	(2,246)	(1,315)	(1,800)	(1,679)
Other payments.....	(1,823)	(535)	(466)	(422)	(524)	(534)	(705)
Receipts							
Regulatory fees and fines.....	-	4,000	-	-	-	-	-
Grants and subsidies	-	450	-	-	-	-	-
GST receipts	1,250	340	190	220	420	430	440
Other receipts.....	221	150	150	150	150	150	120
Net cash from operating activities.....	(15,772)	(10,122)	(15,209)	(14,747)	(14,007)	(14,265)	(14,503)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(352)	(146)	(146)	(146)	(412)	(6)	(180)
Proceeds from sale of non-current assets	55	-	-	-	62	-	-
Net cash from investing activities.....	(297)	(146)	(146)	(146)	(350)	(6)	(180)
NET INCREASE/(DECREASE) IN CASH HELD	(2,083)	(50)	(336)	(72)	(50)	-	-
Cash assets at the beginning of the reporting period.....	3,336	2,252	1,253	917	845	795	795
Cash assets at the end of the reporting period.....	1,253	2,202	917	845	795	795	795

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

(b) Regional Infrastructure and Headworks Fund - \$0.4 million (2013-14 Budget) and \$0.4 million (2013-14 estimated outturn).

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Environmental Impact Assessment Fees.....	-	4,000	-	-	-	-	-
Grants and Subsidies	-	450	-	-	-	-	-
GST Receipts.....	1,250	340	190	220	420	430	440
Other Receipts.....	221	150	150	150	150	150	120
TOTAL.....	1,471	4,940	340	370	570	580	560

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

SWAN RIVER TRUST

PART 15 - MINISTER FOR ENVIRONMENT; HERITAGE

DIVISION 62

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 100 Net amount appropriated to deliver services	13,674	12,020	12,020	12,446	11,850	12,154	11,429
Total appropriations provided to deliver services	13,674	12,020	12,020	12,446	11,850	12,154	11,429
TOTAL APPROPRIATIONS.....	13,674	12,020	12,020	12,446	11,850	12,154	11,429
EXPENSES							
Total Cost of Services.....	17,002	18,024	18,509	18,069	16,805	17,099	15,357
Net Cost of Services ^(a)	13,615	13,143	13,143	13,718	13,045	13,429	12,099
CASH ASSETS ^(b)	3,375	3,071	2,942	2,294	1,591	888	185

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Elizabeth Quay Compliance and Liaison Officer.....	-	116	-	-	-
Perth Water Foreshore Works.....	-	1,000	1,000	1,000	-
River Rangers Program	35	35	35	35	-
Swan-Canning Water Quality Improvement Plan.....	450	550	500	490	-

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Social and Environmental Responsibility: Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.	The long term community benefit of the Swan - Canning river system is protected and enhanced.	1. Statutory Assessment of Development Proposals 2. Riverpark Management
	The ecological health of the Swan - Canning river system is protected and enhanced.	3. Development and Implementation of Environmental Management Programs 4. Communication of Environmental Information

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Statutory Assessment of Development Proposals	1,509	1,726	1,777	1,792	1,667	1,696	1,523
2. Riverpark Management	2,557	2,376	2,350	2,341	2,177	2,215	1,989
3. Development and Implementation of Environmental Management Programs	11,157	12,009	12,441	11,873	11,042	11,236	10,092
4. Communication of Environmental Information	1,779	1,913	1,941	2,063	1,919	1,952	1,753
Total Cost of Services	17,002	18,024	18,509	18,069	16,805	17,099	15,357

Significant Issues Impacting the Agency

- A total of \$3 million in new funding over three years will boost foreshore enhancement projects through the Riverbank program, increasing environmental and amenity values, public safety and enjoyment.
- The upper reaches of the Swan and Canning rivers will continue to face pressures including low oxygenation levels, reduced flushing, high salinity and algal blooms, particularly under drying climatic conditions.
- It is anticipated that the Trust will be merged with the Department of Parks and Wildlife in 2014-15 in a move designed to improve the management of Western Australia's environment and the Swan-Canning Riverpark.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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	nil	2%	nil	2%	
Percentage of developments audited in full compliance with approval conditions	66%	100%	65%	100%	
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.....	nil	nil	nil	nil	
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.....	2.6%	1.8%	1.5%	0.4%	1
Percentage of people attending environmental education programs who change their behaviours as a result.....	75%	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 area of the foreshore undergoing protection and rehabilitation works varies considerably depending on the type of work undertaken. For example, foreshore projects that have a high proportion of walling reconstruction to protect infrastructure will cost up to \$8,000 per linear metre and result in a smaller area. By comparison, projects that focus on revegetation for foreshore protection/rehabilitation have a significantly lower cost and result in larger areas. In 2013-14, there has been a mix of walling and revegetation whereas in 2014-15, the majority of funding will be allocated to river-walling, resulting in a significant decrease in area.

Services and Key Efficiency Indicators

1. Statutory Assessment of Development Proposals

Assesses development proposals to ensure that community benefit and the ecological health of the rivers are protected.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,509	1,726	1,777	1,792	
<i>Less Income</i>	78	157	207	211	
Net Cost of Service.....	1,431	1,569	1,570	1,581	
Employees (Full Time Equivalents).....	12	12	12	12	
Efficiency Indicators					
Average Cost of Application Assessed	\$3,018	\$5,356	\$4,596	\$4,609	1

Explanation of Significant Movements

(Notes)

- The 2013-14 Budget Target number of applications (290) reflected an expected downturn in the number of applications for the year due to overall economic circumstances. The number of applications to date, however, has not shown this trend and therefore, the 2013-14 Estimated Actual and 2014-15 Budget Target have been based on a more conservative approach, being 348 and 350 applications respectively.

2. Riverpark Management

Manages shoreline restoration, operational, recreational and commercial activities to enhance Riverpark benefit and amenity.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	2,557	2,376	2,350	2,341	
<i>Less Income</i>	(38)	65	62	59	
Net Cost of Service.....	2,595	2,311	2,288	2,282	
Employees (Full Time Equivalents).....	22	23	22	22	
Efficiency Indicators					
Average Cost of Audit Compliance.....	\$401	\$466	\$413	\$448	1
Average Cost per Tonne of Waste Removed	\$313,963	\$118,793	\$123,688	\$117,029	2

Explanation of Significant Movements

(Notes)

- Staff changes were expected to result in a decrease in the number of audits to be completed in the 2013-14 Budget year (370). However, this has not occurred, and the efficient delivery of service has continued and is expected to continue into 2014-15, with 430 audits estimated for 2013-14 Estimated Actual and 400 for the 2014-15 Budget Target year.
- The Average Cost per Tonne of Waste Removed can vary significantly, principally depending on the environmental conditions that determine the amount of weed that washes ashore and whether it has been possible to dry it prior to its removal to land fill. In 2012-13, the total amount of weed removed from the Riverpark was significantly lower than is anticipated for 2013-14 and 2014-15.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	11,157	12,009	12,441	11,873	1
Less Income	3,236	4,162	4,566	3,651	
Net Cost of Service	7,921	7,847	7,875	8,222	
Employees (Full Time Equivalents).....	13	13	13	13	
Efficiency Indicators					
Average Cost of River Monitoring per Km of River Managed (Approximately 156 km).....	\$624	\$513	\$531	\$481	
Average Cost per Square Metre of Foreshore Undergoing Protection and Rehabilitation Works	\$9.03	\$17.89	\$21.81	\$90.94	2

Explanation of Significant Movements

(Notes)

1. The lower Total Cost of Service in the 2014-15 Budget Target year is due to reduced funding profiles from Commonwealth Caring for our Country and State Natural Resource Management programs, and appropriations associated with the Bayswater and Ellen Brook Nutrient Intervention Systems provided in the 2011-12 Budget.
2. The Average Cost per Square Metre of Foreshore Undergoing Protection and Rehabilitation Works varies considerably depending on the type of work undertaken. For example, foreshore projects that have a high proportion of walling reconstruction to protect infrastructure will cost up to \$8,000 per linear metre. By comparison, projects that focus on revegetation for foreshore protection/rehabilitation have a significantly lower cost. In 2013-14, there has been a mix of walling and revegetation whereas in 2014-15, the majority of funding will be allocated to river-walling.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,779	1,913	1,941	2,063	
Less Income	111	497	531	430	
Net Cost of Service	1,668	1,416	1,410	1,633	
Employees (Full Time Equivalents).....	10	10	10	10	
Efficiency Indicators					
Average Cost per Person Attending an Environmental Education Program	\$1,086	\$1,007	\$971	\$897	1

Explanation of Significant Movements

(Notes)

1. The Average Cost Per Person Attending an Environmental Education Program is reducing as improved marketing and workshop formats are attracting more participants.

ASSET INVESTMENT PROGRAM

The Asset Investment Program reflects investments in plant, equipment and infrastructure to support the delivery of its services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Replace 2 Courtesy Moorings.....	22	10	10	-	-	-	12
COMPLETED WORKS							
Replacement of 'Noel Robins' Vessel	228	228	60	-	-	-	-
NEW WORKS							
Asset Management System Software Upgrade	20	-	-	-	-	-	20
Convert Slipway to Boat Ramp	100	-	-	100	-	-	-
Mobile Watering Trailer	10	-	-	-	-	-	10
Refit Patrol Vessel Booneenboora	90	-	-	-	-	-	90
Refit Wilma Vincent Vessel	40	-	-	-	-	40	-
Repair and Jetty (Heavy Lift and Sandy Beach Jetty).....	100	-	-	-	-	-	100
Replace 2 Courtesy Moorings.....	32	-	-	10	11	11	-
Replacement of Front End Loader	240	-	-	-	240	-	-
Replacement of Tip Truck	200	-	-	-	-	-	200
Replacement of Trailcraft	50	-	-	50	-	-	-
Total Cost of Asset Investment Program	1,132	238	70	160	251	51	432
FUNDED BY							
Asset Sales.....			30	10	80	-	78
Drawdowns from the Holding Account			40	150	171	51	354
Total Funding			70	160	251	51	432

FINANCIAL STATEMENTS

Income Statement

Expenses and Income

The Total Cost of Services is estimated to decline by \$440,000 (2.4%) in 2014-15, primarily due to the reduction of \$825,000 in Commonwealth Caring for our Country funding and \$148,000 of State Natural Resource Management funding, which contribute significantly to the reduction of \$1 million in grants and subsidies income in 2014-15.

The annual deficit of \$1.2 million in 2014-15 is primarily due to the reduction of \$1 million in grants and subsidies income. It represents the reduction of \$1.2 million Commonwealth Caring for Our Country funding for the Swan Canning Water Quality Improvement Plan.

The decline in grants and subsidies income of \$1 million in 2014-15 is primarily due to the reduction of \$1.2 million Commonwealth Caring for Our Country funding for the Swan Canning Water Quality Improvement Plan. The increase in the grants and subsidies expense of \$894,000 in 2014-15 is primarily due to the increase of \$1 million on Perth Water Foreshore Works.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	5,827	6,175	6,175	6,473	6,534	6,605	6,720
Grants and subsidies ^(c)	6,424	4,505	4,755	5,649	5,152	5,227	3,187
Supplies and services	3,614	6,042	6,277	4,625	3,788	3,970	4,080
Accommodation	646	729	729	750	750	750	750
Depreciation and amortisation	226	199	199	187	191	157	157
Other expenses	265	374	374	385	390	390	463
TOTAL COST OF SERVICES	17,002	18,024	18,509	18,069	16,805	17,099	15,357
Income							
Sale of goods and services	178	-	-	-	-	-	-
Grants and subsidies	3,176	4,710	5,195	4,196	3,535	3,525	3,035
Other revenue	33	171	171	155	225	145	223
Total Income	3,387	4,881	5,366	4,351	3,760	3,670	3,258
NET COST OF SERVICES	13,615	13,143	13,143	13,718	13,045	13,429	12,099
INCOME FROM STATE GOVERNMENT							
Service appropriations	13,674	12,020	12,020	12,446	11,850	12,154	11,429
Resources received free of charge	40	44	44	45	45	45	45
TOTAL INCOME FROM STATE GOVERNMENT	13,714	12,064	12,064	12,491	11,895	12,199	11,474
SURPLUS/(DEFICIENCY) FOR THE PERIOD	99	(1,079)	(1,079)	(1,227)	(1,150)	(1,230)	(625)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 57, 57 and 57 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Healthy Rivers Action Plan	6,424	4,505	4,755	5,649	5,152	5,227	3,187
TOTAL	6,424	4,505	4,755	5,649	5,152	5,227	3,187

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	1,361	1,235	1,833	2,294	1,591	888	185
Restricted cash.....	2,014	1,836	1,109	-	-	-	-
Holding account receivables.....	40	50	150	171	51	354	-
Receivables.....	282	254	281	278	273	268	268
Other.....	4,315	2,542	3,715	3,115	2,515	2,015	2,015
Total current assets.....	8,012	5,917	7,088	5,858	4,430	3,525	2,468
NON-CURRENT ASSETS							
Holding account receivables.....	456	635	505	521	661	464	621
Property, plant and equipment.....	22,555	22,138	22,434	22,408	22,469	22,363	22,638
Intangibles.....	7	-	-	-	-	-	-
Other.....	8	7	7	6	5	5	5
Total non-current assets.....	23,026	22,780	22,946	22,935	23,135	22,832	23,264
TOTAL ASSETS.....	31,038	28,697	30,034	28,793	27,565	26,357	25,732
CURRENT LIABILITIES							
Payables.....	4	230	3	4	4	4	4
Other.....	1,548	647	1,624	1,609	1,531	1,553	1,553
Total current liabilities.....	1,552	877	1,627	1,613	1,535	1,557	1,557
TOTAL LIABILITIES.....	1,552	877	1,627	1,613	1,535	1,557	1,557
EQUITY							
Contributed equity.....	20,736	20,736	20,736	20,736	20,736	20,736	20,736
Accumulated surplus/(deficit).....	7,999	6,571	6,920	5,693	4,543	3,313	2,688
Reserves.....	751	513	751	751	751	751	751
Total equity.....	29,486	27,820	28,407	27,180	26,030	24,800	24,175
TOTAL LIABILITIES AND EQUITY.....	31,038	28,697	30,034	28,793	27,565	26,357	25,732

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	13,443	11,821	11,821	12,259	11,659	11,997	11,272
Holding account drawdowns.....	180	40	40	150	171	51	354
Net cash provided by State Government.....	13,623	11,861	11,861	12,409	11,830	12,048	11,626
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(5,828)	(6,175)	(6,175)	(6,473)	(6,534)	(6,605)	(6,720)
Grants and subsidies	(6,978)	(3,905)	(4,155)	(5,049)	(4,552)	(4,627)	(3,187)
Supplies and services.....	(3,240)	(5,838)	(6,073)	(4,504)	(3,744)	(3,926)	(3,930)
Accommodation.....	(773)	(729)	(729)	(750)	(748)	(748)	(748)
Other payments.....	(1,502)	(1,424)	(1,424)	(1,385)	(1,291)	(1,291)	(1,397)
Receipts							
Grants and subsidies	4,093	4,710	5,195	4,196	3,535	3,525	3,035
GST receipts.....	953	973	973	920	827	827	827
Other receipts.....	152	134	134	138	145	145	145
Net cash from operating activities	(13,123)	(12,254)	(12,254)	(12,907)	(12,362)	(12,700)	(11,975)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(224)	(70)	(70)	(160)	(251)	(51)	(432)
Proceeds from sale of non-current assets	37	30	30	10	80	-	78
Net cash from investing activities	(187)	(40)	(40)	(150)	(171)	(51)	(354)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	(10)	-	-	-	-	-	-
Net cash from financing activities.....	(10)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	303	(433)	(433)	(648)	(703)	(703)	(703)
Cash assets at the beginning of the reporting period.....	3,072	3,504	3,375	2,942	2,294	1,591	888
Cash assets at the end of the reporting period.....	3,375	3,071	2,942	2,294	1,591	888	185

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

ZOOLOGICAL PARKS AUTHORITY

PART 15 - MINISTER FOR ENVIRONMENT; HERITAGE

DIVISION 63

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 101 Net amount appropriated to deliver services	10,510	10,696	11,013	11,026	11,708	11,948	12,175
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	229	237	237	246	254	261	261
Total appropriations provided to deliver services	10,739	10,933	11,250	11,272	11,962	12,209	12,436
CAPITAL							
Item 156 Capital Appropriation	-	1,470	1,470	735	735	735	735
TOTAL APPROPRIATIONS.....	10,739	12,403	12,720	12,007	12,697	12,944	13,171
EXPENSES							
Total Cost of Services.....	21,763	23,930	24,052	24,303	25,348	25,985	26,516
Net Cost of Services ^(a)	7,577	10,768	10,890	10,156	10,766	10,884	11,071
CASH ASSETS ^(b)	7,916	4,206	6,690	7,560	8,063	9,126	9,734

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(339)	-	-	-	-
2013-14 Voluntary Separation Scheme	151	-	-	-	-
2014-15 Procurement Savings	-	(564)	-	-	-
2014-15 Tariffs, Fees and Charges	-	420	414	408	402
Adjustment to Salaries Cap.....	310	310	310	310	310

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Community Engagement and Awareness in Conservation	19,614	21,255	21,392	21,735	22,741	23,326	23,801
2. Wildlife Management, Medicine and Research.....	2,149	2,675	2,660	2,568	2,607	2,659	2,715
Total Cost of Services	21,763	23,930	24,052	24,303	25,348	25,985	26,516

Significant Issues Impacting the Agency

- The Authority’s strategic direction will continue to focus on its core purpose and services in the conservation of wildlife and on building community awareness of conservation.
- The Authority will also continue to review its operations to align to its organisational strategic purpose as a commercial conservation organisation. In 2014-15 the new commercial visitor experiences introduced in 2013-14 will be consolidated. These will be subject to ongoing review and new concepts and opportunities will be explored.
- Seeking research, sponsorships, partnerships and grant funding to supplement income will continue to be a priority.
- The implementation of an integrated water management strategy and initiatives in waste management will enhance the Authority’s emphasis on environmental sustainability.
- Planning is a priority in 2014-15. The new Western Swamp Tortoise breeding facility will be finished early in 2014-15 and ongoing planning aligned with the Authority’s Master Plan and Strategic Asset Plan will continue.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Conservation of wildlife:					
The Zoo as an educational/learning experience:					
Agree	92%	95%	95%	95%	
Neutral	7%	4%	4%	4%	
Disagree	1%	1%	1%	1%	
No response	0%	0%	0%	0%	
Number of threatened species offspring bred for release into natural habitats: ...					
Western swamp tortoise	23	30	41	30	1,3
Numbat	16	12	21	12	2,3
Dibbler	69	50	63	50	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. An increased number of fertile eggs were produced and fewer fertile eggs failed to develop or hatch during incubation. The very wet spring in 2013 may have been a contributing factor after the very dry weather experienced in the previous year.
2. Two additional breeding age females assisted with producing an increased number of young.
3. The 2014-15 Budget targets are based on those set independently by the Department of Parks and Wildlife's Recovery Team for these species.

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, experiences, publications, interpretation and information services that encourage positive behavioural changes and community participation in conservation.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	19,614	21,255	21,392	21,735	
Less Income	13,192	12,817	12,756	13,799	
Net Cost of Service	6,422	8,438	8,636	7,936	
Employees (Full Time Equivalents)	145	145	145	145	
Efficiency Indicators					
Average Cost per Visitor ^(a)	\$29.48	\$33.21	\$33.43	\$33.70	

(a) The total visitor numbers for 2012-13 Actual, 2013-14 Budget, 2013-14 Estimated Actual and 2014-15 Budget Target are 665,242, 640,000, 640,000 and 645,000 respectively.

2. Wildlife Management, Medicine and Research

The conservation of wildlife will be optimised by effective species management, application of science, high standards of animal welfare and animal husbandry, breeding programs including breeding for release into natural habitats and the provision of research opportunities.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	2,149	2,675	2,660	2,568	
Less Income	994	345	406	348	
Net Cost of Service.....	1,155	2,330	2,254	2,220	
Employees (Full Time Equivalents).....	20	20	20	20	
Efficiency Indicators					
Research Communications Produced per Full Time Equivalents.....	1.19	1.17	1.25	1.27	

ASSET INVESTMENT PROGRAM

The Asset Investment Program supports the strategic direction of the Authority and its long-term viability. The continuous improvement of existing assets and the upgrading of exhibits and facilities have been outlined in the Authority's Strategic Asset Plan building on the Authority's Master Plan, which was developed in 2002-03 as a 20 year development plan. The Authority continues to manage the aged site, exhibits and infrastructure through exhibit and visitor upgrades and replacements.

In addition to the annual asset investment funding from Government, internally generated funds through corporate sponsorships, bequests and grants are used to support asset development projects. For the 2014-15 program, projects include:

- the integrated water management strategy (a six year staged program), which will deliver long-term savings in water use and modernise the aged existing irrigation systems;
- minor upgrades of visitor services;
- finalisation of the redevelopment of breeding facilities for the Western Swamp Tortoise; and
- continued planning for exhibit and facility upgrades throughout the Zoo including aviaries, African exhibits and the Tiger exhibit.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Animal Exhibits and Park Facilities (2012-13 to 2015-16).....	6,873	3,070	1,955	1,868	1,935	-	-
Western Swamp Tortoise Breeding Facilities	1,060	510	510	550	-	-	-
Facilities and Equipment - Water Infrastructure Management Project	11,900	3,930	3,500	2,920	2,980	600	717
COMPLETED WORKS							
Animal Exhibits - Orangutan Exhibit	3,758	3,758	1,960	-	-	-	-
Animal Exhibits and Park Facilities - Family Facilities - Visitor Amenities	1,500	1,500	546	-	-	-	-
Facilities and Equipment							
Computer Equipment - 2013-14 Program	70	70	70	-	-	-	-
Minor Equipment and Works - 2013-14 Program	112	112	112	-	-	-	-
NEW WORKS							
Animal Exhibits and Park Facilities (2016-17 to 2019-20).....	9,425	-	-	-	-	1,935	1,685
Facilities and Equipment							
Computer Equipment							
2014-15 Program	70	-	-	70	-	-	-
2015-16 Program	70	-	-	-	70	-	-
2016-17 Program	70	-	-	-	-	70	-
2017-18 Program	70	-	-	-	-	-	70
Minor Equipment and Works							
2014-15 Program	130	-	-	130	-	-	-
2015-16 Program	63	-	-	-	63	-	-
2016-17 Program	63	-	-	-	-	63	-
Total Cost of Asset Investment Program	35,234	12,950	8,653	5,538	5,048	2,668	2,472
FUNDED BY							
Capital Appropriation			1,470	735	735	735	735
Drawdowns from the Holding Account			5,515	4,490	4,000	1,620	1,020
Internal Funds and Balances			1,556	183	250	250	717
Other			112	130	63	63	-
Total Funding			8,653	5,538	5,048	2,668	2,472

FINANCIAL STATEMENTS**Income Statement***Expenses*

The cost of services of \$24.3 million for the 2014-15 Budget Estimate is a \$0.3 million (1%) increase over the 2013-14 Estimated Actual. These increases are due to a combination of cost increases in 2014-15 and the impact of one-off whole-of-government budget reductions on the 2013-14 Estimated Actual. The cost increases are associated with an increase in employee benefit expenses as a result of award rate increases.

Income

The total income of \$14.1 million for the 2014-15 Budget Estimate represents a \$985,000 (7.5%) increase over the 2013-14 Estimated Actual. The expected increase in income is mainly due to increased admission charges from 1 July 2014. Increased revenue from various commercial activities is also included.

Statement of Financial Position

Net equity is expected to increase by \$2.2 million (3.8%) for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual. The increase in equity is the net result of assets increasing by \$2.3 million (3.7%) and liabilities increasing by \$102,000 (2.2%).

The asset increases are mainly associated with an increasing fixed asset base in infrastructure due to construction linked to the Asset Investment Program (AIP). The building asset base is also impacted by asset revaluations. Receivables associated with the holding account are expected to decrease by \$1.7 million (23.7%) as funds are drawn down to fund the AIP. Equity contributions from the Consolidated Account of \$0.7 million are also expected in 2014-15 to fund the AIP.

The increase in liabilities for the 2014-15 Budget Estimate is mainly due to increases associated with accrued salaries and wages owing to year end. Income in advance from admission ticket sales and membership subscriptions is also expected to rise.

Statement of Cashflows

The closing cash balance of \$7.6 million for the 2014-15 Budget Estimate represents an increase of \$870,000 (13%) over the Estimated Actual for 2013-14. The cash balance includes restricted funds associated with a provision for the 27th pay that will occur 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 accumulated 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 AIP.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	13,305	13,116	14,350	14,630	15,037	15,432	15,657
Grants and subsidies ^(c)	254	408	408	400	400	400	400
Supplies and services	2,636	3,698	3,035	3,141	3,383	3,614	3,709
Accommodation	517	565	565	570	570	575	575
Depreciation and amortisation	2,424	2,750	2,750	2,800	2,800	2,800	2,800
Equipment repairs and maintenance	2,055	2,835	2,381	2,184	2,565	2,561	2,772
Other expenses	572	558	563	578	593	603	603
TOTAL COST OF SERVICES	21,763	23,930	24,052	24,303	25,348	25,985	26,516
Income							
Sale of goods and services	11,635	12,200	12,200	13,154	13,588	14,064	14,400
Grants and subsidies	240	60	60	60	60	60	60
Other revenue	2,311	902	902	933	934	977	985
Total Income	14,186	13,162	13,162	14,147	14,582	15,101	15,445
NET COST OF SERVICES	7,577	10,768	10,890	10,156	10,766	10,884	11,071
INCOME FROM STATE GOVERNMENT							
Service appropriations	10,739	10,933	11,250	11,272	11,962	12,209	12,436
TOTAL INCOME FROM STATE GOVERNMENT	10,739	10,933	11,250	11,272	11,962	12,209	12,436
SURPLUS/(DEFICIENCY) FOR THE PERIOD	3,162	165	360	1,116	1,196	1,325	1,365

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 165, 165 and 165 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Wildlife Conservation	254	408	408	400	400	400	400
TOTAL	254	408	408	400	400	400	400

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	7,401	3,730	6,240	7,060	7,993	8,986	9,524
Restricted cash.....	515	476	450	500	70	140	210
Holding account receivables.....	5,515	4,490	4,490	4,000	1,620	1,020	1,020
Receivables.....	408	907	428	438	438	448	448
Other.....	205	310	210	215	215	215	215
Total current assets.....	14,044	9,913	11,818	12,213	10,336	10,809	11,417
NON-CURRENT ASSETS							
Holding account receivables.....	4,174	2,474	2,474	1,314	2,534	4,354	6,174
Property, plant and equipment.....	16,531	13,726	15,683	14,835	14,137	13,410	13,080
Other.....	24,225	31,164	31,207	35,093	38,339	39,234	39,236
Total non-current assets.....	44,930	47,364	49,364	51,242	55,010	56,998	58,490
TOTAL ASSETS.....	58,974	57,277	61,182	63,455	65,346	67,807	69,907
CURRENT LIABILITIES							
Employee provisions.....	1,742	1,866	1,730	1,730	1,730	1,730	1,730
Payables.....	556	467	574	584	584	584	584
Other.....	1,377	1,412	1,441	1,531	1,171	1,251	1,251
Total current liabilities.....	3,675	3,745	3,745	3,845	3,485	3,565	3,565
NON-CURRENT LIABILITIES							
Employee provisions.....	896	698	883	883	883	883	883
Other.....	16	21	17	19	19	20	20
Total non-current liabilities.....	912	719	900	902	902	903	903
TOTAL LIABILITIES.....	4,587	4,464	4,645	4,747	4,387	4,468	4,468
EQUITY							
Contributed equity.....	26,005	27,475	27,475	28,210	28,945	29,680	30,415
Accumulated surplus/(deficit).....	19,669	18,530	20,029	21,145	22,341	23,666	25,031
Reserves.....	8,713	6,808	9,033	9,353	9,673	9,993	9,993
Total equity.....	54,387	52,813	56,537	58,708	60,959	63,339	65,439
TOTAL LIABILITIES AND EQUITY.....	58,974	57,277	61,182	63,455	65,346	67,807	69,907

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	8,049	8,143	8,460	8,432	9,122	9,369	9,596
Capital appropriation	-	1,470	1,470	735	735	735	735
Holding account drawdowns.....	2,935	5,515	5,515	4,490	4,000	1,620	1,020
Net cash provided by State Government.....	10,984	15,128	15,445	13,657	13,857	11,724	11,351
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(13,263)	(13,101)	(14,360)	(14,603)	(15,373)	(15,385)	(15,600)
Grants and subsidies	(254)	(408)	(408)	(400)	(400)	(400)	(400)
Supplies and services.....	(2,542)	(3,669)	(3,006)	(3,154)	(3,378)	(3,609)	(3,704)
Accommodation.....	(516)	(565)	(565)	(560)	(560)	(575)	(575)
Other payments.....	(3,873)	(4,733)	(4,284)	(3,928)	(4,030)	(4,191)	(4,503)
Receipts							
Grants and subsidies	229	60	60	60	60	60	60
Sale of goods and services	11,755	12,450	12,450	13,240	13,512	14,074	14,418
GST receipts	1,061	1,212	1,212	1,193	959	1,056	1,056
Other receipts.....	2,138	883	883	903	904	977	977
Net cash from operating activities.....	(5,265)	(7,871)	(8,018)	(7,249)	(8,306)	(7,993)	(8,271)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,955)	(7,790)	(8,653)	(5,538)	(5,048)	(2,668)	(2,472)
Net cash from investing activities.....	(2,955)	(7,790)	(8,653)	(5,538)	(5,048)	(2,668)	(2,472)
NET INCREASE/(DECREASE) IN CASH HELD	2,764	(533)	(1,226)	870	503	1,063	608
Cash assets at the beginning of the reporting period.....	5,152	4,739	7,916	6,690	7,560	8,063	9,126
Cash assets at the end of the reporting period.....	7,916	4,206	6,690	7,560	8,063	9,126	9,734

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

HERITAGE COUNCIL OF WESTERN AUSTRALIA

PART 15 - MINISTER FOR ENVIRONMENT; HERITAGE

DIVISION 64

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 102 Net amount appropriated to deliver services	6,617	7,129	7,138	7,711	7,962	7,851	8,037
Total appropriations provided to deliver services	6,617	7,129	7,138	7,711	7,962	7,851	8,037
CAPITAL							
Item 157 Capital Appropriation	603	11	11	1,750	1,700	-	-
TOTAL APPROPRIATIONS.....	7,220	7,140	7,149	9,461	9,662	7,851	8,037
EXPENSES							
Total Cost of Services.....	7,008	7,291	8,943	7,987	8,238	8,127	8,313
Net Cost of Services ^(a)	6,880	7,273	8,925	7,969	8,220	8,109	8,295
CASH ASSETS ^(b)	6,116	4,113	3,992	3,992	3,992	3,992	3,992

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Heritage Revolving Fund.....	-	250	300	-	-
Increase in Resources Received Free of Charge	100	100	100	100	100
The Decommissioning of the Office of Shared Services	9	(5)	(4)	(4)	-

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Cultural Heritage Conservation Services	7,008	7,291	8,943	7,987	8,238	8,127	8,313
Total Cost of Services	7,008	7,291	8,943	7,987	8,238	8,127	8,313

Significant Issues Impacting the Agency

- The Government has committed to introduce to Parliament a new modernised Heritage Bill that will deliver open, transparent, simple-to-operate and easy-to-understand legislation that reflects best practice in the recognition and protection of heritage places.
- The Government has an ownership interest in more than one third of the places listed in the State Register of Heritage Places. Many of these are well used, actively maintained and conserved, however, others sit idle. This Budget establishes a Heritage Revolving Fund (the Fund), with an initial commitment of \$4 million over two years. A priority project for the Fund will be the historic Warder's Cottages, which will be conserved and returned to active re-use as a vibrant part of central Fremantle. The State Heritage Office (SHO) will also work with agencies to re-activate other under-utilised and idle buildings that demonstrate the potential for active community engagement. The proceeds from the sale of properties transitioned into new ownership by the Fund will be preserved for future projects.
- Following the Goldfields earthquake of April 2010, the Government made a special allocation of \$5 million for repair and restoration works to historic buildings in Kalgoorlie-Boulder. While about three-quarters of funds have been distributed, unresolved insurance claims and owners experiencing difficulties in obtaining quotes and trades to undertake repairs and conservation works have caused delays in allocating the remaining funds. The SHO continues to work with all owners who are yet to finalise their grant applications.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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.....	75%	76%	76%	76%	
Extent to which development approvals issued for registered places are consistent with Heritage Council Western Australia's advice to decision-making authorities.....	100%	100%	100%	100%	
Extent to which grant aid leverages additional investment in conservation projects.....	2.7:1	2:1	4:1	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)

- The leveraging of heritage grant funds in 2013-14 has been more successful than anticipated due to a number of grant recipients contributing significantly more than the required matching contribution.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service.....	\$'000 7,008	\$'000 7,291	\$'000 8,943	\$'000 7,987	1
Less Income.....	128	18	18	18	
Net Cost of Service.....	6,880	7,273	8,925	7,969	
Employees (Full Time Equivalents).....	29	30	30	31	
Efficiency Indicators ^{(a) (b)}					
Incidence of Preliminary Reviews Proceeding to Full-Assessment but Resulting in Decisions not to Recommend Interim Registration.....	6.5%	6.5%	6.5%	6.5%	
Average Cost of Administering Grants (per Grant Dollar).....	23c	19c	10c	19c	2
Average Cost per Place of Maintaining Heritage Register.....	\$175	\$169	\$169	\$169	
Average Cost of Development Referrals.....	\$998	\$938	\$938	\$938	

(a) This new set of indicators was developed in accordance with Treasurer's Instruction 904 and came into effect from 1 July 2012. These new Key Performance Indicators are relevant, appropriate, fairly represent indicated performances and provide a substantial overview of the operations and material expenses of the agency.

(b) Further detail in support of the Key Effectiveness Indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

- The Estimated Actual for 2013-14 is high mainly due to the anticipated finalisation of the Goldfields Earthquake Restoration Fund. The 2014-15 Budget Target includes the commencement of the new Heritage Revolving Fund program.
- The achievement of the target of Average Costs of Administering Grants (per Grant Dollar) will be influenced by the final amount of funds distributed from the Goldfields Earthquake Restoration Fund in 2013-14. The Estimated Actual assumes all funds are expensed in 2013-14.

ASSET INVESTMENT PROGRAM

The Asset Investment Program for 2014-15 provides minor amounts for office equipment replacement along with the commencement of the Heritage Revolving Fund. The Heritage Revolving Fund will be used to bring idle heritage listed Government-owned buildings back to use.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2013-14 Program.....	20	20	20	-	-	-	-
Heritage Business System Replacement	1,390	1,390	588	-	-	-	-
The Decommissioning of the Office of Shared Services	11	11	11	-	-	-	-
NEW WORKS							
Asset Replacement							
2014-15 Program	20	-	-	20	-	-	-
2015-16 Program	20	-	-	-	20	-	-
2016-17 Program	20	-	-	-	-	20	-
2017-18 Program	20	-	-	-	-	-	20
Heritage Revolving Fund.....	3,450	-	-	1,750	1,700	-	-
Total Cost of Asset Investment Program	4,951	1,421	619	1,770	1,720	20	20
FUNDED BY							
Capital Appropriation.....			11	1,750	1,700	-	-
Drawdowns from the Holding Account			20	20	20	20	20
Internal Funds and Balances			588	-	-	-	-
Total Funding			619	1,770	1,720	20	20

FINANCIAL STATEMENTS

Income Statement

Expenses

The decrease in Total Cost of Services of \$956,000 for the 2013-14 Estimated Actual compared to the 2013-14 Budget. The decrease is mainly attributable to the finalisation of the Goldfields Earthquake Restoration grant funding, anticipated to be completed by 30 June 2014. This has been partially offset by a slight increase in operational costs.

Income

The increase of \$573,000 in service appropriation for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual. The funding includes an additional \$250,000 of recurrent funds as part of the new Heritage Revolving Fund program commencing in 2014-15, along with an increase in funding to meet the cost of accommodation, employment, computer system maintenance and associated depreciation/amortisation costs.

Statement of Financial Position

The increase of \$1.8 million between the 2013-14 Estimated Actual and the 2014-15 Budget Estimate for total assets is attributable to the capital component of the Heritage Revolving Fund Program in 2014-15. This program is expected to result in a non-financial asset investment of \$1.8 million in its first year.

The higher total asset in 2014-15 is to be funded by an increase of \$1.8 million in capital appropriation reflected as an increase in the contributed equity section of the Statement.

Statement of Cashflows

In 2014-15, the service and capital appropriation provided by the Government is forecast to increase by \$2.2 million in 2014-15 compared to the 2013-14 Estimated Actual, largely reflecting the \$2 million new funding in 2014-15 for the Heritage Revolving Fund Program.

Cash payments for grants and subsidies in 2014-15 is forecast to reduce by \$1.5 million due to finalisation in 2013-14 of most of the payments for the Goldfields Earthquake Restoration grant funding.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	3,015	3,161	3,161	3,413	3,536	3,508	3,593
Grants and subsidies ^(c)	1,436	1,438	2,981	1,445	1,453	1,453	1,453
Supplies and services	1,108	1,440	1,548	1,716	1,821	1,735	1,836
Accommodation	573	586	586	607	628	633	633
Depreciation and amortisation	133	289	289	428	422	420	420
Other expenses	743	377	378	378	378	378	378
TOTAL COST OF SERVICES	7,008	7,291	8,943	7,987	8,238	8,127	8,313
Income							
Sale of goods and services	128	-	-	-	-	-	-
Other revenue	-	18	18	18	18	18	18
Total Income	128	18	18	18	18	18	18
NET COST OF SERVICES	6,880	7,273	8,925	7,969	8,220	8,109	8,295
INCOME FROM STATE GOVERNMENT							
Service appropriations	6,617	7,129	7,138	7,711	7,962	7,851	8,037
Resources received free of charge	258	158	258	258	258	258	258
TOTAL INCOME FROM STATE GOVERNMENT	6,875	7,287	7,396	7,969	8,220	8,109	8,295
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(5)	14	(1,529)	-	-	-	-

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 29, 30 and 31 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Cossack Townsite	120	120	120	120	120	120	120
Education/Promotion	15	-	-	-	-	-	-
Goldfields Earthquake Restoration	35	-	1,543	-	-	-	-
Heritage Grants Program	1,266	1,258	1,258	1,265	1,273	1,273	1,273
Local Government and Tourism	-	60	60	60	60	60	60
TOTAL	1,436	1,438	2,981	1,445	1,453	1,453	1,453

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	2,011	35	502	502	502	502	502
Restricted cash.....	4,105	4,078	3,490	3,490	3,490	3,490	3,490
Holding account receivables.....	28	48	28	28	28	28	28
Receivables.....	75	136	75	75	75	75	75
Total current assets.....	6,219	4,297	4,095	4,095	4,095	4,095	4,095
NON-CURRENT ASSETS							
Holding account receivables.....	369	632	652	1,060	1,462	1,862	2,262
Property, plant and equipment.....	36	95	55	48	47	48	48
Intangibles.....	1,284	1,628	1,622	1,221	820	419	19
Other.....	-	-	-	1,750	3,450	1,450	1,450
Total non-current assets.....	1,689	2,355	2,329	4,079	5,779	3,779	3,779
TOTAL ASSETS.....	7,908	6,652	6,424	8,174	9,874	7,874	7,874
CURRENT LIABILITIES							
Employee provisions.....	424	483	424	424	424	424	424
Payables.....	2,126	2,526	2,160	2,160	2,160	2,160	2,160
Other.....	463	244	463	463	463	463	463
Total current liabilities.....	3,013	3,253	3,047	3,047	3,047	3,047	3,047
NON-CURRENT LIABILITIES							
Employee provisions.....	240	168	240	240	240	240	240
Total non-current liabilities.....	240	168	240	240	240	240	240
TOTAL LIABILITIES.....	3,253	3,421	3,287	3,287	3,287	3,287	3,287
EQUITY							
Contributed equity.....	992	1,993	1,003	2,753	4,453	2,453	2,453
Accumulated surplus/(deficit).....	3,663	1,355	2,134	2,134	2,134	2,134	2,134
Reserves.....	-	(117)	-	-	-	-	-
Total equity.....	4,655	3,231	3,137	4,887	6,587	4,587	4,587
TOTAL LIABILITIES AND EQUITY.....	7,908	6,652	6,424	8,174	9,874	7,874	7,874

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	6,473	6,826	6,835	7,269	7,526	7,431	7,617
Capital appropriation	603	11	11	1,750	1,700	-	-
Holding account drawdowns.....	12	20	20	20	20	20	20
Receipts paid into Consolidated Account	-	-	-	-	-	(2,000)	-
Net cash provided by State Government.....	7,088	6,857	6,866	9,039	9,246	5,451	7,637
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,909)	(3,185)	(3,185)	(3,423)	(3,546)	(3,508)	(3,593)
Grants and subsidies	(2,858)	(1,438)	(2,981)	(1,445)	(1,453)	(1,453)	(1,453)
Supplies and services	(1,038)	(1,178)	(1,186)	(1,388)	(1,493)	(1,421)	(1,522)
Accommodation.....	(580)	(586)	(586)	(607)	(628)	(633)	(633)
Other payments.....	(896)	(661)	(689)	(662)	(662)	(672)	(672)
Receipts							
Sale of goods and services	123	-	-	-	-	-	-
GST receipts	418	230	230	230	230	230	230
Other receipts.....	92	26	26	26	26	26	26
Net cash from operating activities.....	(7,648)	(6,792)	(8,371)	(7,269)	(7,526)	(7,431)	(7,617)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(641)	(31)	(619)	(1,770)	(1,720)	(20)	(20)
Proceeds from sale of non-current assets	-	-	-	-	-	2,000	-
Net cash from investing activities.....	(641)	(31)	(619)	(1,770)	(1,720)	1,980	(20)
NET INCREASE/(DECREASE) IN CASH HELD	(1,201)	34	(2,124)	-	-	-	-
Cash assets at the beginning of the reporting period.....	7,317	4,079	6,116	3,992	3,992	3,992	3,992
Cash assets at the end of the reporting period.....	6,116	4,113	3,992	3,992	3,992	3,992	3,992

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

NATIONAL TRUST OF AUSTRALIA (WA)

PART 15 - MINISTER FOR ENVIRONMENT; HERITAGE

DIVISION 65

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 103 Net amount appropriated to deliver services	2,703	2,801	2,801	2,878	2,951	3,031	3,095
Total appropriations provided to deliver services	2,703	2,801	2,801	2,878	2,951	3,031	3,095
CAPITAL							
Item 158 Capital Appropriation	5,135	435	435	435	435	435	435
TOTAL APPROPRIATIONS.....	7,838	3,236	3,236	3,313	3,386	3,466	3,530
EXPENSES							
Total Cost of Services.....	7,904	7,469	7,969	7,619	7,742	7,822	7,886
Net Cost of Services ^(a)	2,271	2,169	(92)	2,911	2,984	3,064	3,128
CASH ASSETS ^(b)	8,395	4,260	3,321	3,262	3,023	2,784	2,545

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Estimated Outturn.....	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
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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Conservation of Built Heritage	4,355	4,005	4,155	4,100	4,245	4,280	4,344
2. Interpretation - Heritage Awareness and Education	2,987	2,824	3,274	2,979	2,957	2,992	2,982
3. Conservation of Natural Heritage	562	640	540	540	540	550	560
Total Cost of Services	7,904	7,469	7,969	7,619	7,742	7,822	7,886

Significant Issues Impacting the Agency

- The Trust will continue the implementation of its Strategic Asset Plan, with a focus upon priority places such as Old Farm Strawberry Hill in Albany, the East Perth Cemeteries, Peninsula Farm (Tranby) at Maylands, Old Perth Boys School and the Old Observatory.
- The Trust continues to work on a range of initiatives to deliver conservation and interpretation for the State heritage assets it manages.
- 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 Programs.
- The Trust will focus on its asset disposal list to acquit the \$4.7 million capital appropriation previously allocated by the Government for the conservation of the 57 Murray Street Perth heritage property.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Conservation of Western Australia's cultural and natural heritage:					
Percentage of conservation work completed.....	3.2%	6.8%	6%	0.9%	1
Percentage increase in attendees of formal heritage education courses.....	3.9%	3.2%	3.5%	3.3%	2
Percentage increase in number of hectares protected by covenants	1.3%	3.2%	(3.3%)	1%	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 increase in costs of conservation work for heritage properties under the care and control of the Trust has reduced the percentage of conservation works completed overall in the 2013-14 Estimated Actual.

The 2014-15 Budget Target compared to the 2013-14 Estimated Actual shows a significant decrease in the percentage of conservation work completed. This is due to the recognition of significant costs relating to the properties within the Royal Perth Hospital Heritage Precinct which are now under the care and control of the Trust.

2. The variance in the percentage increase in attendees of formal heritage education courses relates to the actual number of attendees compared with the expected number of attendees at the time the Budget Papers were formulated. Consequently, a minor variance will exist.
3. The variance between the 2013-14 Budget and the 2013-14 Estimated Actual is due to the downsizing of the natural heritage covenanting program during 2013-14.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 4,355	\$'000 4,005	\$'000 4,155	\$'000 4,100	1
Less Income	3,602	3,873	6,234	3,286	2
Net Cost of Service.....	753	132	(2,079)	814	
Employees (Full Time Equivalents).....	14	12	13	13	
Efficiency Indicators					
Average Operating Cost per Place Managed	27,943	27,898	28,682	28,136	3

Explanation of Significant Movements

(Notes)

1. The variance between the 2012-13 Actual and the 2013-14 Budget relates to additional expenditure in 2012-13 due to an increase in project and heritage appeal expenditure.
2. The 2013-14 Estimated Actual, includes additional grant income funding and will be utilised for the conservation of Wanslea. The 2013-14 Estimated Actual is also greater than the 2014-15 Budget Target because it is expected that the Wanslea project will be completed by 30 June 2014.
3. The minor increase in the Average Operating Cost per Place Managed in the 2013-14 Estimated Actual compared to the 2013-14 Budget is due to an expected minor increase in conservation costs in 2013-14.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	2,987	2,824	3,274	2,979	1
Less Income	1,897	1,211	1,611	1,181	2
Net Cost of Service.....	1,090	1,613	1,663	1,798	
Employees (Full Time Equivalents).....	16	15	16	16	
Efficiency Indicators					
Average Cost per Attendee of Providing Heritage Awareness and Education ...	286	280	313	276	3

Explanation of Significant Movements

(Notes)

1. The variance between the 2013-14 Budget and the 2013-14 Estimated Actual is due to an increase in education related project works.
2. The variance between the 2013-14 Budget and the 2013-14 Estimated Actual is due to an increase in the receipt of grant income. The additional grant income relates to education related projects.
3. The increase in the Average Cost per Attendee of Providing Heritage Awareness and Education in the 2013-14 Estimated Actual compared to the 2013-14 Budget is due to an increase in education related projects.

3. Conservation of Natural Heritage

The conservation of natural heritage includes a covenanting and stewardship program and special projects associated with the conservation management of the natural environment.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	562	640	540	540	1
Less Income	134	216	216	241	2
Net Cost of Service	428	424	324	299	
Employees (Full Time Equivalents).....	2	2	1	1	
Efficiency Indicators					
Average Cost per Hectare to Protect Natural Heritage.....	\$9	\$10	\$8	\$8	3

Explanation of Significant Movements

(Notes)

1. The variance in expenditure in the 2013-14 Estimated Actual compared to the 2013-14 Budget is due to a decrease in activity in the Trust's Natural Heritage program.
2. The variance in income in the 2013-14 Estimated Actual compared to the 2012-13 Actual is due to an expected increase in activity in the Trust's Natural Heritage program during 2013-14.
3. The variance in the Average Cost per Hectare to Protect Natural Heritage from \$10 in the 2013-14 Budget to \$8 in the 2013-14 Estimated Actual is directly related to a decrease in the 2013-14 Estimated Actual expenditure.

ASSET INVESTMENT PROGRAM

The Trust's Asset Investment Program includes the continuation of conservation and interpretation works of heritage places for the long-term social, economic and environmental benefits of the Western Australian community. The Trust will also continue to maintain its information technology program, including the ongoing development of online facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2013-14 Program.....	50	50	50	-	-	-	-
Property Restoration							
2013-14 Program	650	650	650	-	-	-	-
Conservation of 57 Murray Street Perth.....	4,700	4,700	3,506	-	-	-	-
Wanslea	5,083	5,083	3,753	-	-	-	-
Upgrades - Luisini Winery	1,482	1,482	732	-	-	-	-
NEW WORKS							
Asset Replacement							
2014-15 Program	50	-	-	50	-	-	-
2015-16 Program	50	-	-	-	50	-	-
2016-17 Program	50	-	-	-	-	50	-
2017-18 Program	50	-	-	-	-	-	50
Property Restoration							
2014-15 Program	650	-	-	650	-	-	-
2015-16 Program	650	-	-	-	650	-	-
2016-17 Program	650	-	-	-	-	650	-
2017-18 Program	650	-	-	-	-	-	650
Total Cost of Asset Investment Program	14,765	11,965	8,691	700	700	700	700
FUNDED BY							
Capital Appropriation.....			435	435	435	435	435
Drawdowns from the Holding Account			265	265	265	265	265
Internal Funds and Balances			7,991	-	-	-	-
Total Funding			8,691	700	700	700	700

FINANCIAL STATEMENTS**Income Statement***Expenses*

The increase in supplies and services for the 2013-14 Estimated Actual compared with the 2013-14 Budget, 2014-15 Budget Estimate and the forward estimates, is due to expected additional education related project work in 2013-14. This additional expenditure is funded from grant income.

Income

The increase in grants and subsidies in the 2013-14 Estimated Actual compared with the 2013-14 Budget, 2014-15 Budget Estimate and the forward estimates, is due to additional grant income expected to be received in 2013-14 for the Wanslea project and education related projects.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	3,030	2,867	2,867	2,924	2,976	3,020	3,045
Supplies and services	2,596	3,199	3,699	3,293	3,364	3,400	3,439
Accommodation.....	830	383	383	383	383	383	383
Depreciation and amortisation	438	435	435	435	435	435	435
Other expenses.....	1,010	585	585	584	584	584	584
TOTAL COST OF SERVICES.....	7,904	7,469	7,969	7,619	7,742	7,822	7,886
Income							
Sale of goods and services	768	1,023	1,023	1,223	1,273	1,273	1,273
Grants and subsidies	2,166	1,492	4,253	700	700	700	700
Other revenue	2,699	2,785	2,785	2,785	2,785	2,785	2,785
Total Income	5,633	5,300	8,061	4,708	4,758	4,758	4,758
NET COST OF SERVICES.....	2,271	2,169	(92)	2,911	2,984	3,064	3,128
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,703	2,801	2,801	2,878	2,951	3,031	3,095
TOTAL INCOME FROM STATE GOVERNMENT.....	2,703	2,801	2,801	2,878	2,951	3,031	3,095
SURPLUS/(DEFICIENCY) FOR THE PERIOD	432	632	2,893	(33)	(33)	(33)	(33)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 32, 30 and 30 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	4,382	1,234	3,321	3,262	3,023	2,784	2,545
Restricted cash.....	4,013	3,026	-	-	-	-	-
Holding account receivables.....	265	265	265	265	265	265	265
Receivables.....	343	509	343	343	449	405	405
Other.....	65	249	65	65	65	65	65
Assets held for sale.....	120	-	120	120	120	120	120
Total current assets.....	9,188	5,283	4,114	4,055	3,922	3,639	3,400
NON-CURRENT ASSETS							
Holding account receivables.....	813	983	983	1,153	1,323	1,493	1,663
Property, plant and equipment.....	68,873	78,602	93,650	93,916	89,481	89,746	90,011
Intangibles.....	306	306	306	306	306	306	306
Other.....	1,661	1,661	1,661	1,661	1,661	1,661	1,661
Total non-current assets.....	71,653	81,552	96,600	97,036	92,771	93,206	93,641
TOTAL ASSETS.....	80,841	86,835	100,714	101,091	96,693	96,845	97,041
CURRENT LIABILITIES							
Employee provisions.....	658	552	658	658	658	658	658
Payables.....	587	1,191	611	585	485	235	29
Other.....	627	190	627	627	627	627	627
Total current liabilities.....	1,872	1,933	1,896	1,870	1,770	1,520	1,314
NON-CURRENT LIABILITIES							
Employee provisions.....	94	75	94	94	94	94	94
Total non-current liabilities.....	94	75	94	94	94	94	94
TOTAL LIABILITIES.....	1,966	2,008	1,990	1,964	1,864	1,614	1,408
EQUITY							
Contributed equity.....	11,041	11,475	27,997	28,433	24,168	24,603	25,038
Accumulated surplus/(deficit).....	46,118	50,198	49,011	48,978	48,945	48,912	48,879
Reserves.....	21,716	23,154	21,716	21,716	21,716	21,716	21,716
Total equity.....	78,875	84,827	98,724	99,127	94,829	95,231	95,633
TOTAL LIABILITIES AND EQUITY.....	80,841	86,835	100,714	101,091	96,693	96,845	97,041

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,293	2,366	2,366	2,443	2,516	2,596	2,660
Capital appropriation	5,135	435	435	435	435	435	435
Holding account drawdowns.....	265	265	265	265	265	265	265
Receipts paid into Consolidated Account	-	-	-	-	(4,700)	-	-
Net cash provided by State Government.....	7,693	3,066	3,066	3,143	(1,484)	3,296	3,360
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,897)	(2,868)	(2,868)	(2,925)	(2,977)	(3,021)	(3,046)
Supplies and services	(3,202)	(3,271)	(3,771)	(3,415)	(3,486)	(3,522)	(3,561)
Accommodation.....	(344)	(366)	(366)	(366)	(366)	(366)	(366)
Other payments.....	(1,680)	(775)	(775)	(774)	(774)	(774)	(774)
Receipts							
Grants and subsidies	2,166	1,492	4,253	700	700	700	700
Sale of goods and services	768	1,023	1,023	1,223	1,273	1,273	1,273
GST receipts	779	270	270	270	270	270	270
Other receipts.....	3,093	2,785	2,785	2,785	2,605	2,605	2,605
Net cash from operating activities.....	(1,317)	(1,710)	551	(2,502)	(2,755)	(2,835)	(2,899)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(3,573)	(4,992)	(8,691)	(700)	(700)	(700)	(700)
Proceeds from sale of non-current assets	245	-	-	-	4,700	-	-
Net cash from investing activities.....	(3,328)	(4,992)	(8,691)	(700)	4,000	(700)	(700)
NET INCREASE/(DECREASE) IN CASH HELD							
	3,048	(3,636)	(5,074)	(59)	(239)	(239)	(239)
Cash assets at the beginning of the reporting period.....	5,347	7,896	8,395	3,321	3,262	3,023	2,784
Cash assets at the end of the reporting period.....	8,395	4,260	3,321	3,262	3,023	2,784	2,545

(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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Grants and Subsidies	2,166	1,492	4,253	700	700	700	700
GST Receipts on Sales	779	270	270	270	270	270	270
Interest Received	253	245	245	245	245	245	245
Other Receipts.....	2,840	2,540	2,540	2,540	2,360	2,360	2,360
User Fees and Charges	768	1,023	1,023	1,223	1,273	1,273	1,273
TOTAL.....	6,806	5,570	8,331	4,978	4,848	4,848	4,848

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

Part 16

Minister for Emergency Services; Corrective Services; Small Business; Veterans

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
731	Fire and Emergency Services			
	– Delivery of Services	36,169	36,921	31,911
	– Capital Appropriation.....	880	24,980	-
	Total.....	37,049	61,901	31,911
741	State Emergency Management Committee Secretariat			
	– Delivery of Services	3,911	4,583	4,872
	Total.....	3,911	4,583	4,872
747	Corrective Services			
	– Delivery of Services	754,567	768,524	791,642
	– Capital Appropriation.....	8,083	6,173	3,121
	Total.....	762,650	774,697	794,763
757	Office of the Inspector of Custodial Services			
	– Delivery of Services	3,490	3,490	3,427
	Total.....	3,490	3,490	3,427
762	Small Business Development Corporation			
	– Delivery of Services	11,565	11,645	11,791
	– Capital Appropriation.....	60	60	60
	Total.....	11,625	11,705	11,851
	GRAND TOTAL			
	– Delivery of Services	809,702	825,163	843,643
	– Capital Appropriation.....	9,023	31,213	3,181
	Total.....	818,725	856,376	846,824

FIRE AND EMERGENCY SERVICES

PART 16 - MINISTER FOR EMERGENCY SERVICES; CORRECTIVE SERVICES; SMALL BUSINESS; VETERANS

DIVISION 66

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 104 Net amount appropriated to deliver services	50,479	35,202	35,954	30,920	33,483	36,037	37,129
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	751	967	967	991	1,016	1,041	1,041
Total appropriations provided to deliver services	51,230	36,169	36,921	31,911	34,499	37,078	38,170
CAPITAL							
Capital Appropriation.....	2,810	880	24,980	-	161	-	1,500
TOTAL APPROPRIATIONS.....	54,040	37,049	61,901	31,911	34,660	37,078	39,670
EXPENSES							
Total Cost of Services ^(a)	317,046	325,638	346,040	334,231	352,074	374,895	382,383
Net Cost of Services ^(b)	48,679	38,093	58,072	28,257	34,365	44,089	37,043
CASH ASSETS ^(c)	57,494	28,176	41,272	26,364	28,436	21,453	38,599

- (a) Responsibility for the Western Australia Natural Disaster Relief and Recovery Arrangements has been transferred to the Department of the Premier and Cabinet.
- (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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(3,256)	-	-	-	-
2014-15 Procurement Savings	-	(5,132)	-	-	-
Adjustment to Salaries Cap.....	5,604	6,470	7,588	7,588	7,588
Bushfire Risk Mitigation	65	562	315	321	535
Career Fire and Rescue Service (CFRS) Albany Fire Station - Operating Costs....	-	-	-	198	198
CFRS Perth West Fire Station - Operating Costs.....	-	-	-	4,636	4,936
Erikson Aircrane S64 Helicopter Aerial Fire Suppression Capability	3,279	3,362	3,446	3,532	3,532
Regional Workers Incentives Allowances	(2)	(127)	(220)	(226)	178
Superannuation Guarantee Increase.....	16	33	65	103	151
Transfer of the Western Australia Natural Disaster Relief and Recovery Arrangements to the Department of the Premier and Cabinet.....	(65)	(262)	(269)	(276)	(283)
Urgent Minor Works - Operating Costs.....	-	407	829	1,266	1,717

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Prevention and Mitigation Services	44,386	39,701	48,446	51,335	54,575	54,581	56,328
2. Emergency Services	272,660	285,937	297,594	282,896	297,499	320,314	326,055
Total Cost of Services	317,046	325,638	346,040	334,231	352,074	374,895	382,383

Significant Issues Impacting the Agency

- Changes in the operating environment are contributing to capacity and capability pressures across the agency. The Department has focused on prioritisation and the implementation of allocation and technical efficiencies to identify cost saving opportunities. In addition, the Department's reform program continues to innovate and improve integration across services to optimise the use of physical, financial and human resources.
- The Command, Control, Coordination and Information Systems project is progressing in close consultation with emergency management partners. This long-term project will deliver improved command, control and coordination of significant emergency events, support a more coordinated approach to capacity and capability planning across agencies and consequently improve emergency management preparedness and response at the State, regional and local levels.
- The Emergency Services Act Review will consolidate existing emergency services legislation into a single Emergency Service Act. The new Act is intended to: consolidate the existing provisions; update the legislation to reflect contemporary emergency service practice; and where appropriate, incorporate recommendations from major inquiries and reports. It is anticipated that during 2014-15, the Department will receive approval to develop drafting instructions for the Bill.
- The Office of Bushfire Risk Management is continuing to work with the Department of Parks and Wildlife, other areas within the Department and local governments to ensure management of bushfire-related risk within their areas of responsibility. A range of standards and frameworks has been developed or endorsed for use by agencies including those for prescribed burning, bushfire prone area mapping, and the development and implementation of localised bushfire risk management plans. A complementary performance and audit framework is also being developed.

- The Department will continue to support the mitigation of bushfire risk during 2014-15 through:
 - a schedule for development of tenure blind bushfire risk management plans at the local government level;
 - the procurement of a software support system to support mitigation planning and monitor progress with treatment activity; and
 - increased community awareness and engagement concerning bushfire risk and reduction strategies.
- Safety risk management continues to receive high priority. The development of the Department's Safety Management System will be completed by the end of 2014 with implementation following during the remainder of 2014-15. Specific risks that will continue to be addressed during 2014-15 include:
 - the allocation of full face masks to all career firefighters and a provision to volunteer stations to mitigate their exposure to bushfire smoke contaminants; and
 - continued implementation of a four year program to significantly improve cab protection in bushfire fighting vehicles.
- The design and implementation of professional development pathways is an important project currently being undertaken by the Department. The pathways will detail the skills, knowledge, experience and training required to perform each rank, role or level within the Department. Volunteer and career personnel undertaking the same training to perform the same role is a guiding principle of the project. In the initial phase, focus was on development of pathways for incident management roles, including the provision of training to volunteers to support their integration into incident management teams. Longer-term, pathways will provide professional development direction for all staff and volunteers. During 2014-15, the project will focus on further development of the Department's educational pathway, improvements to the functionality of the Learning Management System, implementation of the volunteer pathways that relate to technical skills, and development and implementation of corporate pathways.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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)	63	70	63	70	
Proportion of structural fires confined to object/room of origin ^(c)	76.2%	72%	74%	72%	
Percentage of special risk plans for hazardous material sites reviewed within specified timeframes ^(d)	91.6%	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 ^(e)	93.8%	95%	96%	95%	
Percentage of metropolitan responses by Career Fire and Rescue Services within target timeframes ^(f)	89.6%	90%	91%	90%	
Percentage of volunteer Fire and Rescue Service turnouts within target timeframes – Hazard Management Agency roles only ^(g)	94.3%	90%	94%	90%	
Percentage of required operational personnel trained in level 2 and level 3 incident management ^(h)	167%	90%	158%	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) A higher result indicates better performance.
 (d) Special Risk Plans document risk management strategies for sites and facilities where emergencies pose a significant impact to the community or environment. Plans are to be reviewed every two years.
 (e) Target timeframe for 000 calls to be answered is within 20 seconds.
 (f) Target for Metropolitan Career Fire and Rescue responses from receipt of emergency call to arrival at incident is 90% of incidents within 12 minutes.
 (g) Target for Volunteer Fire and Rescue turnouts from brigade notification to brigade on route to incident is 90% of incidents within 14 minutes.
 (h) Eighteen officers are competent to manage level 3 incidents, which is 150% 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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	44,386	39,701	48,446	51,335	1
Less Income	37,571	32,291	40,316	42,836	
Net Cost of Service.....	6,815	7,410	8,130	8,499	
Employees (Full Time Equivalents) ^(a)	156	156	157	164	
Efficiency Indicators					
Cost of Prevention and Mitigation Services per Capita (Western Australia)	\$18.79	\$16.48	\$20.11	\$20.90	

(a) The increase of 7 Full Time Equivalents (FTEs) in 2014-15, mainly reflects the additional staffing resulting from the Keelty Reviews into the Margaret River and Roleystone/Kelmscott Bushfires, and the full year impact of previous policy decisions.

Explanation of Significant Movements

(Note)

- The increase in costs from the 2013-14 Budget to the 2013-14 Estimated Actual mainly reflects a \$6.5 million change and improvement in the cost allocation methodology used for the service distribution. There is an equivalent offset in Service 2.

2. Emergency Services

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	272,660	285,937	297,594	282,896	1
Less Income	230,796	255,254	247,652	263,138	2
Net Cost of Service.....	41,864	30,683	49,942	19,758	
Employees (Full Time Equivalents) ^(a)	1,257	1,275	1,268	1,326	
Efficiency Indicators					
Cost of Emergency Services per Capita (Western Australia).....	\$115.43	\$118.70	\$123.54	\$115.18	

(a) The increase of 58 FTEs in 2014-15 mainly reflects the additional staffing resulting from the Keelty Reviews into the Margaret River and Roleystone/Kelmscott Bushfires, and the full year impact of previous policy decisions.

Explanation of Significant Movements

(Notes)

- The movements in costs between the 2013-14 Budget and 2013-14 Estimated Actual, and 2013-14 Estimated Actual and 2014-15 Budget Target are detailed in the notes to the Financial Statements (Income Statement). As noted in Service 1, a \$6.5 million change in the cost allocation methodology used for the service distribution in 2013-14 also impacts the movement between the 2013-14 Budget to the 2013-14 Estimated Actual.
- Refer to the notes to the Financial Statements (Income Statement) for the increase in income in the 2014-15 Budget Target compared to the 2013-14 Estimated Actual.

ASSET INVESTMENT PROGRAM

The Department’s Asset Investment Program (AIP) for 2014-15 totals \$42.5 million, comprising new works of \$14 million and works in progress of \$29.1 million, partially offset by the AIP Efficiency Measure of \$0.6 million. The AIP is established in conjunction with the application of a resource-to-risk/fit-for-purpose model to determine the emergency service infrastructure needs of communities and the Department’s personnel, throughout the State. This process recognises demographic changes and changing community safety issues.

An overview of the program is as follows:

- construction of the Geraldton Career/Volunteer Fire and Rescue Service Fire Stations will be completed at an estimated cost of \$9.6 million;
- the CFRS Fire Station in Butler will be completed at an estimated cost of \$5.4 million;
- the Bunbury collocated Career/Volunteer Fire and Rescue Service Fire Station will be completed at an estimated cost of \$9.5 million;
- the replacement of the existing CFRS Albany Fire Station will commence in 2014-15 with total funding of \$9.1 million over three years;
- construction of the new CFRS Perth West Fire Station will commence in 2014-15 with total funding of \$20.3 million over three years;
- funding of \$2.7 million has been provided for the construction of a base facility for the South West Emergency Rescue Helicopter Service;
- an amount of \$4.2 million has been provided for Urgent Minor Works in 2014-15; and
- other vehicle and equipment replacement programs are ongoing in line with the Department’s maintenance and serviceable life replacement strategies.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Fire and Emergency Vehicles							
CFRS Aerial Appliance Replacement Program ^(a)	2,990	2,400	2,400	590	-	-	-
CFRS GPA Replacement Program ^(b)	827	367	-	460	-	-	-
CFRS Medium Pump Replacement 2010-18 Program.....	24,557	12,979	725	2,950	3,150	3,592	1,886
Communication and Information Communication							
Technology Support Replacement Program.....	306	145	75	-	161	-	-
Fire Crew Protection – Appliance Modification.....	3,160	1,040	1,040	1,100	500	520	-
Light Tanker Replacement 2013-18 Program.....	12,850	2,300	2,300	2,250	2,200	3,041	3,059
VES Unit Fleet Replacement 2007-17 Program ^(c)	11,952	7,359	782	1,020	931	2,642	-
VFRS GPA Replacement Program ^(d)	7,341	4,941	1,038	1,400	1,000	-	-
Land and Building Works							
CFRS Butler Fire Station.....	5,415	3,340	3,187	2,075	-	-	-
CFRS Geraldton Fire Station.....	7,153	4,343	4,109	2,810	-	-	-
CFRS/VFRS Bunbury Collocated Fire Station.....	9,534	877	842	8,657	-	-	-
Urgent Minor Works 2013-14 to 2024-25.....	60,907	2,214	2,214	4,150	4,300	4,450	4,600
VFRS Geraldton Fire Station.....	2,422	1,717	1,325	705	-	-	-
Plant and Equipment Works							
Emergency Rescue Equipment Program.....	13,002	6,892	910	1,000	1,000	800	1,000
COMPLETED WORKS							
Fire and Emergency Vehicles							
CFRS Combined Ladder Platform Half Life Refurbishment.....	600	600	386	-	-	-	-
VFRS Appliances - Cape Enhancements.....	3,369	3,369	994	-	-	-	-
VFRS Light Tanker Replacement 2006-13 Program.....	8,500	8,500	243	-	-	-	-
Land and Building Works							
CFRS Bassendean/Kiara Fire Station.....	5,300	5,300	2,274	-	-	-	-
CFRS Wangara Fire Station Modifications.....	588	588	449	-	-	-	-
Emergency Services Complex - Cockburn.....	40,261	40,261	622	-	-	-	-
Strategic Land Acquisition Program.....	4,424	4,424	2,775	-	-	-	-
VFRS Kambalda Fire Station.....	3,010	3,010	1,313	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Plant and Equipment Works							
Breathing Apparatus Replacement Program 2009-14	4,000	4,000	2,637	-	-	-	-
CFRS Protective Suits Replacement Program	900	900	889	-	-	-	-
VMRS Communication Network 2003-11 Program ^(e)	805	805	617	-	-	-	-
NEW WORKS							
Land and Building Works							
CFRS Albany Fire Station	9,110	-	-	1,220	3,850	4,040	-
CFRS Perth West Fire Station	20,280	-	-	11,060	3,850	5,370	-
South West Emergency Rescue Helicopter Service	2,700	-	-	1,700	1,000	-	-
Asset Investment Program Efficiency Measure	(1,948)	-	-	(624)	(497)	(530)	(297)
Total Cost of Asset Investment Program	264,315	122,671	34,146	42,523	21,445	23,925	10,248
FUNDED BY							
Capital Appropriation			880	-	161	-	-
Borrowings			15,166	8,735	8,081	10,075	5,945
Drawdowns from the Holding Account			5,000	5,000	-	-	-
Internal Funds and Balances			12,060	9,558	(297)	(530)	(297)
Emergency Services Levy			-	16,430	12,000	13,860	4,600
Drawdowns from Royalties for Regions Fund			1,040	2,800	1,500	520	-
Total Funding			34,146	42,523	21,445	23,925	10,248

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

FINANCIAL STATEMENTS

Income Statement

Expenses

After adjusting for non-recurring expenses of \$20.7 million in 2013-14, including an impairment loss on the sale of the FESA House site of \$12.4 million, the reflow of Local Government Grants from 2012-13 to 2013-14 (\$4 million), the purchase of protective curtains and blankets for fire appliances (\$2.5 million) and expenses associated with the Community Safety Network (\$1.6 million), which were partially offset by a reduction in procurement expenditure of \$3.3 million, the Total Cost of Services in 2014-15 is expected to increase by \$5.4 million or 1.6%, compared to the 2013-14 Estimated Actual. This increase is mainly attributable to provisions for award increases, cost escalation and the flow-on impact of previous policy decisions, partially offset by 2014-15 corrective measures on procurement.

Income

Operating and State Government Income totalling \$346.7 million for 2014-15 represents an increase of \$17.6 million or 5.3% compared to the 2013-14 Estimated Actual. This increase is mainly attributable to an \$18 million increase in the Emergency Services Levy, largely due to the direct funding of new capital works projects for CFRS Perth West Fire Station, CFRS Albany Fire Station and Urgent Minor Works.

Surplus/Deficiency

The \$18.1 million movement in the 2013-14 Estimated Actual Surplus/Deficiency compared to the 2013-14 Budget mainly reflects the post budget reinstatement of the Workforce Reform Saving Measure (\$5.6 million), the lease of the Erikson S64 Airplane Helicopter (\$3.3 million) and the \$12.4 million impairment loss on the sale of FESA House, partially offset by an underspend of \$3.3 million due to the temporary procurement freeze.

Statement of Financial Position

Total Assets are expected to increase by \$14.9 million in 2014-15 mainly as a result of the acquisition of land for the CFRS Perth West (\$11.1 million) and Albany (\$1.2 million) Fire Stations.

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	171,078	186,640	191,948	198,166	204,485	213,313	219,572
Grants and subsidies ^(c)	24,151	41,102	43,592	35,923	36,853	39,706	38,456
Supplies and services.....	58,464	38,006	39,227	44,954	47,161	53,875	54,524
Accommodation.....	9,069	9,173	9,173	9,205	10,298	10,633	10,899
Depreciation and amortisation.....	22,869	13,714	27,320	16,985	18,131	20,383	21,429
Other expenses.....	31,551	37,259	34,971	28,998	35,146	36,985	37,503
TOTAL COST OF SERVICES.....	317,182	325,894	346,231	334,231	352,074	374,895	382,383
Income							
Sale of goods and services.....	7,123	6,656	6,656	7,082	6,953	6,894	6,834
Regulatory fees and fines.....	250,853	271,184	271,184	289,209	300,547	313,448	326,562
Grants and subsidies.....	5,194	6,149	6,572	6,628	6,685	6,742	6,742
Other revenue.....	5,197	3,556	3,556	3,055	3,524	3,722	5,202
Total Income.....	268,367	287,545	287,968	305,974	317,709	330,806	345,340
NET COST OF SERVICES.....	48,815	38,349	58,263	28,257	34,365	44,089	37,043
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	51,366	36,425	37,112	31,911	34,499	37,078	38,170
Resources received free of charge.....	791	745	745	745	745	745	745
Royalties for Regions Fund ^(d)	362	2,209	3,297	8,056	8,041	9,150	6,928
TOTAL INCOME FROM STATE GOVERNMENT.....	52,519	39,379	41,154	40,712	43,285	46,973	45,843
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	3,704	1,030	(17,109)	12,455	8,920	2,884	8,800

- (a) Full audited financial statements are published in the agency's Annual Report.
- (b) The FTEs for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 1,413, 1,425 and 1,490 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) Regional Infrastructure and Headworks Fund - \$0.1 million (2013-14 Budget), \$0.1 million (2013-14 estimated outturn), \$0.1 million (2014-15), \$0.1 million (2015-16), \$0.1 million (2016-17), Regional Community Services Fund - \$0.4 million (2012-13), \$2.1 million (2013-14 Budget), \$3.2 million (2013-14 estimated outturn), \$7.9 million (2014-15), \$7.9 million (2015-16), \$9 million (2016-17) and \$6.9 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Local Government Emergency Services Grants ...	18,637	31,076	32,116	25,325	29,025	29,022	30,343
Other.....	2,648	5,055	6,270	7,890	3,893	5,321	5,279
Surf Life Saving Western Australia.....	1,203	1,239	1,239	1,276	1,314	1,347	1,381
Volunteer Assistance Scheme.....	-	1,000	1,000	-	-	-	-
Volunteer Marine Rescue Service.....	1,663	2,732	2,967	1,432	2,621	4,016	1,453
TOTAL.....	24,151	41,102	43,592	35,923	36,853	39,706	38,456

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	54,860	26,276	38,072	22,664	23,664	19,365	35,571
Restricted cash.....	2,634	200	1,500	1,500	1,500	1,500	1,500
Holding account receivables.....	5,000	5,000	5,000	-	-	-	-
Receivables.....	3,430	9,824	4,824	4,919	4,918	4,915	4,915
Other.....	25,015	13,389	19,965	19,969	19,982	19,997	19,997
Total current assets.....	90,939	54,689	69,361	49,052	50,064	45,777	61,983
NON-CURRENT ASSETS							
Holding account receivables.....	15,002	14,433	14,810	20,140	25,638	31,658	37,814
Property, plant and equipment.....	315,069	316,179	326,710	355,754	362,647	369,813	358,911
Intangibles.....	214	441	441	817	1,019	1,039	598
Other.....	-	1,200	1,700	2,200	3,272	588	1,528
Total non-current assets.....	330,285	332,253	343,661	378,911	392,576	403,098	398,851
TOTAL ASSETS.....	421,224	386,942	413,022	427,963	442,640	448,875	460,834
CURRENT LIABILITIES							
Employee provisions.....	19,069	19,892	19,831	19,952	17,520	15,080	15,080
Payables.....	3,640	6,670	6,670	6,745	6,745	6,753	6,753
Other.....	37,916	9,352	7,923	8,192	8,924	9,575	6,748
Total current liabilities.....	60,625	35,914	34,424	34,889	33,189	31,408	28,581
NON-CURRENT LIABILITIES							
Employee provisions.....	7,896	8,189	8,189	8,228	7,229	6,228	6,228
Borrowings.....	50,262	58,788	66,788	70,575	73,589	75,546	72,155
Total non-current liabilities.....	58,158	66,977	74,977	78,803	80,818	81,774	78,383
TOTAL LIABILITIES.....	118,783	102,891	109,401	113,692	114,007	113,182	106,964
EQUITY							
Contributed equity.....	274,144	195,633	292,213	393,172	394,833	395,353	404,730
Accumulated surplus/(deficit).....	3,704	1,030	(13,405)	(107,705)	(98,785)	(95,901)	(87,101)
Reserves.....	24,593	87,388	24,813	28,804	32,585	36,241	36,241
Total equity.....	302,441	284,051	303,621	314,271	328,633	335,693	353,870
TOTAL LIABILITIES AND EQUITY.....	421,224	386,942	413,022	427,963	442,640	448,875	460,834

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

**STATEMENT OF CASHFLOWS ^(a)
(Controlled)**

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	47,051	31,994	32,304	26,581	29,001	31,058	32,014
Capital appropriation	2,810	880	24,980	-	161	-	1,500
Holding account drawdowns.....	1,668	5,000	5,000	5,000	-	-	-
Royalties for Regions Fund ^(b)	362	5,739	4,337	10,856	9,541	9,670	6,928
Net cash provided by State Government.....	51,891	43,613	66,621	42,437	38,703	40,728	40,442
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(168,659)	(182,656)	(187,525)	(193,939)	(203,051)	(215,797)	(215,020)
Grants and subsidies	(35,863)	(37,102)	(46,592)	(35,923)	(36,853)	(39,706)	(38,456)
Supplies and services.....	(55,614)	(45,880)	(47,101)	(52,818)	(54,578)	(56,007)	(53,619)
Accommodation.....	(9,069)	(10,278)	(10,278)	(10,310)	(10,298)	(10,633)	(10,899)
Other payments.....	(51,740)	(48,498)	(46,210)	(40,443)	(44,531)	(46,317)	(46,852)
Receipts							
Regulatory fees and fines.....	253,418	271,184	271,184	289,209	305,041	313,448	326,562
Grants and subsidies	4,804	5,249	5,672	5,728	5,785	5,842	5,842
Sale of goods and services	10,221	7,306	7,306	7,732	7,853	7,794	7,734
GST receipts.....	16,004	8,600	8,600	8,794	8,794	8,794	8,794
Other receipts.....	6,404	4,100	4,100	3,014	3,524	3,524	3,524
Net cash from operating activities.....	(30,094)	(27,975)	(40,844)	(18,956)	(18,314)	(29,058)	(12,390)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(20,786)	(27,468)	(34,146)	(42,523)	(21,445)	(23,925)	(10,248)
Proceeds from sale of non-current assets	155	32,100	800	-	-	-	6,200
Other receipts.....	500	-	-	-	-	-	-
Net cash from investing activities.....	(20,131)	4,632	(33,346)	(42,523)	(21,445)	(23,925)	(4,048)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(2,357)	(36,090)	(30,319)	(4,601)	(4,953)	(4,803)	(12,803)
Proceeds from borrowings.....	10,740	15,166	15,166	8,735	8,081	10,075	5,945
Net cash from financing activities.....	8,383	(20,924)	(15,153)	4,134	3,128	5,272	(6,858)
NET INCREASE/(DECREASE) IN CASH HELD	10,049	(654)	(22,722)	(14,908)	2,072	(6,983)	17,146
Cash assets at the beginning of the reporting period.....	50,509	-	57,494	41,272	26,364	28,436	21,453
Net cash transferred to/from other agencies.....	(3,064)	28,830	6,500	-	-	-	-
Cash assets at the end of the reporting period.....	57,494	28,176	41,272	26,364	28,436	21,453	38,599

(a) Full audited financial statements are published in the agency's Annual Report.
 (b) Regional Infrastructure and Headworks Fund - \$0.1 million (2013-14 Budget), \$0.1 million (2013-14 estimated outturn), \$0.1 million (2014-15), \$0.1 million (2015-16), \$0.1 million (2016-17), Regional Community Services Fund - \$0.4 million (2012-13), \$5.6 million (2013-14 Budget), \$4.2 million (2013-14 estimated outturn), \$10.7 million (2014-15), \$9.4 million (2015-16), \$9.5 million (2016-17) and \$6.9 million (2017-18).

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement	317,182	325,894	346,231	334,231	352,074	374,895	382,383
<i>Transfer of the Western Australia Natural Disaster Relief and Recovery Arrangements to the Department of the Premier and Cabinet.....</i>	(136)	(256)	(191)	-	-	-	-
Adjusted Total Cost of Services	317,046	325,638	346,040	334,231	352,074	374,895	382,383
APPROPRIATIONS							
Service Appropriations as per Income Statement	51,366	36,425	37,112	31,911	34,499	37,078	38,170
<i>Transfer of the Western Australia Natural Disaster Relief and Recovery Arrangements to the Department of the Premier and Cabinet.....</i>	(136)	(256)	(191)	-	-	-	-
Adjusted Total Appropriations Provided to Deliver Services.....	51,230	36,169	36,921	31,911	34,499	37,078	38,170

STATE EMERGENCY MANAGEMENT COMMITTEE SECRETARIAT

PART 16 - MINISTER FOR EMERGENCY SERVICES; CORRECTIVE SERVICES; SMALL BUSINESS; VETERANS

DIVISION 67

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 105 Net amount appropriated to deliver services	2,751	3,911	4,583	4,872	4,874	4,968	5,074
Total appropriations provided to deliver services	2,751	3,911	4,583	4,872	4,874	4,968	5,074
TOTAL APPROPRIATIONS.....	2,751	3,911	4,583	4,872	4,874	4,968	5,074
EXPENSES							
Total Cost of Services.....	7,760	7,300	7,972	8,267	8,274	8,373	8,479
Net Cost of Services ^(a)	6,116	2,602	3,274	5,135	5,142	5,241	5,347
CASH ASSETS ^(b)	3,064	4,630	4,630	4,630	4,630	4,630	4,630

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Adjustment to Salaries Cap.....	217	182	144	144	144
Transfer of Accommodation Costs from the Department of the Premier and Cabinet.....	455	746	746	746	746

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Effective strategic coordination of emergency management.	1. Emergency Management Advice and Consultation

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Emergency Management Advice and Consultation	7,760	7,300	7,972	8,267	8,274	8,373	8,479
Total Cost of Services	7,760	7,300	7,972	8,267	8,274	8,373	8,479

Significant Issues Impacting the Agency

- The State Emergency Management Committee (SEMC) Secretariat is developing and implementing a strategic State-wide, All Hazards, Risk Management Program. This program sees the adoption of a consistent approach to risk management across the emergency sector, including the vast range of stakeholders involved, from local to State governments, to not-for-profit organisations, industry groups and businesses. The program calls for a comprehensive assessment of all 27 prescribed hazards at State, district and local level, the outputs of the assessment assisting the State prioritise resource allocation and to develop the most cost-effective mitigation programs. Given the size of the State, the number of hazards to which the state is exposed, and the vast numbers of stakeholders, the project complexity is very high. However, this comprehensive approach is required if the State is to truly develop thorough resilience.
- There has been a delay in the signing of the new National Partnership Agreement for Natural Disaster Resilience. The new two year agreement was due to commence 1 July 2013 and run to 30 June 2015. The impact of the delay is currently being assessed.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Effective strategic coordination of emergency management:					
Stakeholder assessment of strategic coordination and quality of emergency management.....	60%	60%	60%	60%	1

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

Explanation of Significant Movements

(Notes)

- 2013-14 is the SEMC Secretariat's first year of operation. Indicator data will be collected from June 2014 and assessed before reviewing future year targets.

Services and Key Efficiency Indicators**1. Emergency Management Advice and Consultation**

Provision of committee support for the SEMC, policy and legislation development and review, advice/assistance, information sharing and awareness building, community engagement and capacity building.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 7,760	\$'000 7,300	\$'000 7,972	\$'000 8,267	1
Less Income	1,644	4,698	4,698	3,132	1
Net Cost of Service.....	6,116	2,602	3,274	5,135	
Employees (Full Time Equivalents).....	21	23	31	30	2
Efficiency Indicators					
Average Hourly Cost of Providing Emergency Management Advice and Consultation.....	\$56	\$56	\$56	\$56	3

Explanation of Significant Movements

(Notes)

- Refer to the Financial Statements for explanatory notes.
- The increase in FTEs from the 2013-14 Budget to the 2013-14 Estimated Actual reflects the reinstatement of salary cap savings and re-alignment of costs from grants and subsidies to salaries for the Natural Disaster Resilience Program.
- 2013-14 is SEMC Secretariat's first year of operation. Indicator data will be collected from June 2014 and assessed before reviewing future year targets.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The increase in expenditure of \$0.7 million from 2013-14 Budget to 2013-14 Estimated Actual reflects additional accommodation and support costs transferred from the Department of the Premier and Cabinet (\$0.5 million) and additional salary costs for the reinstatement of salary cap savings relating to the Keelty Review (\$0.2 million).

The increase in expenditure of \$0.3 million from 2013-14 Estimated Actual to 2014-15 Budget reflects the full-year impact of accommodation costs transferred from the Department of the Premier and Cabinet in 2013-14.

Income

The Commonwealth Government has, over recent years, been providing the State with \$3.1 million in annual funding for the Natural Disaster Resilience Program. As a result of unexpected delays, the Commonwealth agreed to transfer \$1.6 million of funding from 2012-13 into 2013-14, increasing funding to \$4.7 million in that year.

Statement of Financial Position

Approved projects under the Natural Disaster Resilience Program are funded 50% on commencement of the project and the remaining 50%, on completion. As many projects have two or three year timeframes (from commencement to completion) there is often a carryover of funding that is held by the SEMC Secretariat, hence the Cash Assets balance of \$4.6 million in the Budget year and across the forward estimates.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,240	2,784	3,391	3,339	3,123	3,191	3,267
Grants and subsidies ^(c)	3,520	3,132	2,792	2,886	3,132	3,132	3,132
Supplies and services	113	1,098	1,098	1,051	1,022	1,045	1,070
Accommodation	-	35	366	659	660	660	660
Depreciation and amortisation	-	-	74	74	74	74	74
Other expenses	1,887	251	251	258	263	271	276
TOTAL COST OF SERVICES	7,760	7,300	7,972	8,267	8,274	8,373	8,479
Income							
Grants and subsidies	1,644	4,698	4,698	3,132	3,132	3,132	3,132
Total Income	1,644	4,698	4,698	3,132	3,132	3,132	3,132
NET COST OF SERVICES	6,116	2,602	3,274	5,135	5,142	5,241	5,347
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,751	3,911	4,583	4,872	4,874	4,968	5,074
Resources received free of charge	-	257	257	263	268	273	273
TOTAL INCOME FROM STATE GOVERNMENT	2,751	4,168	4,840	5,135	5,142	5,241	5,347
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(3,365)	1,566	1,566	-	-	-	-

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 21, 31 and 30 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Natural Disaster Resilience Program	3,520	3,132	2,792	2,886	3,132	3,132	3,132
TOTAL	3,520	3,132	2,792	2,886	3,132	3,132	3,132

**STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)**

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	3,064	4,630	4,630	4,630	4,630	4,630	4,630
Total current assets	3,064	4,630	4,630	4,630	4,630	4,630	4,630
TOTAL ASSETS	3,064	4,630	4,630	4,630	4,630	4,630	4,630
CURRENT LIABILITIES							
Employee provisions	311	279	279	279	279	279	279
Total current liabilities.....	311	279	279	279	279	279	279
NON-CURRENT LIABILITIES							
Employee provisions	89	58	58	58	58	58	58
Total non-current liabilities	89	58	58	58	58	58	58
TOTAL LIABILITIES	400	337	337	337	337	337	337
EQUITY							
Contributed equity	6,029	2,727	2,727	2,727	2,727	2,727	2,727
Accumulated surplus/(deficit).....	(3,365)	1,566	1,566	1,566	1,566	1,566	1,566
Total equity	2,664	4,293	4,293	4,293	4,293	4,293	4,293
TOTAL LIABILITIES AND EQUITY	3,064	4,630	4,630	4,630	4,630	4,630	4,630

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,751	3,911	4,509	4,798	4,800	4,894	5,000
Net cash provided by State Government.....	2,751	3,911	4,509	4,798	4,800	4,894	5,000
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,240)	(2,784)	(3,391)	(3,339)	(3,123)	(3,191)	(3,267)
Grants and subsidies	(3,520)	(3,132)	(2,792)	(2,886)	(3,132)	(3,132)	(3,132)
Supplies and services	(113)	(841)	(841)	(788)	(754)	(772)	(797)
Accommodation.....	-	(35)	(366)	(659)	(660)	(660)	(660)
Other payments.....	(1,887)	(251)	(251)	(258)	(263)	(271)	(276)
Receipts							
Grants and subsidies	1,644	4,698	4,698	3,132	3,132	3,132	3,132
Net cash from operating activities	(6,116)	(2,345)	(2,943)	(4,798)	(4,800)	(4,894)	(5,000)
NET INCREASE/(DECREASE) IN CASH HELD	(3,365)	1,566	1,566	-	-	-	-
Cash assets at the beginning of the reporting period.....	6,429	3,064	3,064	4,630	4,630	4,630	4,630
Cash assets at the end of the reporting period.....	3,064	4,630	4,630	4,630	4,630	4,630	4,630

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

CORRECTIVE SERVICES

PART 16 - MINISTER FOR EMERGENCY SERVICES; CORRECTIVE SERVICES; SMALL BUSINESS; VETERANS

DIVISION 68

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 106 Net amount appropriated to deliver services	736,242	753,617	767,574	790,661	814,844	880,217	891,367
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	920	950	950	981	1,013	1,041	1,063
Total appropriations provided to deliver services	737,162	754,567	768,524	791,642	815,857	881,258	892,430
CAPITAL							
Item 159 Capital Appropriation	31,877	8,083	6,173	3,121	1,863	4,544	5,311
TOTAL APPROPRIATIONS.....	769,039	762,650	774,697	794,763	817,720	885,802	897,741
EXPENSES							
Total Cost of Services.....	815,899	828,543	854,533	870,254	953,162	1,000,809	999,287
Net Cost of Services ^(a)	786,596	796,614	822,604	840,684	923,036	970,661	969,139
CASH ASSETS ^(b)	45,120	19,429	26,950	30,327	31,767	33,183	34,574

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(8,227)	-	-	-	-
2014-15 Procurement Savings	-	(19,102)	-	-	-
Acacia Prison Contract - Wages Parity	500	512	525	538	551
Commonwealth Grants	72	-	-	-	-
Corporate Services - Implementation Costs	-	679	5,203	7,088	7,265
Corporate Services - Project Management Costs	300	3,028	-	-	-
Court Security and Custodial Services Contract - Kalgoorlie Court Complex	1,065	1,230	1,261	1,292	1,325
Court Security and Custodial Services Contract - Kununurra Temporary Court	1,533	835	-	-	-
Court Security and Custodial Services Contract - Volume Band Movements	4,410	2,306	2,376	2,447	2,520
Depreciation Revision	5,150	5,305	5,459	5,618	5,782
Frail and Aged Care	-	572	586	601	616
Mental Health Commission - Court Diversion Project	-	303	-	-	-
Office Accommodation - Mirrabooka	-	-	-	130	135
Resources Received Free of Charge - 2013-14 Adjustment	7,531	-	-	-	-
RiskCover Insurance Costs	13,321	10,053	10,053	10,053	10,053
Royalties for Regions - District Allowance Adjustment	185	(1,780)	(3,242)	(3,325)	(98)

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 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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Adult Corrective Services.....	716,292	729,190	752,751	769,681	851,685	892,943	904,454
2. Youth Justice Services.....	99,607	99,353	101,782	100,573	101,477	107,866	94,833
Total Cost of Services.....	815,899	828,543	854,533	870,254	953,162	1,000,809	999,287

Significant Issues Impacting the Agency

- The Department has commenced an organisational restructure and reform program to align service delivery with a supporting governance structure. The program will deliver system and process improvements across the Department.
- The Minister announced that a Youth Justice Board with external representatives would be established to support the objectives of the *Young Offenders Act 1994*. The Board will oversee the work of a new youth justice division and guide the formulation of interventions to support rehabilitation and reintegration for young offenders.
- Reforms aimed at cultural change, staff development and increased security will be implemented at the Banksia Hill Detention Centre to improve outcomes for young offenders during 2014-15. An amount of \$2 million was allocated during 2013-14 to increase the availability of early intervention and diversion services for young people at risk of reoffending. An additional \$2 million has been allocated for the 2015-16 financial year to support implementation of innovative diversion and wrap-around services.
- The Department is implementing initiatives to reduce the over-representation of Aboriginal people in custody. A key focus will be on ensuring programs and services are culturally appropriate and removing barriers to existing interventions in order to reduce reoffending.
- The adult prisoner population has steadily increased over the previous 12 months. The Department is continuing to refine its Strategic Asset Plan to align infrastructure with the delivery of services for specific cohorts including women, the frail and aged, and offenders with mental health needs.
- Construction of the new Eastern Goldfields Regional Prison has commenced, with operations currently scheduled to commence in 2015. The new \$232 million mixed gender facility, will be built on the existing Kalgoorlie-Boulder Prison site and will provide an additional 250 beds ranging from minimum to maximum security accommodation.
- The expansion of Acacia Prison is underway and will result in an additional 387 beds and associated infrastructure to be operational by July 2015.

- The Department is evaluating programs to identify opportunities to deliver services more efficiently and effectively with a preliminary focus on benchmarking. A suite of key performance indicators for community and custodial services is being developed. A key priority is the provision of health services during 2014-15.
- The contract for Court Security and Custodial Services is due to expire on 30 June 2016. The contract is being reviewed by the Department of Finance and, using these findings, a mid-term evaluation of the contract will commence in mid-2014 to inform future procurement decisions.
- The Department has progressed opportunities to utilise technology to improve service delivery, including the use of Global Positioning System tracking and Skype. The decommissioning of shared corporate services from the Department of the Attorney General will support organisational performance through upgraded information and communication technology.

Outcomes and Key Effectiveness Indicators^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system:					
Number of escapes - adult	9	nil	6	nil	
Number of escapes - youth	2	nil	nil	nil	
Rate of serious assault per 100 prisoners	0.55	<0.48	0.20	<0.48	
Average out of cell hours.....	12.55	12	12.58	12	
Successful completion of community correction orders - adults ^(b)	61.25%	64%	60%	64%	
Successful completion of community-based orders - juveniles ^(b)	63.37%	68%	68%	68%	
Rate of return - offender programs (adult).....	42.38%	45%	40%	45%	
Rate of return to detention - juveniles.....	48.98%	50%	51%	50%	

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

(b) Measures related to the completion of community orders are calculated by dividing the number of orders successfully completed by the total number of orders terminated, completed or expired either successfully or unsuccessfully.

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 reoffending and imprisonment.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	716,292	729,190	752,751	769,681	
Less Income	26,893	29,909	29,090	27,183	
Net Cost of Service.....	689,399	699,281	723,661	742,498	
Employees (Full Time Equivalents).....	3,594	3,818	3,869	3,869	
Efficiency Indicators					
Cost per Day of Keeping an Offender in Custody	\$317	\$315	\$335	\$345	
Cost per Day of Managing an Offender through Community Supervision	\$49	\$51	\$45	\$43	

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 reoffending and detention.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 99,607	\$'000 99,353	\$'000 101,782	\$'000 100,573	
Less Income	2,410	2,020	2,839	2,387	
Net Cost of Service.....	97,197	97,333	98,943	98,186	
Employees (Full Time Equivalents).....	703	774	732	734	
Efficiency Indicators					
Cost per Day of Keeping a Juvenile in Detention	\$645	\$567	\$613	\$589	
Cost per Day of Managing a Juvenile through Community Supervision	\$81	\$81	\$91	\$91	

ASSET INVESTMENT PROGRAM

The ongoing maintenance and infrastructure upgrade program across all of the Department's owned and leased facilities has been critical to enable adequate services to be provided to higher population levels. Works to address the Department's maintenance backlog have been the major focus of the Asset Investment Program (AIP), which includes the following projects:

- construction of the 30-bed work camp at Roebourne Regional Prison was completed in March 2014 and began a staged intake of prisoners in April 2014;
- repairs and upgrades to security, following the disturbance at the Banksia Hill Detention Centre, were completed in November 2013, with installation of air-conditioning to living accommodation completed in February 2014;
- refurbishment works undertaken by Prison Industries to vacated living accommodation continued at Casuarina and Albany Prisons in 2013-14. Works at Hakea Prison were delayed as spare capacity at the site was required to accommodate detainees during remediation of the Banksia Hill Detention Centre and to facilitate asbestos removal;
- as part of the Perimeter Obsolescence program, the replacement of the Greenough Regional Prison prime barrier, management fence and perimeter security system will be completed in June 2014;
- fire and emergency services upgrades were undertaken at Karnet Prison to improve fire detection in the living accommodation across the facility;
- high priority obsolete bunk beds have been replaced at Broome Regional Prison and Roebourne Regional Prison; and
- in the longer-term, major new facilities are under construction at the Eastern Goldfields Regional Prison (EGRP), where a new 350-bed prison will be built adjacent to the existing prison, and Acacia Prison, where an additional 387 beds have been added to the existing facility, as well as an upgrade to services and support buildings. Construction at both sites is expected to be completed during 2015.

Other features of the AIP include:

- the continuation of the replacement and upgrade of the radio communications system throughout regional Western Australia in partnership with Western Australia Police and the Department of Fire and Emergency Services;
- office upgrades for Community and Youth Justice Services; and
- further exploration of options and potential new prison sites for long-term planning.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Adult Custodial							
Building Infrastructure and Maintenance.....	17,145	5,996	1,167	2,665	2,745	2,827	2,912
Custodial Infrastructure Program - Administered Equity.....	132,334	96,343	54,994	35,991	-	-	-
Community and Youth Justice							
Building Infrastructure and Maintenance.....	2,675	1,264	495	337	347	358	369
Corporate							
Physical Infrastructure							
Asset Replacement from Holding Account.....	2,750	500	500	525	550	575	600
Replacement Office Equipment.....	3,715	3,505	86	50	52	53	55
System Management							
Information Technology Systems - Life Extension and Upgrades.....	5,850	5,250	2,596	600	-	-	-
Information and Communications Technology Infrastructure Upgrade.....	23,484	14,353	2,119	2,183	2,248	2,315	2,385
Prison Services							
Additional Prisoner Accommodation - Infrastructure and Systems Upgrade and Replacement Programs.....	71,085	56,929	3,785	3,550	3,500	3,501	3,605
Metropolitan Site Acquisition.....	4,713	2,803	100	1,910	-	-	-
COMPLETED WORKS							
Adult Custodial							
Community Safety Network.....	959	959	731	-	-	-	-
Consolidated Program of Infrastructure Works - Albany,							
Casuarina, Hakea Refurbishment.....	2,000	2,000	1,258	-	-	-	-
Male Prisons - New Young Adults Facility.....	4,000	4,000	1,688	-	-	-	-
Perimeter Obsolescence.....	16,500	16,500	6,922	-	-	-	-
Regional Work Camp Enhancement Program - Royalties for Regions ^(a)							
	15,797	15,797	13,290	-	-	-	-
Replacement of Obsolete Bunk Beds.....	2,048	2,048	49	-	-	-	-
West Kimberley Regional Prison.....	121,956	121,956	4,564	-	-	-	-
Work Camp - Warburton.....	15,636	15,636	2,244	-	-	-	-
Work Camp - Wyndham.....	9,390	9,390	1,551	-	-	-	-
Community and Youth Justice							
Banksia Hill Detention Centre Incident.....	929	929	103	-	-	-	-
Banksia Hill Youth Detention Centre Facility Upgrade.....	32,300	32,300	1,273	-	-	-	-
Office Establishment and Refurbishment - 2013-14 Program.....							
	1,147	1,147	1,147	-	-	-	-
Consolidated Program of Infrastructure Works Riverbank.....							
	920	920	562	-	-	-	-
GPS Offender Tracking of Dangerous Sex Offenders.....	446	446	82	-	-	-	-
Regional Juvenile Justice Strategy.....	2,955	2,955	20	-	-	-	-
Prison Services							
Fire and Emergency Services.....	6,870	6,870	396	-	-	-	-
Prison Industries - Mobile Plant - 2013-14 Program.....	838	838	838	-	-	-	-
NEW WORKS							
Community and Youth Justice - Office Establishment and Refurbishment							
2014-15 Program.....	809	-	-	809	-	-	-
2015-16 Program.....	833	-	-	-	833	-	-
2016-17 Program.....	858	-	-	-	-	858	-
2017-18 Program.....	884	-	-	-	-	-	884
Office Accommodation - Mirrabooka.....	958	-	-	-	958	-	-
Prison Services - Prison Industries - Mobile Plant							
2014-15 Program.....	901	-	-	901	-	-	-
2015-16 Program.....	928	-	-	-	928	-	-
2016-17 Program.....	956	-	-	-	-	956	-
2017-18 Program.....	985	-	-	-	-	-	985
Asset Investment Program Efficiency Measure.....	(2,301)	-	-	(579)	(560)	(572)	(590)
Total Cost of Asset Investment Program.....	504,253	421,634	102,560	48,942	11,601	10,871	11,205
FUNDED BY							
Capital Appropriation.....			6,173	3,121	1,863	426	926
Administered Equity Appropriation.....			59,549	35,991	-	-	-
Drawdowns from the Holding Account.....			8,550	11,830	9,738	10,445	10,279
Internal Funds and Balances.....			15,136	(2,000)	-	-	-
Drawdowns from Royalties for Regions Fund ^(b)			13,152	-	-	-	-
Total Funding.....			102,560	48,942	11,601	10,871	11,205

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund - \$13.3 million (2013-14 Estimated Expenditure).

FINANCIAL STATEMENTS**Income Statement***Expenses*

The increases in Total Cost of Services across the forward estimates period relate to growth in salaries provisions, forecast increases in prisoner numbers and cost escalation at Consumer Price Index. The increase in the Total Cost of Services between the 2013-14 Estimated Actual and the 2014-15 Budget Estimate by \$15.7 million (1.8%), relates to approved changes to expenditure, as outlined in the Spending Changes table.

Income

Income from State Government – Other appropriations are estimated to increase by \$55.5 million (348.2%) between the 2014-15 Budget Estimate and the 2015-16 Forward Estimate, due to the commencement of operations at the new EGRP and the addition of 387 beds from the Acacia Prison expansion.

Statement of Financial Position

The increases in property, plant and equipment, and intangibles relate to spending on projects in the approved AIP, offset by depreciation.

Between the 2013-14 Estimated Actual and the 2014-15 Budget Estimate, it is estimated that total non-current assets will increase by \$260.8 million and total non-current liabilities will increase by \$215.8 million due to the recognition of a finance lease asset and finance lease liability for the EGRP project.

Statement of Cashflows

The decrease in Capital appropriation and purchase of non-current assets across the forward estimate years reflects the forecast completion of major asset investment projects by the Department in the 2014-15 Budget Estimate, and the transition of the AIP to a focus on maintenance and infrastructure upgrades.

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	456,884	482,148	482,220	490,723	515,120	557,415	554,594
Grants and subsidies ^(c)	8,386	9,757	9,757	9,768	9,978	10,227	10,367
Supplies and services.....	239,337	240,171	252,329	258,826	285,132	290,544	291,516
Accommodation.....	38,148	30,152	30,152	28,545	30,706	31,052	30,504
Depreciation and amortisation.....	29,554	25,050	30,200	30,524	35,398	35,577	35,741
Other expenses.....	43,590	41,265	49,875	51,868	76,828	75,994	76,565
TOTAL COST OF SERVICES.....	815,899	828,543	854,533	870,254	953,162	1,000,809	999,287
Income							
Sale of goods and services.....	3,576	3,969	3,969	3,979	3,979	3,979	3,979
Grants and subsidies.....	902	879	879	879	879	879	879
Other revenue.....	24,825	27,081	27,081	24,712	25,268	25,290	25,290
Total Income.....	29,303	31,929	31,929	29,570	30,126	30,148	30,148
NET COST OF SERVICES.....	786,596	796,614	822,604	840,684	923,036	970,661	969,139
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	737,162	754,567	768,524	791,642	815,857	881,258	892,430
Resources received free of charge.....	19,580	12,636	20,167	13,508	14,388	14,388	14,388
Royalties for Regions Fund ^(d)	16,896	23,547	22,014	21,991	18,314	17,931	2,837
Other appropriations.....	658	4,940	4,940	15,943	71,454	59,484	59,484
TOTAL INCOME FROM STATE GOVERNMENT.....	774,296	795,690	815,645	843,084	920,013	973,061	969,139
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(12,300)	(924)	(6,959)	2,400	(3,023)	2,400	-

- (a) Full audited financial statements are published in the agency's Annual Report.
- (b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 4,297, 4,601 and 4,603 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) Regional Infrastructure and Headworks Fund - \$2.3 million (2013-14 Budget), \$0.9 million (2013-14 estimated outturn), \$3 million (2014-15), \$0.6 million (2015-16), \$0.1 million (2016-17), \$0.1 million (2017-18), Regional Community Services Fund - \$16.9 million (2012-13), \$21.2 million (2013-14 Budget), \$21.1 million (2013-14 estimated outturn), \$19 million (2014-15), \$17.7 million (2015-16), \$17.8 million (2016-17) and \$2.7 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Prisoner Gratuities Payments.....	8,386	9,757	9,757	9,768	9,978	10,227	10,367
TOTAL.....	8,386	9,757	9,757	9,768	9,978	10,227	10,367

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	35,206	11,603	14,896	16,079	29,518	28,629	27,658
Holding account receivables	8,050	11,826	11,830	9,738	10,445	10,279	10,279
Receivables.....	8,709	7,627	8,709	8,709	8,709	8,709	8,709
Other.....	618	122	618	618	618	618	618
Total current assets	52,583	31,178	36,053	35,144	49,290	48,235	47,264
NON-CURRENT ASSETS							
Holding account receivables.....	68,361	83,985	83,481	106,667	134,020	161,718	189,580
Property, plant and equipment	1,341,194	1,356,706	1,417,523	1,655,392	1,634,772	1,613,243	1,591,159
Intangibles	6,440	6,417	6,640	6,335	5,676	5,084	2,902
Restricted cash.....	9,914	7,826	12,054	14,248	2,249	4,554	6,916
Other.....	15,039	17,287	11,870	9,737	7,219	4,634	4,364
Total non-current assets.....	1,440,948	1,472,221	1,531,568	1,792,379	1,783,936	1,789,233	1,794,921
TOTAL ASSETS	1,493,531	1,503,399	1,567,621	1,827,523	1,833,226	1,837,468	1,842,185
CURRENT LIABILITIES							
Employee provisions	86,401	79,161	86,296	86,296	86,296	86,296	86,296
Payables.....	25,177	34,906	26,815	28,453	30,091	31,729	33,367
Other.....	15,429	13,365	15,227	15,164	15,188	15,213	15,235
Total current liabilities.....	127,007	127,432	128,338	129,913	131,575	133,238	134,898
NON-CURRENT LIABILITIES							
Employee provisions	16,869	17,078	16,974	16,974	16,974	16,974	19,374
Borrowings	1,273	2,492	1,012	216,827	222,028	217,663	213,010
Other.....	1,140	819	1,140	1,140	1,140	1,140	1,140
Total non-current liabilities	19,282	20,389	19,126	234,941	240,142	235,777	233,524
TOTAL LIABILITIES.....	146,289	147,821	147,464	364,854	371,717	369,015	368,422
EQUITY							
Contributed equity	965,222	1,046,105	1,045,096	1,085,208	1,087,071	1,091,615	1,096,925
Accumulated surplus/(deficit).....	(44,074)	(47,124)	(51,033)	(48,633)	(51,656)	(49,256)	(49,256)
Reserves.....	426,094	356,597	426,094	426,094	426,094	426,094	426,094
Total equity	1,347,242	1,355,578	1,420,157	1,462,669	1,461,509	1,468,453	1,473,763
TOTAL LIABILITIES AND EQUITY.....	1,493,531	1,503,399	1,567,621	1,827,523	1,833,226	1,837,468	1,842,185

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	712,688	727,117	741,074	758,718	778,059	843,281	854,289
Capital appropriation	31,877	8,083	6,173	3,121	1,863	4,544	5,311
Holding account drawdowns.....	7,245	8,050	8,550	11,830	9,738	10,445	10,279
Royalties for Regions Fund ^(b)	17,200	35,799	35,166	21,991	18,314	17,931	2,837
Administered appropriations.....	32,288	65,489	65,489	52,934	71,454	59,484	59,484
Net cash provided by State Government.....	801,298	844,538	856,452	848,594	879,428	935,685	932,200
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(447,251)	(481,706)	(481,778)	(490,191)	(514,588)	(556,883)	(551,662)
Grants and subsidies	(8,386)	(9,757)	(9,757)	(9,768)	(9,978)	(10,227)	(10,392)
Supplies and services	(218,643)	(227,420)	(232,047)	(245,196)	(270,609)	(276,006)	(277,207)
Accommodation.....	(38,148)	(29,415)	(29,415)	(27,808)	(29,969)	(30,185)	(29,684)
Other payments.....	(76,869)	(71,557)	(80,167)	(82,167)	(87,057)	(85,867)	(86,518)
Receipts							
Grants and subsidies	902	879	879	879	879	879	879
Sale of goods and services	3,576	3,969	3,969	3,979	3,979	3,979	3,979
GST receipts.....	37,358	30,546	30,546	30,546	30,546	30,546	30,546
Other receipts.....	23,602	27,081	27,081	24,712	25,268	25,290	25,290
Net cash from operating activities.....	(723,859)	(757,380)	(770,689)	(795,014)	(851,529)	(898,474)	(894,769)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(78,071)	(93,745)	(102,560)	(48,942)	(11,601)	(10,871)	(11,205)
Proceeds from sale of non-current assets	94	-	-	-	-	-	-
Net cash from investing activities.....	(77,977)	(93,745)	(102,560)	(48,942)	(11,601)	(10,871)	(11,205)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	(431)	(1,000)	(1,373)	(1,261)	(14,858)	(24,924)	(24,835)
Net cash from financing activities.....	(431)	(1,000)	(1,373)	(1,261)	(14,858)	(24,924)	(24,835)
NET INCREASE/(DECREASE) IN CASH HELD							
	(969)	(7,587)	(18,170)	3,377	1,440	1,416	1,391
Cash assets at the beginning of the reporting period.....	46,089	27,016	45,120	26,950	30,327	31,767	33,183
Cash assets at the end of the reporting period.....	45,120	19,429	26,950	30,327	31,767	33,183	34,574

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

(b) Regional Infrastructure and Headworks Fund - \$14.6 million (2013-14 Budget), \$14.1 million (2013-14 estimated outturn), \$3 million (2014-15), \$0.6 million (2015-16), \$0.1 million (2016-17), \$0.1 million (2017-18), Regional Community Services Fund - \$17.2 million (2012-13), \$21.2 million (2013-14 Budget), \$21.1 million (2013-14 estimated outturn), \$19 million (2014-15), \$17.7 million (2015-16), \$17.8 million (2016-17) and \$2.7 million (2017-18).

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Commonwealth Grants	902	879	879	879	879	879	879
GST Input Credits.....	36,850	26,858	26,858	26,858	26,858	26,858	26,858
GST Receipts on Sales	508	3,688	3,688	3,688	3,688	3,688	3,688
Proceeds from Prison Canteen Sales.....	9,735	9,849	9,849	9,034	9,034	9,034	9,034
Proceeds from Recoup of Other Costs.....	936	9,140	4,653	6,750	7,444	7,466	7,466
Proceeds from Recoup of Prisoner Telephone Calls.....	3,462	3,517	3,503	3,517	3,517	3,517	3,517
Proceeds from Recoup of Salary Costs	875	156	156	156	156	156	156
Proceeds from Recoup of Workers' Compensation Payments.....	8,708	4,419	8,920	5,255	5,117	5,117	5,117
Proceeds from Sale of Industry Goods.....	3,462	3,969	3,969	3,979	3,979	3,979	3,979
TOTAL.....	65,438	62,475	62,475	60,116	60,672	60,694	60,694

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 EMERGENCY SERVICES; CORRECTIVE SERVICES; SMALL BUSINESS; VETERANS

DIVISION 69

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 107 Net amount appropriated to deliver services	3,399	3,243	3,243	3,180	3,265	3,349	3,433
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	224	247	247	247	247	247	247
Total appropriations provided to deliver services	3,623	3,490	3,490	3,427	3,512	3,596	3,680
TOTAL APPROPRIATIONS.....	3,623	3,490	3,490	3,427	3,512	3,596	3,680
EXPENSES							
Total Cost of Services.....	3,738	3,495	3,495	3,432	3,517	3,601	3,685
Net Cost of Services ^(a)	3,718	3,490	3,490	3,427	3,512	3,596	3,680
CASH ASSETS ^(b)	341	266	121	125	129	133	137

(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 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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Inspection and Review of Custodial Services.....	3,738	3,495	3,495	3,432	3,517	3,601	3,685
Total Cost of Services.....	3,738	3,495	3,495	3,432	3,517	3,601	3,685

Significant Issues Impacting the Agency

- The Inspectorate's review into the riot at the Banksia Hill Detention Centre in January 2013 impacted significantly on the normal running of the Office and resulted in the Inspector tabling seven reports in Parliament in August 2013.
- Two unplanned inspections have been undertaken of the management of young women and girls at the Banksia Hill Detention Centre and women prisoners at Greenough Regional Prison.
- The Inspectorate's Review Section is now fully operational, tabling regular reports in Parliament on issues affecting prisoners.

Outcomes and Key Effectiveness Indicators^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:					
Number of recommendations made.....	112	100	241	100	
Percentage of recommendations accepted.....	83%	80%	87%	80%	

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

Services and Key Efficiency Indicators**1. 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.

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Target \$'000	Note
Total Cost of Service.....	3,738	3,495	3,495	3,432	
Less Income.....	20	5	5	5	
Net Cost of Service.....	3,718	3,490	3,490	3,427	
Employees (Full Time Equivalents).....	20	20	20	20	
Efficiency Indicators					
Average Cost per Report.....	\$309,016	\$250,000	\$125,000	\$200,000	1
Average Cost per Independent Visitors' Scheme Report.....	\$853	\$1,000	\$2,000	\$2,000	2
Average Cost per Liaison Visit.....	\$5,036	\$5,000	\$5,000	\$10,000	2

Explanation of Significant Movements

(Notes)

1. Although additional funding for the directed review into an incident at the Banksia Hill Detention Centre was included in 2012-13, the seven reports produced were released in 2013-14, significantly affecting the average figures for both years.
2. The 2014-15 Budget Target has been rebased following a review of the costs attributed to the three efficiency indicators. The increase in the 2014-15 Budget Target for the Average Cost per Independent Visitors Scheme Report and Liaison Visit reflects a more accurate cost allocation for these activities.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Office Equipment 2013-14 Program	26	26	26	-	-	-	-
NEW WORKS							
Asset Replacement - Office Equipment							
2014-15 Program	26	-	-	26	-	-	-
2015-16 Program	26	-	-	-	26	-	-
2016-17 Program	26	-	-	-	-	26	-
2017-18 Program	26	-	-	-	-	-	26
Total Cost of Asset Investment Program	130	26	26	26	26	26	26
FUNDED BY							
Drawdowns from the Holding Account			26	26	26	26	26
Total Funding			26	26	26	26	26

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,628	2,437	2,437	2,407	2,478	2,538	2,597
Supplies and services	612	466	466	408	409	433	458
Accommodation	289	345	345	364	374	374	374
Depreciation and amortisation	54	28	28	26	26	26	26
Other expenses	155	219	219	227	230	230	230
TOTAL COST OF SERVICES	3,738	3,495	3,495	3,432	3,517	3,601	3,685
Income							
Other revenue	20	5	5	5	5	5	5
Total Income	20	5	5	5	5	5	5
NET COST OF SERVICES	3,718	3,490	3,490	3,427	3,512	3,596	3,680
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,623	3,490	3,490	3,427	3,512	3,596	3,680
Resources received free of charge	112	6	6	6	6	6	6
TOTAL INCOME FROM STATE GOVERNMENT	3,735	3,496	3,496	3,433	3,518	3,602	3,686
SURPLUS/(DEFICIENCY) FOR THE PERIOD	17	6	6	6	6	6	6

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 20, 20 and 20 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	281	209	57	57	57	57	61
Holding account receivables	26	26	26	26	26	26	26
Receivables.....	131	110	131	131	131	131	131
Other.....	-	5	-	-	-	-	-
Total current assets	438	350	214	214	214	214	218
NON-CURRENT ASSETS							
Holding account receivables.....	169	173	173	175	177	179	181
Property, plant and equipment	68	84	66	66	66	66	66
Intangibles	4	-	4	4	4	4	4
Restricted cash.....	60	57	64	68	72	76	76
Other.....	-	-	-	-	-	-	-
Total non-current assets.....	301	314	307	313	319	325	327
TOTAL ASSETS	739	664	521	527	533	539	545
CURRENT LIABILITIES							
Employee provisions	627	428	429	427	425	423	423
Payables.....	157	55	157	157	157	157	157
Other.....	136	368	136	136	136	136	136
Total current liabilities.....	920	851	722	720	718	716	716
NON-CURRENT LIABILITIES							
Employee provisions	87	62	61	63	65	67	67
Total non-current liabilities	87	62	61	63	65	67	67
TOTAL LIABILITIES.....	1,007	913	783	783	783	783	783
EQUITY							
Contributed equity	274	274	274	274	274	274	274
Accumulated surplus/(deficit).....	(542)	(523)	(536)	(530)	(524)	(518)	(512)
Total equity	(268)	(249)	(262)	(256)	(250)	(244)	(238)
TOTAL LIABILITIES AND EQUITY.....	739	664	521	527	533	539	545

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	3,556	3,460	3,460	3,399	3,484	3,568	3,652
Holding account drawdowns.....	25	26	26	26	26	26	26
Net cash provided by State Government.....	3,581	3,486	3,486	3,425	3,510	3,594	3,678
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,580)	(2,437)	(2,661)	(2,407)	(2,478)	(2,538)	(2,597)
Supplies and services	(405)	(383)	(383)	(335)	(336)	(360)	(385)
Accommodation.....	(289)	(375)	(375)	(384)	(394)	(394)	(394)
Other payments.....	(344)	(308)	(308)	(316)	(319)	(319)	(319)
Receipts							
GST receipts.....	145	42	42	42	42	42	42
Other receipts.....	-	5	5	5	5	5	5
Net cash from operating activities	(3,473)	(3,456)	(3,680)	(3,395)	(3,480)	(3,564)	(3,648)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	(26)	(26)	(26)	(26)	(26)	(26)
Net cash from investing activities	-	(26)	(26)	(26)	(26)	(26)	(26)
NET INCREASE/(DECREASE) IN CASH HELD	108	4	(220)	4	4	4	4
Cash assets at the beginning of the reporting period.....	233	262	341	121	125	129	133
Cash assets at the end of the reporting period.....	341	266	121	125	129	133	137

(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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
GST Input Credits.....	145	42	42	42	42	42	42
Other Receipts.....	-	5	5	5	5	5	5
TOTAL.....	145	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.

SMALL BUSINESS DEVELOPMENT CORPORATION

PART 16 - MINISTER FOR EMERGENCY SERVICES; CORRECTIVE SERVICES; SMALL BUSINESS; VETERANS

DIVISION 70

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 108 Net amount appropriated to deliver services	11,655	11,322	11,402	11,544	11,725	12,173	12,476
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	253	243	243	247	254	260	260
Total appropriations provided to deliver services	11,908	11,565	11,645	11,791	11,979	12,433	12,736
CAPITAL							
Item 160 Capital Appropriation	178	60	60	60	60	60	60
TOTAL APPROPRIATIONS.....	12,086	11,625	11,705	11,851	12,039	12,493	12,796
EXPENSES							
Total Cost of Services.....	13,281	12,930	12,682	13,995	14,055	14,982	13,721
Net Cost of Services ^(a)	12,618	12,633	12,385	13,685	13,733	14,647	13,427
CASH ASSETS ^(b)	2,943	2,738	2,403	2,215	2,102	1,679	1,013

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Reinstatement of Workforce Reform Savings Measure	80	82	85	87	90
Royalties for Regions - 2013-14 Regional Buy Local Initiatives.....	20	-	-	-	-
Royalties for Regions - Regional Buy Local Initiatives	(348)	(1,500)	(1,500)	(1,500)	-
Royalties for Regions - Western Australia Regional Small Business Awards	-	210	210	210	210

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Information, Guidance, Referral and Business Development Services.....	13,281	12,930	12,682	13,995	14,055	14,982	13,721
Total Cost of Services	13,281	12,930	12,682	13,995	14,055	14,982	13,721

Significant Issues Impacting the Agency

- The Alternative Dispute Resolution (ADR) service provides timely, practical guidance and assistance to small businesses in dispute with another business or government agency and, where appropriate, includes access to a government subsidised mediation service. During the year, the ADR service provided guidance to over 2,100 disputing parties, with around 15% receiving intensive case management, and continues to achieve resolution rates of approximately 80%.
- The Corporation advocates for a fair and productive environment for small business and continued to work with government at all levels to reduce unnecessary regulatory impacts and the cumulative burden of compliance. During the year, the Corporation collaborated with various agencies, including the Departments of Commerce and Finance, Synergy and Western Power to improve regulatory regimes and streamline administrative processes.
- The Business Migration Program is a key investment attraction initiative for the State, with business migrants making a significant contribution to the economy by establishing or buying businesses, exporting products and services, and creating jobs. The Corporation provides State nominations for business migrants in a range of business and investment visa categories. The Program is forecast to deliver over \$1 billion in new asset investment into Western Australia over the forward estimates.
- The Corporation broadened its program of industry outreach during the year by partnering with other government agencies and industry bodies to provide fundamental and pragmatic business management information and guidance to business operators. During 2013-14, the Corporation delivered business advice to real estate agents, occupational therapists, lottery agents and apprentices in the building industry inter alia as part of its IndustryLink program, and partnered with Royalties for Regions to deliver business capacity services to regional small businesses.

- The Corporation has broadened its support for regional small businesses by targeting assistance to building their capacity to take advantage of market opportunities. The Regional Buy Local Program focuses on assisting regional small businesses to identify and address gaps in their knowledge and skills, and facilitates opportunities to supply to major government and resource projects. In turn, this will help businesses to become more competitive and resilient over the long-term, which will enhance the ongoing viability of regional communities.
- The Corporation continues to provide significant practical support to the growth and development of Aboriginal businesses in Western Australia. Central to this has been the establishment of collaborative relationships between government and industry in support of the Aboriginal business sector. The Aboriginal Business Directory WA – a joint initiative between the Corporation, Department of Aboriginal Affairs, Department of Training and Workforce Development, and the Chamber of Commerce and Industry Western Australia – now has over 200 Aboriginal businesses registered. Now supported by private sector sponsorship, the directory is increasingly being used within government and the corporate sector to procure products and services across a wide range of industries.
- The Corporation contributes to small business policy development, with an emphasis on sound research about the sector. The Corporation collects sector intelligence through the annual State of Small Business project, which involves a commissioned survey of small businesses throughout Western Australia. In addition to identifying the needs of small business owners, the annual survey enables the Corporation to profile the sector longitudinally and monitor trends over time. Feedback from small business operators is also used to input into broader government initiatives, such as the development of Regional Investment Blueprints by the Regional Development Commissions.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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	93%	90%	90%	90%	
Not very or not at all useful	6%	nil	5%	nil	
Neutral.....	1%	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 ^(a)**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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	13,281	12,930	12,682	13,995	
Less Income	663	297	297	310	
Net Cost of Service.....	12,618	12,633	12,385	13,685	
Employees (Full Time Equivalents).....	52	55	54	55	
Efficiency Indicators					
Average Cost per Direct Client Contact/Equivalent ^(b)	\$28.71	\$33.63	\$24.68	\$25.12	1
Average Cost per Indirect Client Contact ^(c)	\$2.64	\$2.88	\$2.54	\$3.01	2
Average Cost per Small Business Centre Client Contact ^(d)	\$95.62	\$97.11	\$104.44	\$113.04	
Cost per Unit of Policy Advice ^(e)	\$1,070,579	\$1,162,085	\$1,182,029	\$1,245,769	

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

(b) Direct client contacts have contacted the Corporation for guidance or information either by a personal visit, by telephone or have visited the agency websites for four minutes or more, or have downloaded a license pack from the Business License Finder. Equivalent client contacts are serviced through the 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 Corporation has organised, has been the major sponsor where the focus has been on business development, or where a Corporation 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 between the 2013-14 Budget and the 2013-14 Estimated Actual relates to a higher than expected number of direct client contacts serviced in 2013-14 together with a reduction in overall cost.
2. The reduction between the 2013-14 Budget and the 2013-14 Estimated Actual is the result of a projected increase in indirect client contacts through programs and events.

ASSET INVESTMENT PROGRAM

The Asset Investment Program for 2014-15 is estimated at \$126,000. This includes the routine replacement of office equipment and furniture. The cost of the program is funded by capital appropriation and drawdowns from the Corporation's holding account.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Furniture and Office Equipment Replacement							
2012-13 Program	120	120	73	-	-	-	-
2013-14 Program	120	120	120	-	-	-	-
NEW WORKS							
Furniture and Office Equipment Replacement							
2014-15 Program	126	-	-	126	-	-	-
2015-16 Program	120	-	-	-	120	-	-
2016-17 Program	120	-	-	-	-	120	-
2017-18 Program	120	-	-	-	-	-	120
Total Cost of Asset Investment Program	726	240	193	126	120	120	120
FUNDED BY							
Capital Appropriation			60	60	60	60	60
Drawdowns from the Holding Account			60	60	60	60	60
Internal Funds and Balances			73	6	-	-	-
Total Funding			193	126	120	120	120

FINANCIAL STATEMENTS**Income Statement***Expenses*

The increase in Total Cost of Services of \$1.3 million for the 2014-15 Budget Estimate compared to the 2013-14 Estimated Actual is due to an additional \$1.2 million in budgeted expenses for supplies and services.

Income

The income from Royalties for Regions is budgeted to increase by \$1.2 million from the 2013-14 Estimated Actual to the 2014-15 Budget Estimate.

Statement of Cashflows

The income from Royalties for Regions is budgeted to increase by \$1.2 million from the 2013-14 Estimated Actual to the 2014-15 Budget Estimate.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	5,566	5,983	6,063	6,235	6,394	6,693	6,862
Grants and subsidies ^(c)	3,655	3,741	3,741	3,804	3,867	3,932	4,022
Supplies and services	2,362	1,556	1,228	2,272	2,100	2,517	1,024
Accommodation	1,017	1,062	1,062	1,098	1,135	1,181	1,226
Depreciation and amortisation	78	80	80	80	80	80	80
Other expenses	603	508	508	506	479	579	507
TOTAL COST OF SERVICES	13,281	12,930	12,682	13,995	14,055	14,982	13,721
Income							
Sale of goods and services	234	267	267	280	292	305	264
Grants and subsidies	288	-	-	-	-	-	-
Other revenue	141	30	30	30	30	30	30
Total Income	663	297	297	310	322	335	294
NET COST OF SERVICES	12,618	12,633	12,385	13,685	13,733	14,647	13,427
INCOME FROM STATE GOVERNMENT							
Service appropriations	11,908	11,565	11,645	11,791	11,979	12,433	12,736
Resources received free of charge	176	-	-	-	-	-	-
Royalties for Regions Fund ^(d)	450	1,000	452	1,710	1,710	1,710	210
TOTAL INCOME FROM STATE GOVERNMENT	12,534	12,565	12,097	13,501	13,689	14,143	12,946
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(84)	(68)	(288)	(184)	(44)	(504)	(481)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 52, 54 and 55 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$0.5 million (2012-13), \$1 million (2013-14 Budget), \$0.5 million (2013-14 estimated outturn), \$1.7 million (2014-15), \$1.7 million (2015-16), \$1.7 million (2016-17) and \$0.2 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Drought Relief Program	11	-	-	-	-	-	-
Small Business Centres - Operational Grants	3,644	3,741	3,741	3,804	3,867	3,932	4,022
TOTAL	3,655	3,741	3,741	3,804	3,867	3,932	4,022

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	2,588	2,738	2,367	2,179	2,066	1,643	977
Restricted cash.....	355	-	36	36	36	36	36
Holding account receivables.....	60	60	60	60	60	60	60
Receivables.....	216	235	216	216	216	216	216
Other.....	128	122	120	103	103	88	181
Total current assets.....	3,347	3,155	2,799	2,594	2,481	2,043	1,470
NON-CURRENT ASSETS							
Holding account receivables.....	319	354	354	389	424	459	494
Property, plant and equipment.....	122	118	225	261	291	321	351
Intangibles.....	207	328	217	227	237	247	257
Total non-current assets.....	648	800	796	877	952	1,027	1,102
TOTAL ASSETS.....	3,995	3,955	3,595	3,471	3,433	3,070	2,572
CURRENT LIABILITIES							
Employee provisions.....	1,144	1,035	1,040	1,040	1,040	1,040	1,040
Payables.....	15	231	15	15	13	13	13
Other.....	512	453	459	459	407	488	411
Total current liabilities.....	1,671	1,719	1,514	1,514	1,460	1,541	1,464
NON-CURRENT LIABILITIES							
Employee provisions.....	304	289	289	289	289	289	289
Other.....	16	15	16	16	16	16	16
Total non-current liabilities.....	320	304	305	305	305	305	305
TOTAL LIABILITIES.....	1,991	2,023	1,819	1,819	1,765	1,846	1,769
EQUITY							
Contributed equity.....	1,119	1,179	1,179	1,239	1,299	1,359	1,419
Accumulated surplus/(deficit).....	885	753	597	413	369	(135)	(616)
Total equity.....	2,004	1,932	1,776	1,652	1,668	1,224	803
TOTAL LIABILITIES AND EQUITY.....	3,995	3,955	3,595	3,471	3,433	3,070	2,572

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	11,819	11,470	11,550	11,696	11,884	12,338	12,641
Capital appropriation	178	60	60	60	60	60	60
Holding account drawdowns.....	60	60	60	60	60	60	60
Royalties for Regions Fund ^(b)	450	1,000	452	1,710	1,710	1,710	210
Net cash provided by State Government.....	12,507	12,590	12,122	13,526	13,714	14,168	12,971
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(5,479)	(5,935)	(6,015)	(6,187)	(6,346)	(6,645)	(6,811)
Grants and subsidies	(3,612)	(3,741)	(3,741)	(3,804)	(3,867)	(3,932)	(4,022)
Supplies and services	(2,281)	(1,668)	(1,439)	(2,322)	(2,200)	(2,467)	(1,224)
Accommodation.....	(1,097)	(1,062)	(1,062)	(1,098)	(1,135)	(1,181)	(1,226)
Other payments.....	(1,422)	(1,189)	(1,189)	(1,167)	(1,161)	(1,261)	(1,208)
Receipts							
Grants and subsidies	288	-	-	-	-	-	-
Sale of goods and services	235	267	267	280	292	305	264
GST receipts	763	680	680	680	680	680	680
Other receipts.....	160	30	30	30	30	30	30
Net cash from operating activities	(12,445)	(12,618)	(12,469)	(13,588)	(13,707)	(14,471)	(13,517)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(367)	(120)	(193)	(126)	(120)	(120)	(120)
Net cash from investing activities	(367)	(120)	(193)	(126)	(120)	(120)	(120)
NET INCREASE/(DECREASE) IN CASH HELD							
	(305)	(148)	(540)	(188)	(113)	(423)	(666)
Cash assets at the beginning of the reporting period.....	3,248	2,886	2,943	2,403	2,215	2,102	1,679
Cash assets at the end of the reporting period.....	2,943	2,738	2,403	2,215	2,102	1,679	1,013

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

(b) Regional Community Services Fund - \$0.5 million (2012-13), \$1 million (2013-14 Budget), \$0.5 million (2013-14 estimated outturn), \$1.7 million (2014-15), \$1.7 million (2015-16), \$1.7 million (2016-17) and \$0.2 million (2017-18).

Part 17

Minister for Water; Forestry

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
773	Water			
	– Delivery of Services	69,387	77,031	73,236
	– Administered Grants, Subsidies and Other Transfer Payments.....	56	56	-
	– Capital Appropriation.....	8,434	8,739	6,810
	Total.....	77,877	85,826	80,046
	GRAND TOTAL			
	– Delivery of Services	69,387	77,031	73,236
	– Administered Grants, Subsidies and Other Transfer Payments.....	56	56	-
	– Capital Appropriation.....	8,434	8,739	6,810
	Total.....	77,877	85,826	80,046

WATER

PART 17 - MINISTER FOR WATER; FORESTRY

DIVISION 71

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 109 Net amount appropriated to deliver services	64,061	69,115	76,759	72,956	74,298	73,798	74,768
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	253	272	272	280	288	288	288
Total appropriations provided to deliver services	64,314	69,387	77,031	73,236	74,586	74,086	75,056
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	161	56	56	-	-	-	-
CAPITAL							
Item 161 Capital Appropriation	6,139	8,434	8,739	6,810	9,420	4,659	4,783
TOTAL APPROPRIATIONS.....	70,614	77,877	85,826	80,046	84,006	78,745	79,839
EXPENSES							
Total Cost of Services.....	89,976	83,347	96,688	84,129	81,585	82,785	84,252
Net Cost of Services ^(a)	76,677	72,238	85,579	75,372	73,624	75,779	77,246
CASH ASSETS ^(b)	21,233	18,055	14,291	15,892	17,493	16,338	15,061

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(658)	-	-	-	-
2013-14 Voluntary Separation Scheme	2,718	-	-	-	-
2014-15 Procurement Savings	-	(1,474)	-	-	-
Public Sector Workforce Reform 2013-14 Mid-year Review Adjustment.....	4,801	4,700	5,709	5,726	-
Repayment of Commonwealth Funds Brought Forward.....	7,100	(7,100)	-	-	-
Royalties for Regions 2013-14 Mid-year Review Adjustment	32	(7)	(67)	-	-
Royalties for Regions 2014-15 Budget Adjustment.....	(647)	457	(191)	(196)	125
The Decommissioning of the Office of Shared Services Adjustment	(5)	2	10	10	-

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Urban Water Management and Industry Services.....	29,547	25,112	25,429	23,549	24,213	25,795	26,242
2. Water Use Allocation and Optimisation	47,993	46,181	62,735	53,040	48,915	47,397	48,250
3. Catchment and Waterways Health	12,436	12,054	8,524	7,540	8,457	9,593	9,760
Total Cost of Services	89,976	83,347	96,688	84,129	81,585	82,785	84,252

Significant Issues Impacting the Agency

- Since its commencement in 2011-12, the groundwater investigations program has been a major focus of the Department. Work on sites in major centres including the Dampier Peninsula, West Canning Basin – Sandfire, Hamersley Range Valleys, Murchison Valley, South Coast (Albany and Esperance) and the South West (Scott Coastal Plain and Swan Coastal Plain) will further progress in 2014-15. Funded through the Royalties for Regions program, these projects are delivering data that is greatly enhancing our understanding about water availability for public, industrial and agricultural use in these important growth areas.
- Rising demand for water is increasing competition in some areas. This coupled with the challenges presented by the changing climate are increasing the complexity of water resource management issues faced by the Department. In 2013-14, the Department released the position paper *Securing Western Australia's water future* outlining a framework for future water resource management legislation. In 2014-15, the Department intends to progress a legislative reform program.
- Access to water supports Western Australia's community, amenity and lifestyle. The State relies on access to enough water of the right quality. The Department licences 3,100 gegalitres of water each year which is used for mining (34.4% of licensed water use), agriculture (16.9%), public drinking water supply (19.5%) and irrigation scheme supply (13.9%).
- The Department investigates and assesses current and potential water resources and plans for their use in order to meet demand. Western Australia faces a range of challenges brought about by a drying climate in the South West and highly variable conditions elsewhere in the State. Scientific and technical expertise ensures that water is available despite these challenges.

- The Perth Region Confined Aquifer Capacity Project is assessing the capacity of the groundwater aquifers as a continuing long-term water source for Perth's Integrated Water Supply Scheme. In 2014-15, exploration drilling will be undertaken, together with testing of production bores, to identify the volumes and quality of groundwater resources available for productive and sustainable use. This work will inform optimisation of groundwater resources to meet current and future water supply needs.
- Data availability and management is critical to the Department as a water resource manager. Licensees and businesses rely on timely, accurate information to enable them to make well informed, commercial decisions. In January 2015, the Department will move into the third year of a four-year program designed to refresh its information technology and systems to support improved data collection and provision, water allocation and licensing. The Platform for Contemporary Water Management (Water Online) will support mining and State development projects by enabling greater responsiveness to development and approval requests. In the coming year, the focus will be on the delivery of systems designed to improve external access to the department's information, improvements in customer management and the introduction of online customer self-service for meter readings.
- The Department will spend \$4.8 million over the next two financial years refurbishing and upgrading the Kent Street Weir on the Canning River.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 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	85%	86%	87%	87%	
Proportion of water resources with licensed allocations that are within the allocation limit.....	80%	85%	81%	85%	
Proportion of public water supplies covered by a drinking water source protection plan.....	93%	100%	100%	100%	

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

Services and Key Efficiency Indicators

1. 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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 29,547	\$'000 25,112	\$'000 25,429	\$'000 23,549	
Less Income	5,629	4,958	3,265	2,337	
Net Cost of Service.....	23,918	20,154	22,164	21,212	
Employees (Full Time Equivalents).....	142	137	135	135	
Efficiency Indicators					
Average Cost per Industry Water Services Policy Instrument ^(b)	\$34,535	\$27,996	\$49,845	\$42,806	1
Average Cost per Drinking Water Source Protection Plan	\$382,162	\$285,726	\$430,637	\$410,033	2
Average Cost per Square Km of Designated Proclaimed Water Supply Catchments were Salinity and Water Resource Recovery Measures are Implemented	\$45	\$49	\$33	\$31	
Average Cost per Drainage and Water Management Plan and Assessment.....	\$7,407	\$5,940	\$5,006	\$4,959	

(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 increase between the 2013-14 Budget and the 2013-14 Estimated Actual mainly reflects additional resources allocated to this activity and a reduction in the number of instruments dealt with compared to the budgeted amount.
2. The increase between the 2013-14 Budget and the 2013-14 Estimated Actual mainly reflects additional resources allocated to this activity.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	47,993	46,181	62,735	53,040	1
Less Income	4,600	2,994	6,163	5,666	
Net Cost of Service	43,393	43,187	56,572	47,374	
Employees (Full Time Equivalents).....	253	247	244	244	
Efficiency Indicators ^(a)					
Average Cost per Allocation Plan Completed	\$1,776,789	\$1,740,973	\$1,823,899	\$1,542,312	2
Average Time Taken (Days) to Process a License by Water Category Grouping:					
Category 1	45	40	45	40	
Category 2	45	40	31	40	
Category 3	47	50	35	50	
Category 4	65	60	37	60	
Expenditure on Water Licence Administration					
Average Cost per Water Licence (All Categories)	\$2,506	\$2,345	\$2,935	\$2,700	
Total Number of Licences Processed by Category Grouping:					
Category 1	804	1,000	768	800	
Category 2	1,447	2,200	1,488	1,500	
Category 3	3,336	3,600	3,240	3,500	
Category 4	4,389	5,000	4,494	4,500	

(a) The term average refers to a three year rolling average.

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Services between the 2013-14 Budget and the 2013-14 Estimated Actual mainly reflects the repayment to the Commonwealth of unspent funds for the Collie River Salinity Reduction Program, an adjustment to the salary cap following a review of the Public Sector Workforce Reform implementation and the 2013-14 Voluntary Separation Scheme.
- The decrease in the Average Cost per Allocation Plan Completed between the 2013-14 Estimated Actual and the 2014-15 Budget Target reflects a higher number of plans being completed.

3. Catchment and Waterways Health

Protecting the State's waterways and catchments through river management and recovery programs.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	12,436	12,054	8,524	7,540	1
Less Income	3,070	3,157	1,681	754	
Net Cost of Service.....	9,366	8,897	6,843	6,786	
Employees (Full Time Equivalents).....	70	68	67	67	
Efficiency Indicators					
Average Cost per Km Squared of Designated Inland Rural Catchments where Dryland Salinity Management Measures are Implemented	\$183	\$117	\$0	\$0	2
Average Cost per Waterway Management Plan Developed	\$456,576	\$2,377,912	\$1,270,095	\$764,096	3

Explanation of Significant Movements

(Notes)

1. The decrease between the 2013-14 Budget and the 2013-14 Estimated Actual, as well as the decrease between the 2013-14 Estimated Actual and the 2014-15 Budget Target reflect the reduced level of activity with State and Commonwealth funded projects being completed.
2. The projects from which this efficiency indicator is derived have been completed resulting in a zero net cost for the 2013-14 Estimated Actual and the 2014-15 Budget Target.
3. The decrease in the Average Cost per Waterway Management Plan Developed between the 2013-14 Estimated Actual and the 2014-15 Budget Target reflects that a higher number of plans are expected to be completed in 2014-15.

ASSET INVESTMENT PROGRAM

The Department's 2014-15 Asset Investment Program will see the commencement of the Kent Street Weir Project, continued investment in groundwater investigation and monitoring bore program which includes the Pilbara Cities Initiative. The Department will continue its program of replacing legacy water management systems through Water Online (formerly titled the Platform for Contemporary Water Management) and its asset replacement program associated with computer hardware and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Groundwater Resources Investigation and Monitoring							
Perth Region - Confined Aquifer Capacity Study	6,925	1,455	1,051	3,685	1,785	-	-
Pilbara Cities Initiative ^(a)	12,397	6,639	4,821	4,457	1,224	77	-
Water Online	13,646	6,919	5,809	3,387	3,340	-	-
COMPLETED WORKS							
Computing and Office Equipment Replacement - 2013-14 Program	280	280	280	-	-	-	-
Groundwater Resources Investigation and Monitoring 2013-14 Program	3,953	3,953	3,953	-	-	-	-
Land Acquisition - Land Purchase in Priority 1 Areas - 2013-14 Program	744	744	744	-	-	-	-
The Decommissioning of the Office of Shared Services	3,325	3,325	2,928	-	-	-	-
Replace and Maintain Monitoring Bores - 2013-14 Program	4,891	4,891	4,891	-	-	-	-
Replace and Maintain River Gauging Stations - 2013-14 Program	1,926	1,926	1,926	-	-	-	-
NEW WORKS							
Computing and Office Equipment Replacement							
2014-15 Program	280	-	-	280	-	-	-
2015-16 Program	375	-	-	-	375	-	-
2016-17 Program	275	-	-	-	-	275	-
2017-18 Program	373	-	-	-	-	-	373
Engineering Works							
Kent Street Weir	4,800	-	-	800	4,000	-	-
Groundwater Resources Investigation and Monitoring							
2014-15 Program	452	-	-	452	-	-	-
2015-16 Program	1,642	-	-	-	1,642	-	-
2016-17 Program	4,259	-	-	-	-	4,259	-
2017-18 Program	4,386	-	-	-	-	-	4,386
Land Acquisition - Land Purchase in Priority 1 Areas							
2014-15 Program	1,030	-	-	1,030	-	-	-
2015-16 Program	1,000	-	-	-	1,000	-	-
2016-17 Program	1,000	-	-	-	-	1,000	-
2017-18 Program	1,000	-	-	-	-	-	1,000
Replace and Maintain Monitoring Bores							
2014-15 Program	3,663	-	-	3,663	-	-	-
2015-16 Program	4,317	-	-	-	4,317	-	-
2016-17 Program	4,453	-	-	-	-	4,453	-
2017-18 Program	4,836	-	-	-	-	-	4,836
Replace and Maintain River Gauging Stations							
2014-15 Program	1,604	-	-	1,604	-	-	-
2015-16 Program	1,850	-	-	-	1,850	-	-
2016-17 Program	1,944	-	-	-	-	1,944	-
2017-18 Program	2,044	-	-	-	-	-	2,044
Asset Investment Program Efficiency Measure	(3,133)	-	-	(1,128)	(802)	(600)	(603)
Total Cost of Asset Investment Program	90,537	30,132	26,403	18,230	18,731	11,408	12,036
FUNDED BY							
Capital Appropriation			8,739	6,810	9,420	4,659	4,783
Drawdowns from the Holding Account			8,873	5,159	6,330	6,672	7,131
Internal Funds and Balances			3,970	1,804	1,757	-	122
Drawdowns from Royalties for Regions Fund ^(b)			4,821	4,457	1,224	77	-
Total Funding			26,403	18,230	18,731	11,408	12,036

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The income statement shows significant movement in the Total Cost of Services between the 2013-14 Budget and the 2013-14 Estimated Actual. This mainly relates to the repayment to the Commonwealth of unspent funds for the Collie River Salinity Reduction Program (\$7.1 million), an adjustment to the salary cap following a review of the Public Sector Workforce Reform implementation (\$4.8 million) and the 2013-14 Voluntary Separation Scheme (\$2.7 million).

The income statement shows significant movement in the Total Cost of Services between the 2013-14 Estimated Actual and the 2014-15 Budget. This mainly relates to the repayment to the Commonwealth of unspent funds for the Collie River Salinity Reduction Program (\$7.1 million) in 2013-14 rather 2014-15 as originally budgeted and the 2013-14 Voluntary Separation Scheme (\$2.7 million).

Income

The decrease in the Department's total income in 2014-15 compared to the 2013-14 Estimated Actual reflects a decrease in Commonwealth funding for the Water for the Future program.

Statement of Financial Position

The Department's total equity is expected to increase by \$13.7 million in 2014-15 compared to the 2013-14 Estimated Actual. This is mainly attributable to an increase in other fixed assets associated with groundwater investigations and monitoring bores.

Statement of Cashflows

In 2014-15, cashflows from State Government are forecast to decrease by \$9.3 million compared to the 2013-14 Estimated Actual. This mainly reflects 2013-14 Voluntary Separation Scheme funding and 2014-15 procurement savings and reduced funding for the Department's Asset Investment Program.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	46,704	43,938	51,238	49,530	51,023	52,273	53,686
Grants and subsidies ^(c)	8,570	5,314	12,414	3,619	2,769	1,969	1,969
Supplies and services.....	16,556	13,866	12,824	11,919	9,461	8,077	7,672
Accommodation.....	3,905	4,226	4,398	4,505	4,648	4,693	4,693
Depreciation and amortisation.....	5,814	7,349	7,349	7,349	7,349	7,349	7,808
Other expenses.....	8,427	8,654	8,465	7,207	6,335	8,424	8,424
TOTAL COST OF SERVICES.....	89,976	83,347	96,688	84,129	81,585	82,785	84,252
Income							
Sale of goods and services.....	423	-	-	-	-	-	-
Regulatory fees and fines.....	68	54	54	54	54	54	54
Grants and subsidies.....	10,746	9,944	9,944	7,592	6,796	5,841	5,841
Other revenue.....	2,062	1,111	1,111	1,111	1,111	1,111	1,111
Total Income.....	13,299	11,109	11,109	8,757	7,961	7,006	7,006
NET COST OF SERVICES.....	76,677	72,238	85,579	75,372	73,624	75,779	77,246
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	64,314	69,387	77,031	73,236	74,586	74,086	75,056
Resources received free of charge.....	1,192	451	451	451	451	451	451
Royalties for Regions Fund ^(d)	3,476	4,328	3,713	4,168	1,625	87	125
TOTAL INCOME FROM STATE GOVERNMENT.....	68,982	74,166	81,195	77,855	76,662	74,624	75,632
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(7,695)	1,928	(4,384)	2,483	3,038	(1,155)	(1,614)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 465, 446 and 446 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$3.2 million (2012-13), \$4.1 million (2013-14 Budget), \$3.5 million (2013-14 estimated outturn), \$4 million (2014-15), \$1.5 million (2015-16), Regional Community Services Fund - \$0.3 million (2012-13), \$0.3 million (2013-14 Budget), \$0.2 million (2013-14 estimated outturn), \$0.1 million (2014-15), \$0.1 million (2015-16), \$0.1 million (2016-17) and \$0.1 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
City of Geraldton Greenough Stormwater							
Harvesting and Efficiency.....	603	1,475	1,475	100	50	50	50
Community Development Employment Project ...	226	500	500	262	-	-	-
Gascoyne Irrigation Pipeline.....	5,445	-	-	-	-	-	-
Other Grants.....	139	-	-	-	-	-	-
Repayment of Commonwealth Funds.....	-	-	7,100	-	-	-	-
Rural Water Grants.....	781	2,912	2,912	2,582	2,352	1,552	1,552
State Water Strategy Grants.....	233	267	267	267	267	267	267
State-wide Water Efficiency Measures.....	80	40	40	-	-	-	-
Urban Drainage.....	50	100	100	150	100	100	100
Urban Waterways Renewal.....	763	-	-	258	-	-	-
Water and Natural Resource Management Initiative (Royalties for Regions).....	250	20	20	-	-	-	-
TOTAL.....	8,570	5,314	12,414	3,619	2,769	1,969	1,969

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	7,894	7,581	908	2,509	4,110	2,955	1,678
Restricted cash.....	12,052	9,256	12,096	12,096	12,096	12,096	12,096
Holding account receivables.....	8,873	5,159	5,159	6,330	6,672	7,131	-
Receivables.....	1,591	1,364	1,591	1,591	1,591	1,591	1,591
Other.....	860	1,075	860	860	860	860	860
Assets held for sale.....	3,041	3,458	3,041	3,041	3,041	3,041	3,041
Total current assets.....	34,311	27,893	23,655	26,427	28,370	27,674	19,266
NON-CURRENT ASSETS							
Holding account receivables.....	13,560	16,305	16,305	17,879	19,111	19,884	27,788
Property, plant and equipment.....	238,357	243,636	238,792	238,332	238,182	241,000	247,158
Intangibles.....	3,259	1,803	5,549	5,549	5,549	5,549	5,549
Restricted cash.....	1,287	1,218	1,287	1,287	1,287	1,287	1,287
Other.....	693	17,540	14,539	24,076	33,851	35,092	33,162
Total non-current assets.....	257,156	280,502	276,472	287,123	297,980	302,812	314,944
TOTAL ASSETS.....	291,467	308,395	300,127	313,550	326,350	330,486	334,210
CURRENT LIABILITIES							
Employee provisions.....	13,373	12,681	12,585	12,585	12,585	12,585	12,585
Payables.....	2,097	3,672	2,097	2,097	2,097	2,097	2,097
Other.....	2,159	3,044	2,159	2,159	2,159	2,159	2,159
Total current liabilities.....	17,629	19,397	16,841	16,841	16,841	16,841	16,841
NON-CURRENT LIABILITIES							
Employee provisions.....	2,767	4,023	2,995	2,668	1,786	2,341	2,896
Other.....	-	97	-	-	-	-	-
Total non-current liabilities.....	2,767	4,120	2,995	2,668	1,786	2,341	2,896
TOTAL LIABILITIES.....	20,396	23,517	19,836	19,509	18,627	19,182	19,737
EQUITY							
Contributed equity.....	238,544	254,001	252,148	263,415	274,059	278,795	283,578
Accumulated surplus/(deficit).....	(12,520)	(14,138)	(16,904)	(14,421)	(11,383)	(12,538)	(14,152)
Reserves.....	45,047	45,015	45,047	45,047	45,047	45,047	45,047
Total equity.....	271,071	284,878	280,291	294,041	307,723	311,304	314,473
TOTAL LIABILITIES AND EQUITY.....	291,467	308,395	300,127	313,550	326,350	330,486	334,210

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	56,681	61,483	69,127	65,332	66,682	66,182	67,152
Capital appropriation	6,139	8,434	8,739	6,810	9,420	4,659	4,783
Holding account drawdowns.....	4,465	8,873	8,873	5,159	6,330	6,672	7,131
Royalties for Regions Fund ^(b)	4,976	9,468	8,534	8,625	2,849	164	125
Net cash provided by State Government.....	72,261	88,258	95,273	85,926	85,281	77,677	79,191
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(46,114)	(43,645)	(51,733)	(49,789)	(51,837)	(51,650)	(53,063)
Grants and subsidies	(8,558)	(5,314)	(12,414)	(3,619)	(2,769)	(1,969)	(1,969)
Supplies and services	(7,226)	(14,238)	(13,152)	(12,271)	(9,872)	(8,458)	(8,053)
Accommodation.....	(3,885)	(4,226)	(4,226)	(4,333)	(4,476)	(4,521)	(4,521)
Other payments.....	(18,023)	(11,596)	(11,579)	(10,344)	(9,413)	(11,532)	(11,532)
Receipts							
Regulatory fees and fines.....	70	54	54	54	54	54	54
Grants and subsidies	8,708	9,944	9,944	7,592	6,796	5,841	5,841
Sale of goods and services	338	-	-	-	-	-	-
GST receipts.....	3,274	2,750	2,750	2,750	2,750	2,750	2,750
Other receipts.....	1,143	2,061	2,061	2,061	2,061	2,061	2,061
Net cash from operating activities.....	(70,273)	(64,210)	(78,295)	(67,899)	(66,706)	(67,424)	(68,432)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(12,950)	(24,930)	(26,403)	(18,230)	(18,731)	(11,408)	(12,036)
Proceeds from sale of non-current assets	2,324	2,483	2,483	1,804	1,757	-	-
Net cash from investing activities.....	(10,626)	(22,447)	(23,920)	(16,426)	(16,974)	(11,408)	(12,036)
NET INCREASE/(DECREASE) IN CASH HELD							
	(8,638)	1,601	(6,942)	1,601	1,601	(1,155)	(1,277)
Cash assets at the beginning of the reporting period.....	29,871	16,454	21,233	14,291	15,892	17,493	16,338
Cash assets at the end of the reporting period.....	21,233	18,055	14,291	15,892	17,493	16,338	15,061

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

(b) Regional Infrastructure and Headworks Fund - \$4.7 million (2012-13), \$9.2 million (2013-14 Budget), \$8.4 million (2013-14 estimated outturn), \$8.5 million (2014-15), \$2.8 million (2015-16), \$0.1 million (2016-17), Regional Community Services Fund - \$0.3 million (2012-13), \$0.3 million (2013-14 Budget), \$0.2 million (2013-14 estimated outturn), \$0.1 million (2014-15), \$0.1 million (2015-16), \$0.1 million (2016-17) and \$0.1 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Fines							
Regulatory Fines.....	17	25	25	25	25	25	25
Other							
Administered Appropriations	161	56	56	-	-	-	-
TOTAL INCOME	178	81	81	25	25	25	25
EXPENSES							
Grants to Charitable and Other Public Bodies							
Carnarvon Irrigation Scheme.....	158	56	56	-	-	-	-
Receipts Paid into Consolidated Account.....	17	25	25	25	25	25	25
TOTAL EXPENSES.....	175	81	81	25	25	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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Commonwealth Grants and Contributions.....	4,013	5,089	5,089	3,454	2,696	1,771	1,771
GST Receipts.....	3,274	2,750	2,750	2,750	2,750	2,750	2,750
Lease of Commercial Land and Buildings.....	183	227	227	227	227	227	227
Other Grants and Contributions.....	4,695	4,855	4,855	4,138	4,100	4,070	4,070
Other Receipts	960	1,834	1,834	1,834	1,834	1,834	1,834
Receipts - Sale of Goods and Services.....	338	-	-	-	-	-	-
Regulatory Fees - Receipts	70	54	54	54	54	54	54
TOTAL.....	13,533	14,809	14,809	12,457	11,661	10,706	10,706

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 \$3.5 billion over the forward estimates period on major water and wastewater infrastructure essential to support Western Australia's growth.

In 2014-15, a total of \$858 million has been committed to projects that address growing community needs across the State. This includes \$420 million in the metropolitan area and \$350 million in regional Western Australia. Of this, \$110 million is being spent across the State on asset renewal projects (replacement and rehabilitation of pipes and other infrastructure). Asset renewal projects ensure the Corporation can maintain required levels of service to its customers in a cost-effective manner.

Expenditure in the Regions

In the North West, a total of \$170 million will be spent in 2014-15 on projects that include \$60 million to deliver water and wastewater projects that support the Pilbara Cities initiative. The \$60 million forms part of a \$140 million commitment over the forward estimates period to accommodate projected population growth in the Pilbara.

A provision of \$60 million has been allocated to the South West, including \$12 million to construct the Millstream to Greenbushes pipeline link. This will link the town of Greenbushes to the upgraded Millstream Dam surface water source via the planned Bridgetown Water Treatment Plant. The project forms part of the Warren-Blackwood Regional Water Supply scheme. It is being developed to meet the long-term supply needs of Boyup Brook, Hester, Greenbushes, Balingup, Mullalyup, Kirup, Bridgetown and Manjimup.

The Great Southern will benefit from a \$55 million investment which includes \$4 million for odour control, effluent and sludge handling improvement at the Albany Wastewater Treatment Plant. Also included is a \$4 million commitment for Stage One of the Plantagenet Water Main and Pump Station upgrade at Kokokup. This project will upgrade the capacity of the Plantagenet Water Main and Pump Stations to increase delivery of water from Albany to Mount Barker from 2.2 million litres per day to 4.8 million litres per day.

In the Goldfields and Agricultural region, \$30 million will be spent in 2014-15, including \$3 million at Wundowie to construct a new one million litre capacity storage tank to ensure customers continue to receive water at the required levels of service.

A total of \$35 million will be spent in the Mid West in 2014-15, including \$5 million in Geraldton to boost water supply capacity to both Nanson Road tank and Hall Road tank to meet future increased demand.

Expenditure in the Metropolitan Area

In 2014-15, \$76 million will be spent to continue construction of the East Rockingham Wastewater Treatment Plant, which is on track to be commissioned in 2015. The plant involves construction of a 20 million litre per day secondary treatment plant with odour control, advanced effluent and sludge handling capabilities and will support ongoing growth in Perth's South West corridor.

Stage One of groundwater replenishment will progress to construction in 2014-15 with an allocation of \$54 million. This project will become the next new climate independent water source for Perth and will see at least seven billion litres of recycled water recharged to an aquifer for later use as drinking water.

Groundwater supplies will also be augmented by a \$10 million project to expand the Jandakot groundwater scheme. Development of a new bore within this existing water source will produce up to an additional six billion litres of water per year.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Water Programs							
Metropolitan Water							
Sources and Distribution	322,234	234,550	82,487	87,684	-	-	-
Groundwater Replenishment Trial Stage 1	118,500	12,500	10,000	54,000	45,500	6,500	-
Jandakot Yarragadee Bore	22,000	12,000	12,000	10,000	-	-	-
Mundaring Water Treatment Plant	328,712	328,312	268,121	400	-	-	-
Southern Seawater Desalination Plant Stage 2 Expansion	486,563	482,963	2,963	2,400	1,200	-	-
Country Water							
Sources and Distribution	815,128	706,909	115,443	108,219	-	-	-
Broome Drill and Equipment 3 Bores	6,000	1,000	1,000	5,000	-	-	-
Denham Elevated Tanks Replacement	5,500	1,000	1,000	4,500	-	-	-
Geraldton Elevated Tanks	5,700	1,000	1,000	4,700	-	-	-
Gnowangerup Elevated Tanks	5,600	1,600	1,600	4,000	-	-	-
Goldfields and Agricultural Pipe Duplication	3,300	300	300	3,000	-	-	-
Great Southern Town Water Supply Pump Station							
Upgrade	6,000	1,000	1,000	5,000	-	-	-
Hedland Yule Upgrade	35,636	32,136	16,000	3,500	-	-	-
Millstream to Greenbushes Link	33,400	12,000	12,000	12,000	4,500	4,900	-
Onslow Storage and Distribution Upgrade	18,000	4,000	4,000	14,000	-	-	-
Plantagenet Main and Pump Station Upgrade Stage 1	4,000	7,000	7,000	4,000	-	-	-
Wundowie High-level Tank and Pipework	3,000	100	100	2,900	-	-	-
Wastewater Programs							
Metropolitan Wastewater							
Treatment and Conveyance	379,350	266,775	70,801	112,575	-	-	-
East Rockingham Wastewater Scheme	182,301	89,801	24,000	76,000	11,000	4,000	1,500
Flora Street Pump Station Pressure Main Duplication	12,300	100	100	500	6,700	5,000	-
Country Wastewater							
Treatment and Conveyance	394,651	325,311	152,021	69,340	-	-	-
Albany Wastewater Treatment Plant Improvements	9,600	1,000	1,000	4,000	4,600	-	-
Busselton Provenance Pump Station Stage 1	7,000	8,000	8,000	7,000	-	-	-
Derby Pump Station Gravity Sewer	6,500	500	500	6,500	-	-	-
Eaton Monash Pump Main to Bunbury Wastewater							
Treatment Plant	17,000	4,000	4,000	12,000	1,000	-	-
Karratha Wastewater Treatment Plant Upgrade	70,324	69,724	30,000	600	-	-	-
Port Hedland Wastewater Treatment Plant - Relocation	90,992	89,992	70,000	1,000	-	-	-
Toodyay Wastewater Treatment Plant Upgrade	3,000	600	600	3,000	-	-	-
Infill Sewerage Program	134,448	104,448	20,000	15,000	15,000	-	-
Corporate Programs							
Ord Asset Transfer	97,461	1	1	97,460	-	-	-
Other Asset Investment	2,883,753	465,971	4,640	70,834	605,427	836,587	904,934
Capitalised Interest and Support Allocated to Capital							
Capital Support Cost	351,628	217,930	22,484	37,281	38,778	28,363	29,276
Capitalised Borrowings Costs	247,731	140,425	22,484	20,141	29,675	29,661	27,829
COMPLETED WORKS							
Corporate Programs - Regional Infill Sewerage Program	15,000	15,000	5,000	-	-	-	-
Total Cost of Asset Investment Program	7,122,312	3,637,948	971,645	858,534	763,380	915,011	963,539
FUNDED BY							
Capital Appropriation			-	109,334	14,036	-	-
Borrowings			377,517	280,000	250,000	325,000	390,000
Internal Funds and Balances			484,796	469,200	499,344	590,011	573,539
Drawdowns from Royalties for Regions Fund ^(a)			109,332	-	-	-	-
Total Funding			971,645	858,534	763,380	915,011	963,539

(a) Regional Infrastructure and Headworks Fund.

BUNBURY WATER CORPORATION

ASSET INVESTMENT PROGRAM

The Asset Investment Program of Bunbury Water Corporation (Aqwest) across the forward estimates period is \$11.9 million, with \$3.3 million allocated in 2014-15.

The program includes expenditure on the refurbishment of Aqwest's largest water storage facility and a continuing focus on valve and water mains replacement.

The program is a continuance of Aqwest's long-term plan for developing and maintaining its infrastructure to meet the water supply needs of the greater Bunbury area in a suitable manner well into the future.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Mains Subdivisions – 2013-14 Program	15	15	15	-	-	-	-
Plant and Other Purchases – 2013-14 Program	460	460	460	-	-	-	-
Works							
Distribution and Reticulation – 2013-14 Program	1,501	1,501	1,501	-	-	-	-
Treatment Plants – 2013-14 Program	1,242	1,242	1,242	-	-	-	-
NEW WORKS							
Mains Subdivisions							
2014-15 Program	16	-	-	16	-	-	-
2015-16 Program	17	-	-	-	17	-	-
2016-17 Program	17	-	-	-	-	17	-
2017-18 Program	16	-	-	-	-	-	16
Plant and Other Purchases							
2014-15 Program	285	-	-	285	-	-	-
2015-16 Program	582	-	-	-	582	-	-
2016-17 Program	582	-	-	-	-	582	-
2017-18 Program	304	-	-	-	-	-	304
Works							
Distribution and Reticulation							
2014-15 Program	1,401	-	-	1,401	-	-	-
2015-16 Program	691	-	-	-	691	-	-
2016-17 Program	691	-	-	-	-	691	-
2017-18 Program	789	-	-	-	-	-	789
Treatment Plants							
2014-15 Program	1,623	-	-	1,623	-	-	-
2015-16 Program	2,026	-	-	-	2,026	-	-
2016-17 Program	1,037	-	-	-	-	1,037	-
2017-18 Program	1,796	-	-	-	-	-	1,796
Total Cost of Asset Investment Program	15,091	3,218	3,218	3,325	3,316	2,327	2,905
FUNDED BY							
Internal Funds and Balances			3,218	3,325	3,316	2,327	2,905
Total Funding			3,218	3,325	3,316	2,327	2,905

BUSSELTON WATER CORPORATION

ASSET INVESTMENT PROGRAM

The Asset Investment Program across the forward estimates period is \$12 million, with \$3.3 million allocated in 2014-15.

The program includes expenditure on a program of new trunk mains to improve network performance, planned asset replacement and upgrades to infrastructure at various water plants, and continued implementation of an information and communications technology strategic plan.

The program ensures existing infrastructure is maintained and new infrastructure constructed or procured to maintain water supplies in a rapidly expanding region of the State.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Office Equipment - 2013-14 Program	108	108	108	-	-	-	-
Plant, Mobile and Other Purchases - 2013-14 Program	357	357	357	-	-	-	-
Works							
New Mains and Services - 2013-14 Program	781	781	781	-	-	-	-
Treatment Plants - 2013-14 Program	1,333	1,333	1,333	-	-	-	-
NEW WORKS							
Land and Property Improvements	66	-	-	-	66	-	-
Office Equipment							
2014-15 Program	284	-	-	284	-	-	-
2015-16 Program	90	-	-	-	90	-	-
2016-17 Program	169	-	-	-	-	169	-
2017-18 Program	166	-	-	-	-	-	166
Plant, Mobile and Other Purchases							
2014-15 Program	284	-	-	284	-	-	-
2015-16 Program	174	-	-	-	174	-	-
2016-17 Program	126	-	-	-	-	126	-
2017-18 Program	141	-	-	-	-	-	141
Works							
New Connections and Meters							
2014-15 Program	453	-	-	453	-	-	-
2015-16 Program	570	-	-	-	570	-	-
2016-17 Program	728	-	-	-	-	728	-
2017-18 Program	521	-	-	-	-	-	521
New Mains and Services							
2014-15 Program	1,019	-	-	1,019	-	-	-
2015-16 Program	1,005	-	-	-	1,005	-	-
2016-17 Program	979	-	-	-	-	979	-
2017-18 Program	989	-	-	-	-	-	989
Treatment Plants							
2014-15 Program	1,254	-	-	1,254	-	-	-
2015-16 Program	1,142	-	-	-	1,142	-	-
2016-17 Program	799	-	-	-	-	799	-
2017-18 Program	1,006	-	-	-	-	-	1,006
Total Cost of Asset Investment Program	14,544	2,579	2,579	3,294	3,047	2,801	2,823
FUNDED BY							
Internal Funds and Balances			2,579	3,294	3,047	2,801	2,823
Total Funding			2,579	3,294	3,047	2,801	2,823

FOREST PRODUCTS COMMISSION

ASSET INVESTMENT PROGRAM

The Commission's Asset Investment Program provides for an ongoing program to update information technology, other equipment that supports the delivery of its services and to replace key business systems.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Computers, Plant and Equipment - 2013-14 Program.....	600	600	600	-	-	-	-
NEW WORKS							
Computers, Plant and Equipment							
2014-15 Program	513	-	-	513	-	-	-
2015-16 Program	600	-	-	-	600	-	-
2016-17 Program	600	-	-	-	-	600	-
2017-18 Program	600	-	-	-	-	-	600
Finance and Human Resources System	450	-	-	450	-	-	-
Forest Planning and Management System	530	-	-	353	177	-	-
Total Cost of Asset Investment Program	3,893	600	600	1,316	777	600	600
FUNDED BY							
Internal Funds and Balances			600	1,316	777	600	600
Total Funding			600	1,316	777	600	600

Part 18

Minister for Transport; Finance

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000
793	Transport			
	– Delivery of Services	54,328	64,423	52,537
	– Administered Grants, Subsidies and Other Transfer Payments.....	90	90	95
	– Capital Appropriation.....	50,436	38,164	24,819
	Total.....	104,854	102,677	77,451
810	Commissioner of Main Roads			
	– Delivery of Services	855,338	816,275	862,995
	– Capital Appropriation.....	488,009	435,467	301,035
	Total.....	1,343,347	1,251,742	1,164,030
825	Public Transport Authority of Western Australia			
	– Delivery of Services	348	348	359
	– Capital Appropriation.....	118,624	96,701	94,405
	Total.....	118,972	97,049	94,764
846	Finance			
	– Delivery of Services	178,018	174,465	175,545
	– Administered Grants, Subsidies and other Transfer Payments.....	413,166	414,142	274,728
	– Capital Appropriation.....	27,026	22,269	41,995
	Total.....	618,210	610,876	492,268
	GRAND TOTAL			
	– Delivery of Services	1,088,032	1,055,511	1,091,436
	– Administered Grants, Subsidies and Other Transfer Payments.....	413,256	414,232	274,823
	– Capital Appropriation.....	684,095	592,601	462,254
	Total.....	2,185,383	2,062,344	1,828,513

TRANSPORT

PART 18 - MINISTER FOR TRANSPORT; FINANCE

DIVISION 72

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual ^(a) \$'000	2013-14 Budget ^(a) \$'000	2013-14 Estimated Actual ^(a) \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 110 Net amount appropriated to deliver services	53,275	53,195	63,290	51,364	34,387	37,122	31,566
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,093	1,133	1,133	1,173	1,215	1,257	1,257
Total appropriations provided to deliver services	54,368	54,328	64,423	52,537	35,602	38,379	32,823
ADMINISTERED TRANSACTIONS							
Item 111 Western Australian Coastal Shipping Commission	85	90	90	95	100	100	100
CAPITAL							
Item 162 Capital Appropriation	15,104	50,436	38,164	24,819	8,921	16,290	17,027
TOTAL APPROPRIATIONS.....	69,557	104,854	102,677	77,451	44,623	54,769	49,950
EXPENSES							
Total Cost of Services.....	357,722	367,922	383,836	378,069	362,863	372,764	378,181
Net Cost of Services ^(b)	78,305	62,715	78,656	66,986	31,652	31,798	24,990
CASH ASSETS ^(c)	139,646	117,489	114,540	77,918	71,409	91,552	130,795

- (a) Motor Vehicle Registration Recording Fee and Motor Driver's Licence Fee revenue will be collected under a net appropriation arrangement from 2014-15. This will result in a substantial reduction in the level of service appropriation provided to the Department, offset by an equivalent increase in retained revenue. The 2012-13 Actual, 2013-14 Budget and 2013-14 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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(2,339)	-	-	-	-
2014-15 Procurement Savings	-	(4,819)	-	-	-
2014-15 Tariffs, Fees and Charges	-	(1,178)	(3,288)	464	9,692
Driver and Vehicle Services	3,392	3,204	3,200	3,200	3,200
MAX Light Rail Planning and Development.....	10,000	-	-	-	-
Motorcycle Graduated Rider Training and Licensing Project.....	(57)	-	-	-	-
National Disability Insurance Scheme - Taxi User Subsidy Scheme	-	-	(621)	-	-
Point Lewis Rotary Road.....	1,500	-	-	-	-
Port Geographe Coastal Management.....	-	1,356	1,611	1,792	1,442
Rail Safety Regulatory Reform.....	861	-	-	-	-
Recreational Boating Facilities Scheme.....	1,118	(700)	3,224	1,705	-
Regional Workers Incentive Allowance	122	(67)	(208)	(213)	215
Taxi Driver Licensing Bill 2013	172	1,080	-	-	-
Transfer of Parking Function from the Department of Planning.....	255	261	268	275	275
Western Australian Photo Card Bill 2013.....	58	175	162	148	195

RESOURCE AGREEMENT

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

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

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

Government Goals	Desired Outcomes	Services
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	An accessible and safe transport system.	1. Transport System and Services Development, Planning, Operation and Regulation
	Vehicles and Road users that meet established vehicle standards and driver competencies 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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Transport System and Services Development, Planning, Operation and Regulation	110,507	111,701	108,314	114,393	93,447	94,094	99,559
2. Driver and Vehicle Services	176,138	172,066	177,433	183,535	189,208	201,153	209,322
3. Strategic Transport Policy and Integrated Planning	71,077	84,155	98,089	80,141	80,208	77,517	69,300
Total Cost of Services	357,722	367,922	383,836	378,069	362,863	372,764	378,181

Significant Issues Impacting the Agency

- The Perth metropolitan area is forecast to have a population of 2.7 million by 2031, and potentially 3.5 million by 2050. The long north-south axis of the city, and the significant concentration of employment, major institutions and services in the central sector, already results in large commuting flows in the morning and afternoon peak periods. This is putting significant pressures on the north-south freeway/railway spine which provides a backbone to the city's transport network. There are also significant traffic demands for motorists and freight on the Reid, Roe and Tonkin Highways for access to major industrial areas and the airport.
- The Department will shortly be finalising a number of plans to improve the movement of people and freight:
 - the Moving People Network Plan will provide an integrated view of how the metropolitan transport network should function over the next two decades;
 - the Freight and Intermodal Network Plan for metropolitan Perth will redefine the strategic road freight network, identify investments to increase capacity in the rail freight network, assess measures to protect freight networks from urban encroachment, and outline medium to long-term plans for port development; and
 - the Public Transport for Perth in 2031 Plan will identify the main public transport infrastructure needs and the links required between major activity centres such as universities and Perth Airport.
- Work has also commenced on assessing long-term structural additions to the city's transport network to tie in with land use to support a population of 3.5 million by 2050. These plans build on the already completed Western Australian Bicycle Network Plan 2014-2031.
- Active transport, particularly cycling, needs to be continually promoted as a viable alternative form of transport over short distances. The Western Australian Bicycle Network Plan will guide the continued delivery of cycling infrastructure to better meet the growing demand for convenient, safe cycling routes and end-of-trip facilities together with alignment with current Government urban planning policy and directions. Cycling trips to and from the Perth CBD have averaged 12% growth in recent years and this trend is expected to continue for many years to come. There will be a continued focus on building Principal Shared Paths (PSP) in the Perth area along freeways and railway lines, prioritising those within a 15 km radius of the CBD.
- There has been a rapid increase in demand for coastal infrastructure. The Department has made significant progress in addressing this with the construction of a new boat harbour at Augusta and increased boating infrastructure at Exmouth. The harbour upgrade at Exmouth will commence in 2014-15, subject to the Cabinet's approval of the business case, extending the existing service wharf, heavy lift facilities and associated landside infrastructure. The upgrade supports the development of marine tourism and recreational activities, and enhances business opportunities associated with the resources sector.
- Coastal protection continues to impact on the Department particularly following significant storm events in 2013. Coastal Managers, mainly local governments, continue to draw on the expertise and resources of the Department to assist with coastal protection issues. Seagrass accumulation and beach erosion at Port Geographe has been an issue for a number of years. The Government has provided \$28 million to reconfigure the coastal structures at Port Geographe which will be completed in January 2015. In addition to addressing environmental issues, the project will improve amenity and the viability of the currently stalled Port Geographe development. Stage One development of the Augusta Boat Harbour is scheduled for completion in September 2014 and will provide sheltered water and land needed for safe boating access to the ocean waters of the region.

- Western Australian ports continue to be under pressure to meet demand for infrastructure and export capacity allocations. Legislative changes to affect the amalgamation of regional ports into four will take effect from July 2014. Further legislative changes will be made to allow certain marine functions of *Shipping and Pilotage Act 1967* ports to be transferred to the new regional port authorities in 2015.
- Air services are vital in connecting Western Australia's widely dispersed towns, settlements and mine sites. A draft State Aviation Strategy (SAS) was released for public comment over a three month period, closing in December 2013. Over sixty submissions were made on the draft. A final SAS will be released in mid-2014.
- The safety and security of taxi drivers and their passengers is a priority for the Government. The Government continues to address this issue through the Taxi Action Plan. In 2014-15, the Department will implement the Taxi Drivers Licensing Bill to provide greater flexibility for setting entry and ongoing professional development standards. The Department will also introduce a new Taxi Driver Licence Document/Identification Card to strengthen driver identity, improve compliance, and increase security. Signage for Perth CBD taxi ranks will also be upgraded to improve ranks' visibility, safety, security and accessibility for both taxis and passengers.
- There is an ongoing need for initiatives to enhance customer choice and convenience when accessing driver and vehicle services. Initiatives completed in 2013-14 and planned for 2014-15 include:
 - an online booking system for practical driving assessments was introduced to the public in July 2013;
 - a new customer focused Cannington Driver Vehicle Service (DVS) Centre to replace the existing aging facility at Welshpool was opened in October 2013;
 - the new Mirrabooka DVS Centre location has been identified as a replacement for the Morley DVS Centre. This new Centre is currently being fitted out and will be ready for occupancy in August 2014;
 - both new DVS Centres at Mirrabooka and Cannington will provide free wireless internet access for customers. Wireless access will be rolled-out progressively to all DVS Centres over 2014-15;
 - further expansion of partner services to increase customer choice and convenience, including new metropolitan Authorised Inspection Stations and extended over-the-counter services in Australia Post outlets;
 - the trial using existing partner services to deliver heavy combination and heavy rigid practical driving assessments is complete; and
 - an identity access management solution to enable further expansion of the online self service functions has been developed. This solution is known as DoTDirect and the first phase of the project was completed in December 2013. The first phase of the solution only included individuals whereas the second phase to be completed in July 2014, will allow organisations and motor vehicle dealers to register with DoTDirect and perform vehicle transfers online.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: An accessible and safe transport system:					
Percentage of standard metropolitan (non multi-purpose) taxi jobs which were not covered - peak	4.75%	1%	2.41%	1%	
Percentage of standard metropolitan (non multi-purpose) taxi jobs which were not covered - off-peak	1.67%	0.5%	0.82%	0.5%	
Percentage by which, the waiting time standard, for metropolitan area taxis, is met.	91.7%	91%	91.73%	91%	
Percentage of time maritime infrastructure is fit for purpose when required	99.53%	99.71%	99.11%	99.71%	
Number of serious rail accidents per million train kilometres.....	1.66	1.82	1.55	1.55	1
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels.	9.48	9.16	9.16	9.5	
Rate of reported incidents (accidents) on the water per 100 commercial vessels surveyed.....	4.82	4.67	5.09	5.58	
Percentage of regional airports receiving scheduled regular public transport air services.....	96%	100%	96%	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 audit (Safe Vehicles).....	87.75%	100%	87%	100%	
Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing system assessed by audit (Safe Drivers).....	87.5%	100%	90%	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.....	13.8%	16%	13.9%	14.5%	

(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 Office of Rail Safety will be transitioning to the Office of the National Rail Safety Regulator in 2014-15.

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, 'Outcomes Based Service Delivery' through:

- integration between and within transport modes;
- improving accessibility to transport services – land, water and air – for all individuals, businesses and communities;
- encouraging sustainable transport choices;
- setting competencies/standards and monitoring compliance for operators, vehicles and vessels in the taxi, omnibus, rail and maritime industries;
- facilitating the planning, construction and management of coastal infrastructure;
- developing and implementing policies and strategies to facilitate safe navigation and safe use of the waters of the State; and
- maintaining effective contingency response strategies and mechanisms to combat marine transport emergencies and marine environmental pollution incidents.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	110,507	111,701	108,314	114,393	
Less Income	81,901	77,707	75,928	68,865	
Net Cost of Service	28,606	33,994	32,386	45,528	
Employees (Full Time Equivalents).....	279	279	261	258	
Efficiency Indicators					
Average Cost per Household Contacted Under the TravelSmart Scheme.....	n/a	\$143.59	\$48.14	\$144.47	1
Cost of Regulation per Taxi Plate Administered.....	\$3,097.91	\$3,447.89	\$3,548.11	\$3,207.63	
Average Cost per Day per Maritime Infrastructure Asset Managed	\$79.23	\$68.93	\$69.66	\$70.24	
Average Survey Cost per Commercial Vessel	\$2,691	\$3,138.96	\$2,340.86	\$2,807.79	
Average Cost per Private Recreational Vessel Registration.....	\$105.77	\$105.20	\$100.26	\$100.11	
Cost to Maintain Pollution Response Preparedness per Registered Vessel	\$20.05	\$19.35	\$18.87	\$19.65	

Explanation of Significant Movements

(Notes)

1. The 2013-14 Budget Estimate was based on contacting 10,000 households, however, due to higher partnership contributions it is estimated that 30,000 households will be contacted in 2013-14.

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, 'Outcome Based Service Delivery' through:

- 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;
- enhancing community access to driver and vehicle services; and
- informing and educating road users about driver licensing and related requirements.

	2012-13 Actual ^(a)	2013-14 Budget ^(a)	2013-14 Estimated Actual ^(a)	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	176,138	172,066	177,433	183,535	
Less Income	160,762	186,371	187,554	193,318	
Net Cost of Service.....	15,376	(14,305)	(10,121)	(9,783)	
Employees (Full Time Equivalents).....	1,018	1,029	1,015	1,012	
Efficiency Indicators					
Average Cost per Vehicle and Driver Transaction.....	\$18.28	\$16.69	\$17.63	\$17.58	
Average Cost per Vehicle Inspection.....	\$99.43	\$86.05	\$102.43	\$98.07	
Average Cost per Driver Assessment	\$99.54	\$93.29	\$103.48	\$103.85	
Percentage of Driver Licence Cards Issued within 21 Days of Completed Application	99.9%	100%	100%	100%	

(a) Motor Vehicle Registration Recording Fee and Motor Driver's Licence Fee revenue will be collected under a net appropriation arrangement from 2014-15. This will result in a substantial increase in Income for service 2, and a corresponding reduction to the Net Cost of Service. The 2012-13 Actual, 2013-14 Budget and 2013-14 Estimated Actual financial data has been backcast for comparability purposes.

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 support cost effective transport systems and services and guide Government and the private sector in decision-making;
- the provision and coordination of integrated State-wide transport planning including those of national significance and those involving multi-modal solutions;
- improving freight access to key terminals, improving freight flows and increasing competitiveness for the efficient distribution of goods and services to business and the community; and
- undertaking State-wide capital investment planning, evaluation and prioritisation across transport modes.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	71,077	84,155	98,089	80,141	
<i>Less Income</i>	36,754	41,129	41,698	48,900	
Net Cost of Service.....	34,323	43,026	56,391	31,241	
Employees (Full Time Equivalents).....	139	125	139	136	
Efficiency Indicators					
Average Cost per Policy Hour for Strategic Transport Policy Development	\$103.94	\$106.55	\$109.94	\$94.30	
Average Cost per Planning Hour for Integrated Transport Planning Development.....	\$96.13	\$108.37	\$118.55	\$126.95	1

Explanation of Significant Movements

(Notes)

1. The Average Cost per Planning Hour for Integrated Transport Planning Development is higher in 2013-14 and 2014-15 due to additional costs associated with coastal infrastructure planning and the transfer of parking functions from the Department of Planning.

ASSET INVESTMENT PROGRAM

The Department's planned asset investment for 2014-15 is \$41.3 million comprising \$23.6 million of new works and \$17.8 million of work in progress. Major projects include:

Augusta Boat Harbour

Construction on the new boat harbour at Flat Rock in Flinders Bay, about 4 km south of Augusta is progressing well towards a scheduled completion date of September 2014. In addition to harbour structure, the new facility includes a total of 40 pens, boat launching facilities, access roads, parking capacity and other amenities.

Exmouth Boat Harbour

This project, subject to Cabinet's approval of the business case, will deliver the design and construction of a 130 metre service wharf extension, heavy lift and hardstand facility capable of accommodating crane loads and service upgrades, relocate trawler pens to provide for service wharf extension and improve water-side access to facilities.

Port Geographe Coastal Reconfiguration

Redevelopment at Port Geographe will remedy environmental, social and amenity issues that have impacted the local community for many years. Reconfiguration of groynes and seawalls at Port Geographe is expected to be complete in August 2014, with landscaping works scheduled for completion in December 2014.

Maritime Facilities Program

This program comprises asset replacement and additional public maritime infrastructure throughout the State to meet current and future boating demands. Significant projects to be undertaken in 2014-15 are the Fremantle Boat Harbour Jetty 2 and Carnarvon electrical upgrade.

Driver and Vehicle Services Reform Program

This program of works is to continue increasing 'self-service' capability and modernising the delivery of licensing services. This will be achieved through the development of web-based applications, replacement of legacy hardware for critical Driver and Vehicle Services Information Systems and accommodation improvements for enhanced customer service.

Information and Communications Infrastructure

This is a program for ongoing management of information and communications technology (ICT) infrastructure and applications. Major project components in 2014-15 include the upgrade and replacement of data storage, networks, servers, communications hardware and corporate information systems.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Coastal Infrastructure							
Augusta Boat Harbour ^(a)	34,600	29,300	13,030	5,300	-	-	-
Port Geographe Coastal Reconfiguration	28,150	19,325	18,600	8,825	-	-	-
Passenger Services Business Unit - Taxi Industry Security Initiatives							
	4,932	1,307	1,042	3,625	-	-	-
COMPLETED WORKS							
Broome Small Boat Harbour Stage 1 ^(a)							
	4,385	4,385	970	-	-	-	-
Coastal Infrastructure - Maritime Facilities - 2013-14							
Program	9,199	9,199	9,199	-	-	-	-
Corporate - Accommodation and Refurbishment - 2013-14							
Program	891	891	891	-	-	-	-
Driver and Vehicle Services							
Driver and Vehicle Services Reform - 2013-14 Program....	6,652	6,652	6,652	-	-	-	-
ICT Infrastructure - 2013-14 Program	8,271	8,271	8,271	-	-	-	-
Marine Safety							
Marine Oil Pollution Response Equipment							
Enhancement/Replacement - 2013-14 Program	48	48	48	-	-	-	-
Navigational Aids - 2013-14 Program	520	520	520	-	-	-	-
Vessel Replacement - 2013-14 Program	338	338	338	-	-	-	-
Minor Works - 2013-14 Program	27	27	27	-	-	-	-
NEW WORKS							
Coastal Infrastructure							
Exmouth Boat Harbour ^(a)	20,000	-	-	5,400	14,600	-	-
Maritime Facilities Program							
2014-15 Program	7,388	-	-	7,388	-	-	-
2015-16 Program	4,532	-	-	-	4,532	-	-
2016-17 Program	7,105	-	-	-	-	7,105	-
2017-18 Program	7,169	-	-	-	-	-	7,169
Corporate - Accommodation and Refurbishment							
2014-15 Program	2,861	-	-	2,861	-	-	-
2015-16 Program	565	-	-	-	565	-	-
2016-17 Program	562	-	-	-	-	562	-
2017-18 Program	517	-	-	-	-	-	517
Driver and Vehicle Services							
Driver and Vehicle Services Reform Program							
2014-15 Program	6,050	-	-	6,050	-	-	-
2015-16 Program	3,200	-	-	-	3,200	-	-
2016-17 Program	3,789	-	-	-	-	3,789	-
2017-18 Program	3,200	-	-	-	-	-	3,200
Information and Communications Infrastructure							
2014-15 Program	2,589	-	-	2,589	-	-	-
2015-16 Program	2,717	-	-	-	2,717	-	-
2016-17 Program	7,161	-	-	-	-	7,161	-
2017-18 Program	5,297	-	-	-	-	-	5,297
Marine Safety							
Marine Oil Pollution Response Equipment							
Enhancement/Replacement Program							
2014-15 Program	49	-	-	49	-	-	-
2015-16 Program	175	-	-	-	175	-	-
2016-17 Program	80	-	-	-	-	80	-
2017-18 Program	80	-	-	-	-	-	80
Navigational Aids Program							
2014-15 Program	560	-	-	560	-	-	-
2015-16 Program	760	-	-	-	760	-	-
2016-17 Program	775	-	-	-	-	775	-
2017-18 Program	780	-	-	-	-	-	780
Vessel Replacement							
2014-15 Program	460	-	-	460	-	-	-
2015-16 Program	510	-	-	-	510	-	-
2016-17 Program	535	-	-	-	-	535	-
2017-18 Program	580	-	-	-	-	-	580

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Minor Works							
2014-15 Program	223	-	-	223	-	-	-
2015-16 Program	342	-	-	-	342	-	-
2016-17 Program	486	-	-	-	-	486	-
2017-18 Program	300	-	-	-	-	-	300
Asset Investment Program Efficiency Measure	(4,688)	-	-	(2,027)	(740)	(1,025)	(896)
Total Cost of Asset Investment Program	184,722	80,263	59,588	41,303	26,661	19,468	17,027
FUNDED BY							
Capital Appropriation			38,164	24,819	8,921	16,290	17,027
Internal Funds and Balances			12,183	6,684	3,240	3,178	-
Drawdowns from Royalties for Regions Fund ^(b)			9,241	9,800	14,500	-	-
Total Funding			59,588	41,303	26,661	19,468	17,027

(a) Funded from the Royalties for Regions Fund.
 (b) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual ^(b)	2013-14 Budget ^(b)	2013-14 Estimated Actual ^(b)	2014-15 Budget Estimate	2015-16 Forward Estimate	2016-17 Forward Estimate	2017-18 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	131,644	133,879	135,926	134,367	135,078	137,640	139,192
Grants and subsidies ^(d)	88,998	101,597	98,858	106,070	81,477	80,731	78,878
Supplies and services.....	72,424	73,626	89,024	81,311	84,298	91,615	96,939
Accommodation.....	19,978	18,731	18,727	18,215	18,639	19,107	19,272
Depreciation and amortisation.....	14,745	12,207	14,214	14,214	14,414	14,414	14,414
Other expenses.....	29,933	27,882	27,087	23,892	28,957	29,257	29,486
TOTAL COST OF SERVICES.....	357,722	367,922	383,836	378,069	362,863	372,764	378,181
Income							
Sale of goods and services.....	18,274	19,172	19,172	20,092	20,889	21,718	22,581
Regulatory fees and fines.....	225,740	246,579	242,794	253,647	273,632	282,721	293,968
Grants and subsidies.....	7,980	6,190	6,078	3,169	2,910	2,910	2,910
Other revenue.....	27,423	33,266	37,136	34,175	33,780	33,617	33,732
Total Income.....	279,417	305,207	305,180	311,083	331,211	340,966	353,191
NET COST OF SERVICES.....	78,305	62,715	78,656	66,986	31,652	31,798	24,990
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	54,368	54,328	64,423	52,537	35,602	38,379	32,823
Resources received free of charge.....	1,830	1,989	1,989	1,989	1,989	1,989	1,989
Royalties for Regions Fund ^(e)	25,426	35,230	33,938	44,125	35,176	34,425	34,815
TOTAL INCOME FROM STATE GOVERNMENT.....	81,624	91,547	100,350	98,651	72,767	74,793	69,627
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	3,319	28,832	21,694	31,665	41,115	42,995	44,637

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

(b) Motor Vehicle Registration Recording Fee and Motor Driver's Licence Fee revenue will be collected under a net appropriation arrangement from 2014-15. This will result in a substantial reduction in the level of service appropriation provided to the Department, offset by an equivalent increase in retained revenue. The 2012-13 Actual, 2013-14 Budget and 2013-14 Estimated Actual financial data has been backcast for comparability purposes.

(c) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 1,436, 1,415 and 1,406 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(e) Regional Infrastructure and Headworks Fund - \$2.4 million (2012-13), \$9.8 million (2013-14 Budget), \$8.4 million (2013-14 estimated outturn), \$15.2 million (2014-15), \$4.5 million (2015-16), \$1.7 million (2016-17), Regional Community Services Fund - \$23.1 million (2012-13), \$25.4 million (2013-14 Budget), \$25.5 million (2013-14 estimated outturn), \$28.9 million (2014-15), \$30.7 million (2015-16), \$32.7 million (2016-17) and \$34.8 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Australian Maritime Safety Authority	176	643	332	436	442	448	448
Aviation (Public Air Route) Subsidies.....	592	600	600	600	600	600	600
Central Business District Transport Plan	5,112	7,450	8,950	7,850	2,250	2,250	2,250
Coastal Projects and Zone Management.....	1,001	1,057	1,057	1,057	1,057	1,057	1,057
Community Police	1,452	1,300	1,300	1,300	1,300	1,300	1,300
Country Age Pension Fuel Card Scheme.....	20,143	22,269	22,851	25,873	26,963	28,877	30,829
Emergency Vehicle Insurance	111	120	120	120	120	120	120
Fare Subsidies (Pensioners).....	1,241	1,589	1,589	1,589	1,589	1,589	1,589
Fremantle Port Rail Service.....	2,761	4,000	4,000	3,700	2,600	2,100	-
Grain Freight Network Rescue - Transitional Assistance Package	238	-	-	-	-	-	-
Lloyd Street Southern Extension and Underpass.....	2,000	-	-	-	-	-	-
Marine Communications	535	557	557	670	670	670	670
Metropolitan Taxi Camera Surveillance Unit Replacement Project	2,219	1,052	1,052	1,052	-	-	-
Multi Purpose Taxi - Vehicle Modification Grant...	465	345	345	345	345	345	345
National Transport Reforms	1,026	-	1,502	1,500	-	-	-
North West Shipping Service	8,499	8,000	2,800	-	-	-	-
Other Grants and Subsidies.....	906	610	461	283	586	594	594
Port of Wyndham	2,972	1,988	1,988	1,988	1,988	1,988	1,988
Public Transport Authority - Central Area Transit Bus Services	14,493	15,178	15,178	15,292	15,292	15,292	15,292
Regional Airport Development Scheme	4,684	5,856	4,299	8,129	1,940	1,940	1,940
Recreational Boat Facilities	3,792	4,297	5,191	5,800	6,000	3,205	1,500
Student Fare Concessions.....	1,537	1,241	1,241	1,241	1,241	1,241	1,241
Taxi User - Lifting Subsidy	1,913	2,459	1,959	1,959	1,959	1,959	1,959
Taxi User Subsidy Scheme	8,251	8,326	8,826	8,826	8,205	8,826	8,826
Western Australia Bicycle Network	2,879	12,660	12,660	16,460	6,330	6,330	6,330
TOTAL.....	88,998	101,597	98,858	106,070	81,477	80,731	78,878

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	32,319	47,554	31,441	30,657	34,946	40,001	45,517
Restricted cash.....	104,507	67,267	80,142	44,167	36,175	50,907	84,634
Receivables.....	9,998	9,129	9,998	9,998	9,998	9,998	9,998
Other.....	2,884	1,555	2,884	2,884	2,884	2,884	2,884
Total current assets.....	149,708	125,505	124,465	87,706	84,003	103,790	143,033
NON-CURRENT ASSETS							
Holding account receivables.....	161,533	173,741	175,747	187,561	199,575	211,589	223,603
Property, plant and equipment.....	382,216	452,923	428,271	453,791	466,819	472,654	476,048
Intangibles.....	20,039	15,462	19,358	18,677	17,896	17,115	16,334
Restricted cash.....	2,820	2,669	2,957	3,094	288	644	644
Other.....	-	-	-	2,250	2,250	2,250	2,250
Total non-current assets.....	566,608	644,795	626,333	665,373	686,828	704,252	718,879
TOTAL ASSETS.....	716,316	770,300	750,798	753,079	770,831	808,042	861,912
CURRENT LIABILITIES							
Employee provisions.....	25,579	23,438	25,579	25,579	25,579	25,579	25,579
Payables.....	21,763	5,936	21,763	21,763	21,763	21,763	21,763
Other.....	8,033	10,877	6,430	6,383	2,106	2,462	2,818
Total current liabilities.....	55,375	40,251	53,772	53,725	49,448	49,804	50,160
NON-CURRENT LIABILITIES							
Employee provisions.....	6,314	5,754	6,314	6,314	6,314	6,314	6,314
Other.....	139	1,324	1,384	1,073	762	451	139
Total non-current liabilities.....	6,453	7,078	7,698	7,387	7,076	6,765	6,453
TOTAL LIABILITIES.....	61,828	47,329	61,470	61,112	56,524	56,569	56,613
EQUITY							
Contributed equity.....	527,467	550,273	540,613	511,587	492,812	486,983	496,172
Accumulated surplus/(deficit).....	124,048	167,099	145,742	177,407	218,522	261,517	306,154
Reserves.....	2,913	5,599	2,913	2,913	2,913	2,913	2,913
Total equity.....	654,428	722,971	689,268	691,907	714,247	751,413	805,239
TOTAL LIABILITIES AND EQUITY.....	716,256	770,300	750,738	753,019	770,771	807,982	861,852

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual ^(b)	2013-14 Budget ^(b)	2013-14 Estimated Actual ^(b)	2014-15 Budget Estimate	2015-16 Forward Estimate	2016-17 Forward Estimate	2017-18 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	42,161	42,121	50,209	40,723	23,588	26,365	20,809
Capital appropriation	15,104	50,436	38,164	24,819	8,921	16,290	17,027
Royalties for Regions Fund ^(c)	41,633	55,320	43,179	53,925	49,676	34,425	34,815
Net cash provided by State Government.....	98,898	147,877	131,552	119,467	82,185	77,080	72,651
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(128,094)	(133,456)	(135,503)	(133,944)	(138,885)	(137,284)	(138,836)
Grants and subsidies	(82,203)	(101,597)	(98,858)	(106,070)	(81,477)	(80,731)	(78,878)
Supplies and services	(66,580)	(69,448)	(85,056)	(77,489)	(80,442)	(87,721)	(93,045)
Accommodation.....	(19,306)	(18,920)	(18,916)	(18,215)	(18,639)	(19,107)	(19,272)
Other payments.....	(57,845)	(30,989)	(29,984)	(26,832)	(31,931)	(32,269)	(32,498)
Receipts							
Regulatory fees and fines.....	181,698	201,326	197,541	207,468	226,744	235,581	246,092
Grants and subsidies	8,951	6,190	6,078	3,169	2,910	2,910	2,910
Sale of goods and services	18,193	19,172	19,172	20,092	20,889	21,718	22,581
Taxation.....	42,746	44,472	44,472	45,398	46,107	46,829	47,564
GST receipts.....	24,497	1,107	1,107	1,107	1,107	1,107	1,107
Other receipts.....	28,405	33,266	37,136	34,175	33,780	33,617	33,732
Net cash from operating activities.....	(49,538)	(48,877)	(62,811)	(51,141)	(19,837)	(15,350)	(8,543)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(38,705)	(81,692)	(59,588)	(41,303)	(26,661)	(19,468)	(17,027)
Proceeds from sale of non-current assets	90	-	-	-	-	-	-
Net cash from investing activities.....	(38,615)	(81,692)	(59,588)	(41,303)	(26,661)	(19,468)	(17,027)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	(28)	-	-	-	-	-	-
Net cash from financing activities.....	(28)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD							
	10,717	17,308	9,153	27,023	35,687	42,262	47,081
Cash assets at the beginning of the reporting period.....	131,529	134,440	139,646	114,540	77,918	71,409	91,552
Net cash transferred to/from other agencies.....	(2,600)	(34,259)	(34,259)	(63,645)	(42,196)	(22,119)	(7,838)
Cash assets at the end of the reporting period.....	139,646	117,489	114,540	77,918	71,409	91,552	130,795

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

(b) Motor Vehicle Registration Recording Fee and Motor Driver's Licence Fee revenue will be collected under a net appropriation arrangement from 2014-15. This will result in a substantial reduction in the level of service appropriation provided to the Department, offset by an equivalent increase in retained revenue. The 2012-13 Actual, 2013-14 Budget and 2013-14 Estimated Actual financial data has been backcast for comparability purposes.

(c) Regional Infrastructure and Headworks Fund - \$18.6 million (2012-13), \$29.9 million (2013-14 Budget), \$17.7 million (2013-14 estimated outturn), \$25 million (2014-15), \$19 million (2015-16), \$1.7 million (2016-17), Regional Community Services Fund - \$23.1 million (2012-13), \$25.4 million (2013-14 Budget), \$25.5 million (2013-14 estimated outturn), \$28.9 million (2014-15), \$30.7 million (2015-16), \$32.7 million (2016-17) and \$34.8 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual ^(a) \$'000	2013-14 Budget ^(a) \$'000	2013-14 Estimated Actual ^(a) \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Taxation							
Conservancy Fees	292	356	356	-	-	-	-
Motor Vehicle Licence Fees	616,462	680,495	680,495	788,201	832,550	877,589	923,942
Motor Vehicle Recording Fees	-	-	-	-	-	-	-
Fines							
Speed and Red Light Fines	70,161	82,123	82,123	82,123	82,123	82,123	82,123
Final Demand Fees	2,074	2,000	2,000	2,000	2,000	2,000	2,000
Plate and Transfer Infringements	7,463	7,185	7,185	7,565	7,565	7,565	7,565
Other Fines	25,756	28,602	28,602	27,042	27,041	27,041	27,042
Other							
Motor Drivers' Licences	-	-	-	-	-	-	-
Firearm Licence Fees	4,075	3,900	3,900	3,900	3,900	3,900	3,900
Dealer Plates Annual Fees	93	100	100	99	99	99	99
Collection of Interstate Licence Fees	2,475	-	4,100	3,817	3,817	3,817	3,817
Appropriation	85	90	90	95	100	100	100
TOTAL INCOME	728,936	804,851	808,951	914,842	959,195	1,004,234	1,050,588
EXPENSES							
Statutory Authorities							
Western Australian Coastal Shipping Commission	85	90	90	95	100	100	100
Other							
Payments to Consolidated Account	651,405	722,638	722,638	828,807	873,155	918,194	964,548
Payment to Road Trauma Trust Fund	70,161	82,123	82,123	82,123	82,123	82,123	82,123
All Other Expenses	8,583	-	4,100	3,817	3,817	3,817	3,817
TOTAL EXPENSES	730,234	804,851	808,951	914,842	959,195	1,004,234	1,050,588

(a) Prior to 2014-15 Motor Vehicle Registration Recording Fee and Motor Driver's Licence Fee revenue was collected as administered revenue, and paid to the Consolidated Account. This revenue will be collected under a net appropriation arrangement from 2014-15 and will be reported as controlled revenue rather than administered revenue. The 2012-13 Actual, 2013-14 Budget and 2013-14 Estimated Actual financial data has been backcast for comparability purposes.

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:

	2012-13 Actual ^(a) \$'000	2013-14 Budget ^(a) \$'000	2013-14 Estimated Actual ^(a) \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Boat Registration Fees.....	12,990	14,570	14,570	16,319	16,564	16,812	17,065
GST Input Credits.....	16,918	500	500	500	500	500	500
GST Receipts on Sales	7,579	607	607	607	607	607	607
Jetty Licences	552	561	561	528	542	555	569
Maritime Examinations	972	1,039	17	19	19	19	19
Motor Drivers							
Application and Other Fees.....	16,981	17,340	17,340	20,006	20,511	21,033	21,573
Licence Fees	38,147	45,687	45,687	43,600	45,190	46,288	47,198
Motor Vehicle							
Other Fees.....	2,442	2,706	2,621	2,726	2,749	2,772	2,795
Plate Fees.....	16,422	17,493	17,493	17,421	17,728	18,041	18,361
Search Fees.....	930	809	809	832	832	832	832
Transfer Fees	9,555	9,864	9,864	10,510	10,615	10,721	10,828
Vehicle Inspection Fees	13,694	13,685	13,685	13,909	14,183	14,463	14,748
Recording Fee.....	47,782	48,964	48,964	51,507	56,657	62,323	68,555
Proof of Age Cards.....	1,235	1,725	1,294	-	-	-	-
Recoups for Services Provided	17,988	18,971	18,971	19,934	20,731	21,560	22,423
Replacement Certificates	-	117	117	111	111	111	111
Western Australian Photo Card	-	-	489	2,247	2,320	2,395	2,473
TOTAL.....	204,187	194,638	193,589	200,776	209,859	219,032	228,657

(a) Motor Vehicle Registration Recording Fee and Motor Driver's Licence Fee revenue will be collected under a net appropriation arrangement from 2014-15. The 2012-13 Actual, 2013-14 Budget and 2013-14 Estimated Actual financial data has been backcast for comparability purposes.

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 18 - MINISTER FOR TRANSPORT; FINANCE

DIVISION 73

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 112 Net amount appropriated to deliver services	176,373	296,420	257,357	241,972	265,448	281,348	383,200
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	367	379	379	390	402	425	425
- Road Traffic Act 1974.....	536,239	558,539	558,539	620,633	644,776	700,795	707,148
Total appropriations provided to deliver services	712,979	855,338	816,275	862,995	910,626	982,568	1,090,773
CAPITAL							
Item 163 Capital Appropriation	112,676	360,453	307,911	127,667	2,663	105,043	297,130
- Road Traffic Act 1974.....	88,277	127,556	127,556	173,368	189,774	186,994	222,994
TOTAL APPROPRIATIONS.....	913,932	1,343,347	1,251,742	1,164,030	1,103,063	1,274,605	1,610,897
EXPENSES							
Adjusted Total Cost of Services ^(a)	1,834,396	2,155,569	2,074,014	1,969,256	1,746,624	2,056,017	2,291,073
Adjusted Net Cost of Services ^(b)	1,126,982	1,449,395	1,375,467	1,336,356	1,253,285	1,413,324	1,684,700
CASH ASSETS ^(c)	262,607	212,962	155,642	124,842	172,627	203,249	275,964

- (a) Adjusted Total Cost of Services excludes retired non-current fixed assets expense and expenditure relating to non-current fixed assets transferred 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 table and the Services Summary table.
- (b) Represents adjusted 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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Procurement Savings	(3,950)	-	-	-	-
2013-14 Voluntary Separation Scheme	3,500	-	-	-	-
2014-15 Procurement Savings	-	(7,909)	-	-	-
Commercial Advertising Devices	-	400	400	500	500
Commonwealth Funding Adjustments.....	-	410	(425)	(495)	45
Curtin Avenue Realignment	(1,000)	(1,000)	(5,000)	(15,000)	7,000
Depreciation Review	(1,813)	(3,947)	(1,943)	6,711	31,013
Local Government Agreement - Road Funding Cap.....	(32,300)	(18,800)	(19,300)	-	-
Motor Vehicle Licence Fee Adjustment	-	6,793	6,793	6,793	6,793
Office Of Road Safety Expenditure Increase.....	-	3,751	-	-	-
Over Size Over Mass Unit.....	8,992	9,163	9,438	9,692	9,952
Road Transfer Update.....	(28,220)	(10,190)	47,000	-	-
Sundry Debtors Update	32,447	10,000	-	-	10,000

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government 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
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
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

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Road Safety	113,571	112,982	133,457	110,622	104,346	115,800	119,977
2. Road System Management	108,206	151,317	147,644	152,790	147,959	148,808	145,209
3. Road Efficiency Improvements	428,261	721,813	610,241	785,548	484,506	480,155	484,266
4. Infrastructure for Community Access	55,774	55,745	53,231	25,178	27,223	44,894	27,444
5. Road Network Maintenance	750,184	699,702	731,958	734,783	778,395	834,860	901,368
6. Infrastructure for State Development.....	285,994	337,528	315,838	60,258	154,801	387,106	583,345
7. Office of Road Safety	92,406	76,482	81,645	100,077	49,394	44,394	29,464
Total Cost of Services	1,834,396	2,155,569	2,074,014	1,969,256	1,746,624	2,056,017	2,291,073

Significant Issues Impacting the Agency

- Road Safety is a continuing focus to ensure the impact of road trauma on the community is reduced. A total of 162 people were killed on Western Australian roads in 2013, which is the lowest annual total since records began in 1961. This followed a five year period of overall reduction. This is encouraging and indicates the actions being implemented under the Towards Zero Road Safety Strategy are achieving results. However, Western Australia is still behind some States for road safety performance. This demonstrates the need to continue to drive efforts for further improvement. Main Roads coordinates and monitors progress towards the State's road safety goals outlined in the State Government Towards Zero Strategy.
- Perth is one of Australia's fastest growing capital cities and the population has grown from 1.4 million in 2001 to an estimated 2 million in 2013 with a proportional growth in road use. Economic development and associated population growth has placed growing pressure on our road infrastructure and traffic volumes are now a significant issue in Perth. Key arterial corridors are currently suffering from an increase in traffic and inconsistent journey times with limited opportunities for capacity improvements. This has a direct influence on the economy and impact on the effectiveness and efficiency of commerce within the State.

The State Government is addressing this issue through the application of multiple strategies and Main Roads has begun implementing these initiatives. These include:

- the provision of a third lane in the Graham Farmer Freeway Tunnel;
- Mitchell and Kwinana Freeway widening works;
- roundabout signals at the Point Lewis Rotary;
- the launch of a new mobile phone app that provides road users with journey information;
- coordination of traffic management for all major road works and events in the CBD; and
- the introduction of Active Traffic Management which includes a dedicated Incident Response Service to remove broken down vehicles on major CBD roads and sections of the Freeway.
- Given the importance of the road transport industry to service regional areas, delivering improvements in transport efficiencies is important for the State economy. Investment in initiatives such as the Over Size Over Mass Unit for the heavy haulage industry and planned construction of additional passing lanes assist in reducing transport costs.
- Ensuring an adequately maintained and efficient regional road network to support freight and passenger vehicles is an ongoing issue. Recent additional maintenance allocations and continued investment in maintenance will enable the achievement of the minimum whole of life cycle cost for the road asset.
- Ongoing investment in road infrastructure to support and grow the State's economy continues with a successful partnership between the State and Commonwealth Governments. Projects jointly funded include:
 - Gateway WA;
 - NorthLink WA - Swan Valley Section;
 - North West Coastal Highway - Minilya to Barradale;
 - Great Northern Highway - Muchea to Wubin Stage 2;
 - NorthLink WA - Tonkin Highway Grade Separations; and
 - Leach Highway - High Street Improvements.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: A safe road environment:					
Community satisfaction with road safety.....	94%	90%	90%	90%	
Blackspot location indicator	10	10	9.99	9.68	
Outcome: Reliable and efficient movement of people and goods:					
Community satisfaction.....	94%	90%	90%	90%	
Road network permitted for use by heavy freight vehicles					
B-Doubles 27.5m.....	97%	96%	97%	96%	
Double road trains 27.5m.....	97%	96%	97%	96%	
Double road trains 36.5m.....	79%	78%	78%	78%	
Triple road trains 53.5m.....	44%	44%	44%	44%	
Network configuration - roads.....	89%	89%	90%	90%	
Network configuration - bridges					
Strength	88%	87%	88%	89%	
Width.....	95%	94%	94%	95%	
Outcome: Improved community access and roadside amenity:					
Percentage of the year that 100% of the Main Roads' state road network is available.....	94	85	95	85	
Community satisfaction with cycleways and pedestrian facilities	83%	90%	85%	90%	
Outcome: A well maintained road network:					
Smooth travel exposure	97%	97%	97%	97%	
Community satisfaction with road maintenance	84%	90%	85%	90%	
Preventative maintenance indicator	87%	84%	85%	85%	
Outcome: Facilitate economic and regional development:					
Return on construction expenditure	3.1	3.3	5.3	4.3	
Outcome: Improve coordination and community awareness of road safety in Western Australia:					
Effectiveness of road safety awareness campaigns.....	83%	65%	n/a	65%	

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

Services and Key Efficiency Indicators

1. 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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 113,571	\$'000 112,982	\$'000 133,457	\$'000 110,622	1,2
Less Income	13,005	9,800	11,232	11,570	
Net Cost of Service.....	100,566	103,182	122,225	99,052	
Employees (Full Time Equivalents).....	50	50	50	50	
Efficiency Indicators					
Percentage of Projects Completed on Time	70%	90%	85%	90%	
Percentage of Projects Completed on Budget	95%	90%	95%	90%	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Services between the 2013-14 Estimated Actual and the 2013-14 Budget is mainly due to a combination of additional funding for the Wubin to Mullewa works and some additional minor works coded as road safety.
2. The reduction in Total Cost of Services between the 2013-14 Estimated Actual and the 2014-15 Budget Target is a return to trend funding for this program.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 108,206	\$'000 151,317	\$'000 147,644	\$'000 152,790	
Less Income	4,100	33,690	8,992	9,163	
Net Cost of Service.....	104,106	117,627	138,652	143,627	
Employees (Full Time Equivalents).....	566	568	563	578	
Efficiency Indicators					
Average Cost of Network Management per Million Vehicle Kilometres Travelled ..	\$4,535	\$4,256	\$5,960	\$5,451	

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	428,261	721,813	610,241	785,548	1,2
Less Income	147,633	328,219	315,919	419,096	2
Net Cost of Service.....	280,628	393,594	294,322	366,452	
Employees (Full Time Equivalents).....	94	95	95	95	
Efficiency Indicators					
Percentage of Projects Completed on Time	86%	90%	80%	90%	
Percentage of Projects Completed on Budget	100%	90%	90%	90%	

Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Services between the 2013-14 Budget and the 2013-14 Estimated Actual is mainly due to updated cash flows for the Great Eastern Highway, Bulla Bulling and Kwinana Freeway - Roe Highway to Armadale Road projects.
2. The increase in both Total Cost of Services and Income between the 2013-14 Estimated Actual and the 2014-15 Budget Target is mainly due to Commonwealth funding for the Great Eastern Highway, Bulla Bulling and Great Northern Highway - Muchea to Wubin projects.

4. Infrastructure for Community Access

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	55,774	55,745	53,231	25,178	1
Less Income	35,904	35,000	35,425	1,150	1
Net Cost of Service.....	19,870	20,745	17,806	24,028	
Employees (Full Time Equivalents).....	28	28	28	28	
Efficiency Indicators					
Percentage of Projects Completed on Time	80%	90%	100%	90%	
Percentage of Projects Completed on Budget	80%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Services and Income between the 2013-14 Estimated Actual and the 2014-15 Budget Target is mainly due to works completing on the Carnarvon Flood Levees in 2013-14.

5. Road Network Maintenance

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	750,184	699,702	731,958	734,783	
Less Income	206,125	71,655	118,279	90,580	1
Net Cost of Service.....	544,059	628,047	613,679	644,203	
Employees (Full Time Equivalents).....	150	151	151	158	
Efficiency Indicators					
Average Cost of Road Network Maintenance per Lane Kilometre of Network	\$7,926	\$7,900	\$7,991	\$8,349	

Explanation of Significant Movements

(Notes)

- The increase in Income between the 2013-14 Budget and the 2013-14 Estimated Actual is mainly due to an increase in third party funded works.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	285,994	337,528	315,838	60,258	1
Less Income	209,389	130,855	111,745	3,886	1
Net Cost of Service.....	76,605	206,673	204,093	56,372	
Employees (Full Time Equivalents).....	124	129	129	129	
Efficiency Indicators					
Percentage of Projects Completed on Time	100%	90%	100%	90%	
Percentage of Projects Completed on Budget	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

- The reduction in both Total Cost of Services and Income between the 2013-14 Estimated Actual and 2014-15 Budget Target is mainly due to works finishing or reducing on the Port Hedland Realignment, Esperance Port Access and Bunbury Outer Ring road projects.

7. Office of Road Safety

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	92,406	76,482	81,645	100,077	1
Less Income	91,258	96,955	96,955	97,455	
Net Cost of Service	1,148	(20,473)	(15,310)	2,622	
Employees (Full Time Equivalents).....	28	28	28	28	
Efficiency Indicators					
Percentage of Office of Road Safety Projects Completed on Time.....	78%	90%	95%	90%	
Percentage of Office of Road Safety Projects Completed on Budget.....	100%	90%	95%	90%	

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Services between the 2013-14 Estimated Actual and the 2014-15 Budget Target is mainly due to use of previous years approved under expenditure allocations.

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 the service level provided by the road network consistently conforms to the needs of all road users, the community and 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 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Albany Highway - Passing Lanes ^(a)	22,590	2,100	2,100	6,430	7,930	6,130	-
Brand Highway - Greenough River Bridge ^(b)	17,982	7,982	7,616	10,000	-	-	-
Coalfields Highway							
Wellington Dam Turn-off and Roelands Hill Dual Lanes ^(a)	28,115	615	500	27,500	-	-	-
Dampier Highway							
Balmoral Road to Burrup Peninsula Road (Stages 2-6) Construct Second Carriageway	110,777	110,227	3,570	550	-	-	-
Gateway WA							
Perth Airport and Freight Access	986,901	442,067	330,565	294,058	161,690	89,086	-
Tonkin Highway - Abernethy Road Onramps	15,751	13,628	6,206	2,123	-	-	-
Gibb River Road							
Derby - Gibb River - Wyndham - Improve Formation, and Gravel	59,122	38,145	-	4,376	4,289	4,503	7,809

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Goldfields Highway							
Wiluna to Meekatharra ^(b)	24,400	17,600	16,593	6,800	-	-	-
Great Eastern Highway							
Walgoolan to Coolgardie - Upgrade and Widening	67,100	4,595	4,595	61,505	1,000	-	-
Great Northern Highway							
Muecha to Wubin Stage 2	384,750	6,000	6,000	81,000	86,000	106,750	80,000
Muecha to Wubin, Bindi Bindi Curves	40,000	22,031	20,413	17,969	-	-	-
Port Hedland Upgrade	262,263	258,063	133,007	4,200	-	-	-
Kwinana Freeway							
Roe Highway to Armadale Road - Widening South Bound	58,964	3,613	3,613	32,387	22,964	-	-
Marble Bar Road							
Coongan Gorge - Construct Re-Alignment	22,874	667	-	-	-	-	1,209
Fortescue River Crossing - Road Bridge ^(b)	12,660	2,532	2,532	10,128	-	-	-
Newman to Ripon Hills ^(b)	20,000	7,250	7,128	12,750	-	-	-
Mitchell Freeway - Burns Beach Road to Hester Avenue	322,000	2,000	1,511	4,000	20,000	127,000	169,000
North West Coastal Highway - Minilya to Barradale	217,965	6,505	6,050	71,700	75,000	40,000	24,760
NorthLink WA - Swan Valley Section	844,600	33,300	32,188	9,000	63,976	190,284	378,720
Office of Road Safety - Urban Intersection Crash Sites ^(a)	39,435	19,435	16,003	20,000	-	-	-
Onslow Road - Post Construction Upgrade	67,000	500	500	-	33,500	33,000	-
Perth - Bunbury Highway							
Bunbury Port Access Road Stage 2 - Construct and Seal							
Including Bridges	43,813	37,217	14,551	6,596	-	-	-
Reid Highway							
Duffy Road to Erindale Road Dual Carriageway	48,000	5,000	4,856	41,000	2,000	-	-
Malaga Drive Intersection Grade Separation	75,000	500	392	-	-	11,000	35,000
Safer Roads and Bridges Program							
Safer Roads and Bridges Program	259,946	130,946	34,800	27,200	35,000	31,800	35,000
Wubin to Mullewa Road - Perenjori to Morawa ^{(a) (b)}	21,599	12,149	11,686	9,450	-	-	-
South Coast Highway - Ravenshorpe Heavy Vehicle Route ^(b)	20,000	16,000	15,525	4,000	-	-	-
Various Roads							
Royalties for Regions - Caravan and Camping Program							
Action Plan	5,125	1,375	1,375	1,150	1,200	600	800
COMPLETED WORKS							
Albany Ring Road	2,012	2,012	800	-	-	-	-
Buildings and Equipment 2013-14 Program	13,605	13,605	13,605	-	-	-	-
Capitalised Operational Costs 2013-14 Program	35,000	35,000	35,000	-	-	-	-
Coalfields Highway - Wellington Dam Turnoff to Collie Stage 1	24,985	24,985	11,025	-	-	-	-
Coolgardie - Esperance Highway - Esperance Port Access	120,018	120,018	50,404	-	-	-	-
Eyre Highway							
Caiguna East to Balladonia Stage 2	301	301	292	-	-	-	-
Heartbreak Ridge - Reconstruct	33,404	33,404	231	-	-	-	-
Geraldton - Mt Magnet Road							
Geraldton Southern Transport Corridor Stage 2 -							
Construct North West Coastal Highway to Geraldton							
Airport	40,677	40,677	630	-	-	-	-
Graham Farmer Freeway - Detailed Planning and							
Construction							
Tunnel Conversion to Three Lanes	57,000	57,000	31,517	-	-	-	-
Grain Freight Network Stage 1	43,770	43,770	2,907	-	-	-	-
Great Eastern Highway							
Kooyong Road to Tonkin Highway Stage 1- Construct							
Dual Carriageway	249,492	249,492	8,985	-	-	-	-
Roe Highway - Construct Interchange	98,550	98,550	6,351	-	-	-	-
Great Northern Highway							
Fitzroy Crossing to Gogo - Planning and Design	4,538	4,538	332	-	-	-	-
Roe Highway to Muecha - Reconstruct, Widen and							
Construct Passing Lanes	90,599	90,599	1,455	-	-	-	-
Indian Ocean Drive - Lancelin to Cervantes Stage 2 Construct	94,854	94,854	1,201	-	-	-	-
Leach Highway - High Street Improvements	8,000	8,000	5,200	-	-	-	-
Mandurah Entrance Road - Construct	144,989	144,989	1,552	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor Works)							
2013-14 Program	41,314	41,314	41,314	-	-	-	-
Mitchell Freeway - Hepburn Avenue to Hodges Drive	28,003	28,003	17,854	-	-	-	-
Office of Road Safety							
Electronic School Zone Sign Project ^(a)	5,000	5,000	2,979	-	-	-	-
Run-off Crashes on Regional Roads ^(a)	38,088	38,088	31,746	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Perth - Bunbury Highway							
Bunbury Outer Ring Road Stage 1 - Construct	76,451	76,451	6,746	-	-	-	-
Bunbury Port Access Stage 1 - Construct and Seal Including Bridges.....	38,305	38,305	176	-	-	-	-
Eelup Rotary Upgrade	16,014	16,014	105	-	-	-	-
Queen Victoria Street							
Fremantle Traffic Bridge Replacement - Planning, Design and Preliminary Works	4,277	4,277	1,649	-	-	-	-
Reid Highway							
Alexander Drive Interchange	40,019	40,019	13	-	-	-	-
Extension - West Swan Road to Great Northern Highway.....	94,746	94,746	778	-	-	-	-
Mirrabooka Avenue Interchange.....	25,444	25,444	354	-	-	-	-
Roe Highway Extension - Project Development.....	20,002	20,002	531	-	-	-	-
South Street							
Murdoch Drive Interchange (Murdoch Activity Centre).....	14,999	14,999	3,283	-	-	-	-
Tonkin Highway - Mills Road West to Thomas Road	159,324	159,324	97	-	-	-	-
Various Roads							
Carnarvon Flood Levees	60,000	60,000	33,718	-	-	-	-
High-Wide Loads - Six Bridge Improvements.....	7,670	7,670	1,276	-	-	-	-
Oxford Street - LED Sign Lights	40	40	40	-	-	-	-
Wanneroo Road							
Wallawa Street to Joondalup Drive - Construct Dual Carriageway	14,236	14,236	132	-	-	-	-
NEW WORKS							
Buildings and Equipment							
2014-15 Program	13,369	-	-	13,369	-	-	-
2015-16 Program	13,922	-	-	-	13,922	-	-
2016-17 Program	13,800	-	-	-	-	13,800	-
2017-18 Program	7,500	-	-	-	-	-	7,500
Capitalised Operational Costs							
2014-15 Program	35,000	-	-	35,000	-	-	-
2015-16 Program	36,300	-	-	-	36,300	-	-
2016-17 Program	37,480	-	-	-	-	37,480	-
2017-18 Program	32,800	-	-	-	-	-	32,800
Great Eastern Highway							
Bilgoman Road to Mundaring.....	12,000	-	-	-	8,600	3,400	-
Great Eastern Highway - Passing Lanes ^(b)	48,000	-	-	-	2,000	12,000	12,000
Leach Highway - Carrington St to Stirling Highway	118,000	-	-	3,800	19,900	52,300	42,000
Minor Works (Includes Black Spot and Urgent Minor Works)							
2014-15 Program	44,484	-	-	44,484	-	-	-
2015-16 Program	30,776	-	-	-	30,776	-	-
2016-17 Program	32,449	-	-	-	-	32,449	-
2017-18 Program	33,300	-	-	-	-	-	33,300
Narrogin Link Road - Northam-Cranbrook Road	7,500	-	-	7,500	-	-	-
NorthLink WA - Tonkin Highway Grade Separations.....	281,200	-	-	1,000	1,000	44,000	140,600
Office of Road Safety - LED School Zone Lights ^(a)	36,000	-	-	12,000	12,000	12,000	-
South Western Highway - Donnybrook to Greenbushes.....	25,781	-	-	-	-	-	621
Total Cost of Asset Investment Program	6,704,119	2,947,768	998,153	883,025	639,047	847,582	1,001,119
Loan and Other Repayments.....			5,000	5,000	5,000	766	-
Total.....	6,704,119	2,947,768	1,003,153	888,025	644,047	848,348	1,001,119
FUNDED BY							
Capital Appropriation			435,467	301,035	192,437	292,037	520,124
Asset Sales.....			14,500	14,500	14,500	14,500	2,000
Commonwealth Grants			278,938	415,522	323,900	425,000	410,680
Drawdowns from the Holding Account			46,907	47,553	51,580	55,515	55,515
Internal Funds and Balances			162,433	90,387	26,130	16,296	800
Other.....			40,324	-	33,500	33,000	-
Drawdowns from Royalties for Regions Fund ^(c)			24,584	19,028	2,000	12,000	12,000
Total Funding			1,003,153	888,025	644,047	848,348	1,001,119

(a) Funded from the Road Trauma Trust Account (wholly or in part).
 (b) Funded from the Royalties for Regions Fund (wholly or in part).
 (c) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

Total Cost of Services includes non-current fixed assets expense and expenditure relating to non-current fixed assets transferred 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 reduction in Total Cost of Services between the 2013-14 Estimated Actual and the 2014-15 Budget Estimate is mainly due to a combination of a reduction in road assets transferred out (roads that no longer meet the criteria for a main road are transferred to the appropriate local government) and a reduction in capitalised road works.

Income

The increase in the sale of goods and services between the 2013-14 Budget and the 2013-14 Estimated Actual is due to additional works to be carried out on the road network, requested and funded by third parties. This value fluctuates over the years and is often unconfirmed until the year of delivery.

The majority of grants and subsidies income comes from the Commonwealth Government and fluctuates according to its contribution to the Asset Investment Program for each particular year.

Other revenue includes road assets transferred to the State from third parties including local government.

Statement of Financial Position

Restricted cash is mainly attributable to the Office of Road Safety and the revenue from speed and red light camera infringements. These funds will be allocated to projects, subject to the approval of the Road Safety Council and State Government.

Statement of Cashflows

As the Asset Investment Program is represented in the income statement and transferred to the balance sheet through extraordinary items, the cashflow statement generally reflects movements as per the income statement with timing of actual payments being the major difference.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	124,662	124,627	135,819	136,140	139,076	142,963	144,760
Grants and subsidies ^(c)	230,525	234,835	202,105	211,194	212,907	268,090	241,693
Supplies and services.....	1,166,909	1,463,669	1,404,960	1,273,552	1,017,634	1,247,474	1,481,595
Accommodation.....	17,918	17,043	18,648	19,193	19,655	20,270	20,847
Depreciation and amortisation.....	257,958	273,691	271,878	294,325	314,258	333,431	357,733
Other expenses.....	74,750	194,918	165,598	58,346	113,588	67,283	67,939
TOTAL COST OF SERVICES.....	1,872,722	2,308,783	2,199,008	1,992,750	1,817,118	2,079,511	2,314,567
Income							
Sale of goods and services.....	100,914	44,075	81,846	19,075	42,575	42,075	19,075
Grants and subsidies.....	442,078	442,064	370,674	502,527	408,185	508,685	495,105
Other revenue.....	164,422	220,035	246,027	111,298	113,073	115,427	115,687
Total Income.....	707,414	706,174	698,547	632,900	563,833	666,187	629,867
NET COST OF SERVICES.....	1,165,308	1,602,609	1,500,461	1,359,850	1,253,285	1,413,324	1,684,700
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	712,979	855,338	816,275	862,995	910,626	982,568	1,090,773
Resources received free of charge.....	1,375	2,600	2,600	2,700	2,700	2,700	2,700
Royalties for Regions Fund ^(d)	1,407	9,465	9,465	2,005	1,546	1,589	1,589
TOTAL INCOME FROM STATE GOVERNMENT.....	715,761	867,403	828,340	867,700	914,872	986,857	1,095,062
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(449,547)	(735,206)	(672,121)	(492,150)	(338,413)	(426,467)	(589,638)
Extraordinary items ^(e)	821,978	1,072,327	984,548	869,656	625,125	833,782	993,619
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS.....	372,431	337,121	312,427	377,506	286,712	407,315	403,981

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 1,040, 1,044 and 1,066 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$8 million (2013-14 Budget), \$8 million (2013-14 estimated outturn), \$0.5 million (2014-15), Regional Community Services Fund - \$1.4 million (2012-13), \$1.5 million (2013-14 Budget), \$1.5 million (2013-14 estimated outturn), \$1.5 million (2014-15), \$1.5 million (2015-16), \$1.6 million (2016-17) and \$1.6 million (2017-18).

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

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Local Road Grants and Subsidies.....	170,040	193,663	167,363	176,300	177,446	232,629	206,232
Office of Road Safety.....	28,722	24,775	22,742	22,894	23,461	23,461	23,461
Other.....	663	3,870	2,000	2,000	2,000	2,000	2,000
Western Australia Natural Disaster Relief and Recovery Arrangements Funding Applied to the Local Government Road Network.....	31,100	12,527	10,000	10,000	10,000	10,000	10,000
TOTAL.....	230,525	234,835	202,105	211,194	212,907	268,090	241,693

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	196,110	126,269	73,673	45,483	45,263	22,880	27,660
Restricted cash.....	66,497	86,693	81,969	79,359	127,364	180,369	248,304
Holding account receivables.....	46,907	47,553	47,553	51,580	55,515	59,312	63,109
Receivables.....	61,900	21,503	61,228	60,556	59,884	59,212	58,540
Other.....	20,813	19,358	20,813	20,813	20,813	20,813	20,813
Assets held for sale.....	5,346	4,906	5,346	5,346	5,346	5,346	5,346
Total current assets.....	397,573	306,282	290,582	263,137	314,185	347,932	423,772
NON-CURRENT ASSETS							
Holding account receivables.....	1,373,652	1,546,464	1,544,651	1,734,070	1,939,487	2,160,280	2,405,375
Property, plant and equipment.....	39,561,545	42,958,993	41,430,767	43,128,614	44,515,550	46,138,848	47,891,381
Intangibles.....	16,374	9,814	16,404	16,434	16,464	16,494	16,524
Other.....	86,709	81,484	72,409	58,109	43,809	29,509	27,709
Total non-current assets.....	41,038,280	44,596,755	43,064,231	44,937,227	46,515,310	48,345,131	50,340,989
TOTAL ASSETS.....	41,435,853	44,903,037	43,354,813	45,200,364	46,829,495	48,693,063	50,764,761
CURRENT LIABILITIES							
Employee provisions.....	36,510	35,635	35,010	35,010	35,010	35,010	35,010
Payables.....	24,865	30,113	25,918	26,971	28,024	29,077	30,130
Other.....	214,234	186,992	216,133	218,032	215,697	216,830	218,729
Total current liabilities.....	275,609	252,740	277,061	280,013	278,731	280,917	283,869
NON-CURRENT LIABILITIES							
Employee provisions.....	4,194	3,618	4,194	4,194	4,194	4,194	4,194
Borrowings.....	10,766	5,766	5,766	766	-	-	-
Other.....	24	12	24	24	24	24	24
Total non-current liabilities.....	14,984	9,396	9,984	4,984	4,218	4,218	4,218
TOTAL LIABILITIES.....	290,593	262,136	287,045	284,997	282,949	285,135	288,087
EQUITY							
Contributed equity.....	3,303,417	3,839,150	3,763,468	4,083,531	4,277,968	4,582,005	5,114,129
Accumulated surplus/(deficit).....	11,788,904	12,114,373	12,101,331	12,478,837	12,765,549	13,172,864	13,576,845
Reserves.....	26,052,939	28,687,378	27,202,969	28,352,999	29,503,029	30,653,059	31,785,700
Total equity.....	41,145,260	44,640,901	43,067,768	44,915,367	46,546,546	48,407,928	50,476,674
TOTAL LIABILITIES AND EQUITY.....	41,435,853	44,903,037	43,354,813	45,200,364	46,829,495	48,693,063	50,764,761

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	537,185	634,973	597,723	621,996	649,694	702,463	786,366
Capital appropriation	200,953	488,009	435,467	301,035	192,437	292,037	520,124
Holding account drawdowns.....	46,907	46,907	46,907	47,553	51,580	55,515	55,515
Royalties for Regions Fund ^(b)	10,562	31,842	34,049	21,033	3,546	13,589	13,589
Receipts paid into Consolidated Account	(605)	-	-	-	-	-	-
Net cash provided by State Government.....	795,002	1,201,731	1,114,146	991,617	897,257	1,063,604	1,375,594
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(66,986)	(66,176)	(78,868)	(78,567)	(81,503)	(85,390)	(87,187)
Grants and subsidies	(218,147)	(234,835)	(202,105)	(211,194)	(212,907)	(268,090)	(241,693)
Supplies and services	(427,857)	(455,395)	(484,577)	(465,721)	(454,681)	(476,305)	(567,684)
Accommodation.....	(14,990)	(12,407)	(15,557)	(15,757)	(15,939)	(16,351)	(16,855)
Other payments.....	(157,178)	(122,380)	(119,640)	(115,695)	(123,870)	(124,327)	(125,350)
Receipts							
Grants and subsidies	442,078	442,064	370,674	502,527	408,185	508,685	495,105
Sale of goods and services	74,967	45,017	82,788	20,017	43,517	43,017	20,017
GST receipts.....	129,901	101,700	101,700	101,700	101,700	101,700	101,700
Other receipts.....	101,021	104,135	113,127	113,798	115,573	117,927	118,187
Net cash from operating activities.....	(137,191)	(198,277)	(232,458)	(148,892)	(219,925)	(199,134)	(303,760)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(829,076)	(1,085,932)	(998,153)	(883,025)	(639,047)	(847,582)	(1,001,119)
Proceeds from sale of non-current assets	9,142	14,500	14,500	14,500	14,500	14,500	2,000
Net cash from investing activities.....	(819,934)	(1,071,432)	(983,653)	(868,525)	(624,547)	(833,082)	(999,119)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(766)	-
Net cash from financing activities.....	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(766)	-
NET INCREASE/(DECREASE) IN CASH HELD							
	(167,123)	(72,978)	(106,965)	(30,800)	47,785	30,622	72,715
Cash assets at the beginning of the reporting period.....	429,730	285,940	262,607	155,642	124,842	172,627	203,249
Cash assets at the end of the reporting period.....	262,607	212,962	155,642	124,842	172,627	203,249	275,964

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

(b) Regional Infrastructure and Headworks Fund - \$9.2 million (2012-13), \$30.4 million (2013-14 Budget), \$32.6 million (2013-14 estimated outturn), \$19.5 million (2014-15), \$2 million (2015-16), \$12 million (2016-17), \$12 million (2017-18), Regional Community Services Fund - \$1.4 million (2012-13), \$1.5 million (2013-14 Budget), \$1.5 million (2013-14 estimated outturn), \$1.5 million (2014-15), \$1.5 million (2015-16), \$1.6 million (2016-17) and \$1.6 million (2017-18).

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Taxation							
Permits - oversize vehicles and loads	8,054	5,600	8,200	8,400	8,600	8,900	9,100
TOTAL INCOME	8,054	5,600	8,200	8,400	8,600	8,900	9,100
EXPENSES							
Grants To Charitable And Other Public Bodies							
Receipts Paid into Consolidated Account	8,054	5,600	8,200	8,400	8,600	8,900	9,100
TOTAL EXPENSES.....	8,054	5,600	8,200	8,400	8,600	8,900	9,100

PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA

PART 18 - MINISTER FOR TRANSPORT; FINANCE

DIVISION 74

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	337	348	348	359	359	359	359
Total appropriations provided to deliver services	337	348	348	359	359	359	359
CAPITAL							
Item 164 Capital Appropriation	245,963	118,624	96,701	94,405	132,176	142,864	154,076
TOTAL APPROPRIATIONS	246,300	118,972	97,049	94,764	132,535	143,223	154,435
EXPENSES							
Total Cost of Services.....	1,152,367	1,217,907	1,227,683	1,291,733	1,352,397	1,416,320	1,461,168
Net Cost of Services ^(a)	890,616	933,287	964,286	1,019,268	1,066,780	1,118,883	1,137,275
CASH ASSETS ^(b)	67,546	53,813	62,454	67,999	66,425	66,847	77,247

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
AvonLink	400	-	-	-	-
Externally Funded Services and Works	878	338	353	363	374
Fuel Expense Update	(1,561)	(1,217)	(1,008)	(902)	(1,054)
Interest Expense for Edgewater Multi-Storey Carpark	149	1,073	2,206	2,510	2,510
Interest Expense for Forrestfield Airport Link	213	416	795	2,591	16,107
MAX Light Rail Planning and Development	-	-	-	5,000	-
Operating Cost for Early Commissioning of Butler Extension	-	3,714	-	-	-
Regional Workers Incentive Allowance Payments	8	2	(2)	(2)	(6)
Remediation of Contaminated Site	7,000	-	-	-	-
Repairs to Damaged Railcars	2,700	650	-	-	-
Transperth Paid Parking Signage and Communication	972	-	-	-	-
TransWA Fuel Tax Credits	(100)	63	96	129	164

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	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Metropolitan and Regional Passenger Services.....	868,433	928,143	935,614	1,007,429	1,069,676	1,133,113	1,174,081
2. Country Passenger Rail and Road Coach Services.....	49,964	51,761	50,631	52,446	54,025	55,328	55,974
3. Regional School Bus Services	116,221	121,481	122,231	123,083	124,892	128,246	132,724
4. Rail Corridor and Residual Freight Issues Management.....	117,749	116,522	119,207	108,775	103,804	99,633	98,389
Total Cost of Services	1,152,367	1,217,907	1,227,683	1,291,733	1,352,397	1,416,320	1,461,168

Significant Issues Impacting the Agency

- Perth's public transport system is regarded as one of the best, newest and most efficient in the nation. However, growth in population and public transport usage is placing demands on the system. To ensure that the network will be able to cope with the projected increase in public transport use and growth of the city, the Authority is extending the Joondalup line to Butler (expected to open in late 2014) and preparing to construct the Forrestfield Airport Link (scheduled for completion in 2020). In addition, the Authority is increasing the capacity of the existing network by constructing a new station at Aubin Grove. The Authority is undertaking planning studies to further extend the urban rail passenger network and a route utilisation strategy and other initiatives to improve the serviceability of the existing network.
- Accessible and reliable public transport is important in enhancing the quality of life and wellbeing of Western Australia's growing population. As patronage increases, so do the demands on railway stations, bus interchanges and associated infrastructure. The Authority ensures that it has appropriate systems, processes and resources (particularly customer service and security staff) in place to safely control the increasingly large crowds using these facilities. This is of particular significance as the population ages and for people who have a disability, their families and carers. The Authority will continue to enhance and manage its infrastructure appropriately.
- Perth's electric urban train system ranges from six to 24 years in age with older track designs for the Armadale, Fremantle and Midland lines. The Authority undertakes regular preventative maintenance works and continues to implement various resilience measures to ensure that the large number of passengers that now rely on the network are provided safe and reliable travel.

- The Government is investing in the Transperth train network to provide for capacity growth. Three of the 22 new three-car train sets ordered in 2011 have now been commissioned into service. The remainder of the train sets will arrive in a staged delivery schedule, with the last car being delivered in late 2016.
- The delivery of the \$358.6 million transport package to service the new Perth Stadium is underway. Major works are in the procurement stage, including construction of the Victoria Park Drive bridge and the Swan River Pedestrian bridge, rail reserve earthworks and drainage works. In addition, work has been undertaken to relocate Western Power infrastructure.
- The demand for parking at train stations continues to grow. The Authority has commenced the procurement process to construct a \$46.5 million multi-storey car parking facility at Edgewater station to be completed in 2016. This follows on from the successful Better Transport Systems project, which has seen the construction of over 4,000 additional parking bays since 2008, as well as better access arrangements for pedestrians and cyclists, and improved bicycle and motorcycle storage facilities.
- The geographic spread of Perth and its predominantly low density setting means buses are the only viable means of meeting much of Perth's public transport needs. Buses also provide feeder services for trains. Transperth's bus fleet of more than 1,300 buses deliver more than 60 million service kilometres per annum. This dependency on buses requires that the Authority ensures that its buses are safe, efficient and reliable and that it stays abreast of new technologies. The Authority's trial of a diesel-electric Hybrid bus is continuing. The trial will help to determine the long-term viability of hybrid buses.
- The benefits of the \$569.3 million Perth City Link (PCL) project are now coming to fruition. The rail component of the PCL project was completed in December, well ahead of the mid-2014 scheduled date. A contract has now been awarded for the PCL underground Perth Busport, which is scheduled for completion in 2016.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Accessible, reliable and safe public transport system:					
Use of public transport - passengers per service kilometre:					
Metropolitan Bus Services.....	1.37	1.46	1.34	1.33	1
Metropolitan Train Services.....	4.12	4.36	3.76	3.56	2
Metropolitan Ferry Services.....	12.74	12.71	12.03	12.08	
Regional Bus Services.....	0.815	0.822	0.742	0.752	3
Country Passenger Rail Services.....	0.236	0.231	0.224	0.231	
Country Passenger Road Coach Services.....	0.065	0.066	0.066	0.070	
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.....					
	84.7%	85%	85%	86%	
Metropolitan and regional passenger services reliability:					
Bus services within four minutes of scheduled time.....					
	75.1%	75%	82%	80%	
Train arriving within four minutes of scheduled time.....					
	93%	95%	94.5%	95%	
Ferries arriving within three minutes of scheduled time.....					
	84.7%	85%	98%	98%	4
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time.....					
	77%	80%	80%	80%	
Australind arriving within 10 minutes of scheduled time.....					
	94%	90%	90%	90%	
MerredinLink arriving within 10 minutes of scheduled time.....					
	94%	95%	95%	95%	
AvonLink arriving within 10 minutes of scheduled time.....					
	99%	95%	95%	95%	
Road Coaches arriving within 10 minutes of scheduled time.....					
	97%	95%	95%	95%	
Regional school bus services reliability:					
Drop off no less than 10 minutes before the school starts and pick up within 10 minutes of school ending.....					
	99.8%	99%	99.8%	99%	
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan Bus Services.....					
	81%	81%	81%	81%	
Metropolitan Train Services.....					
	84%	90%	89%	90%	
Metropolitan Ferry Services.....					
	96%	98%	97%	98%	
Country Passenger Rail and Road Coach Services.....					
	92%	92%	92%	92%	
Customer perception of safety - independent external surveys:					
Train station - Daytime.....					
	98%	96%	96%	96%	
On-board train - Daytime.....					
	99%	97%	97%	97%	
Train station - Night-time.....					
	69%	69%	68%	69%	
On-board train - Night-time.....					
	78%	75%	74%	75%	
Bus station - Daytime.....					
	97%	96%	97%	97%	
On-board bus - Daytime.....					
	99%	98%	99%	99%	
Bus station - Night-time.....					
	73%	70%	73%	73%	
On-board bus - Night-time.....					
	81%	82%	81%	81%	
Level of notifiable safety occurrences - notifiable occurrences:					
Category A Occurrences per million passenger boardings.....					
	0.18	0.21	0.27	0.27	5
Category A Occurrences per million train kilometres.....					
	0.68	0.81	0.92	1	5
Category B Occurrences per million passenger boardings.....					
	7.98	8.50	8.87	9.3	5
Category B Occurrences per million train kilometres.....					
	29.73	35	29.96	32	5
Regional school bus services: notifiable occurrences (accidents) reported each school year.....					
	27	19	21	21	
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)

- The target for passengers per service kilometre on the Metropolitan Bus Services is decreasing in 2014-15, due to a 4% increase in service kilometres as a result of the opening of Butler train station and the Additional Bus Service Kilometre program.
- The target for passengers per service kilometre on Metropolitan Train Services is decreasing in 2014-15, due to a 7% increase in service kilometres as a result of the opening of Butler train station.
- The target for passengers per service kilometre on Regional Town Bus Services is decreasing in 2014-15, due to a decrease in passengers boarding and an increase in service kilometres.
- The target for 2013-14 was reduced to 85% in anticipation of delays resulting from works at Elizabeth Quay. These delays did not eventuate.
- The targets for 2014-15 levels of notifiable safety occurrences are based on the average annual number of occurrences over the last 5 years.

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	868,433	928,143	935,614	1,007,429	1
Less Income	225,061	247,717	228,495	235,770	2
Net Cost of Service	643,372	680,426	707,119	771,659	
Employees (Full Time Equivalents).....	1,277	1,354	1,338	1,404	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
Transperth Bus Operations.....	\$0.90	\$0.89	\$0.97	\$1.03	
Transperth Train Operations	\$0.42	\$0.42	\$0.48	\$0.50	
Transperth Ferry Operations	\$1.30	\$1.25	\$1.31	\$1.37	
Average Cost per 1,000 Place Kilometres:					
Regional Bus Services	\$74.49	\$73.91	\$72.47	\$75.58	

Explanation of Significant Movements

(Notes)

- The increase in total cost of the service of \$71.8 million in 2014-15 is attributable to increased costs for:
 - interest on borrowings for asset investment (\$16.1 million);
 - depreciation (\$14.8 million)
 - additional bus service kilometres (\$13.2 million);
 - payments to bus contractors (\$12.2 million);
 - workers compensation (\$6.2 million);
 - fuel (\$5.1 million); and
 - labour cost escalation (\$3.9 million).
- The reduction in income from the 2013-14 Budget to the 2013-14 Estimated Actual primarily relates to a \$20.5 million decrease in fare revenue due to lower than expected patronage on metropolitan services.

2. Country Passenger Rail and Road Coach Services

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 49,964	\$'000 51,761	\$'000 50,631	\$'000 52,446	1
Less Income	12,884	12,887	11,927	12,224	
Net Cost of Service	37,080	38,874	38,704	40,222	
Employees (Full Time Equivalents).....	141	147	144	152	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
TransWA Rail.....	\$0.46	\$0.48	\$0.44	\$0.49	
TransWA Road Coaches.....	\$0.23	\$0.27	\$0.23	\$0.27	

Explanation of Significant Movements

(Notes)

- The increase in total cost of the service of \$1.8 million in 2014-15 is attributable to increased costs for:
 - contract cost escalation (\$0.8 million);
 - depreciation (\$0.5 million);
 - labour cost escalation (\$0.4 million); and
 - maintenance (\$0.2 million).

3. Regional School Bus Services

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 116,221	\$'000 121,481	\$'000 122,231	\$'000 123,083	1
Less Income	4,831	5,831	4,670	4,885	
Net Cost of Service	111,390	115,650	117,561	118,198	
Employees (Full Time Equivalents).....	46	49	45	48	
Efficiency Indicators					
Average Cost per Contracted Kilometre:					
School Bus Services.....	\$3.62	\$3.73	\$3.70	\$3.73	

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service of \$0.9 million in 2014-15 is attributable to bus contractor cost escalation.

4. Rail Corridor and Residual Freight Issues Management ^(a)

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

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	117,749	116,522	119,207	108,775	1
Less Income	18,975	18,185	18,305	19,586	
Net Cost of Service	98,774	98,337	100,902	89,189	
Employees (Full Time Equivalents).....	12	13	11	11	
Efficiency Indicators					
Total Cost of Managing the Rail Freight Corridor and Residual Freight Issues.....	\$117,749,000	\$116,522,000	\$119,207,000	\$108,775,000	

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

Explanation of Significant Movements

(Notes)

- The decrease in Total Cost of Service of \$10.4 million in 2014-15 is attributable to:
 - the provision of funding in 2013-14 for the rectification of contaminated sites (\$8 million); and
 - decreased depreciation in 2014-15 (\$2.5 million).

ASSET INVESTMENT PROGRAM

Key projects for the Asset Investment Program include:

Forrestfield Airport Link

- Planning is continuing for the \$2 billion Forrestfield Airport Link. The planned alignment will branch from the Midland line near Bayswater Station to the consolidated Perth Airport terminal and continue on to Forrestfield. Three new stations will be built along the rail line. In 2014-15, an estimated \$12 million will be expended on the necessary project planning and procurement activities.

Perth City Link

- The Perth City Link project consists of a rail and bus component. The rail component was completed in December 2013, six months ahead of program. This involved sinking part of the Perth to Fremantle railway line west of Perth Station and the provision of significant track, infrastructure and passenger amenity improvements, including a new underpass linking the Perth Underground Station and Perth Station. Work has now begun on the bus component to construct the underground Perth Busport. In 2014-15, an estimated \$99.7 million will be expended on the Perth City Link project, which is due for completion in mid-2016.

New Perth Stadium Transport Project

- The \$358.6 million transport package to service the new Perth Stadium is progressing well. In 2014-15, it is anticipated that \$80.6 million will be expended on major works, including construction of Victoria Park Drive bridge and road works, construction of a major pedestrian underpass, the Swan River Pedestrian bridge and associated rail reserve earthworks and drainage works.

Extension of the Joondalup Railway Line to Butler

- Butler Station was completed in early 2014 and the remaining railway infrastructure will be completed and commissioned by June. This will permit commencement of passenger services by September 2014, ahead of the due date for commencement. In 2014-15, an estimated \$26.6 million will be expended.

Aubin Grove Station

- Planning works and preliminary procurement activities are now well underway and the land acquisition required for the \$57 million station and associated bus interchange and parking is expected to be finalised by June 2014. It is anticipated that \$9.9 million will be expended in 2014-15 and the station is expected to be completed by December 2016.

Edgewater Multi-storey Car Park

- It is estimated that \$6.4 million will be expended on the \$46.5 million multi-storey car parking facility at Edgewater in 2014-15, which will provide approximately 1,000 bays. The facility will be available for use in late 2016.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Aubin Grove Station.....	57,000	6,800	6,422	9,888	27,876	12,140	296
Bus Infrastructure Program.....	27,806	17,594	3,569	3,273	4,000	2,939	-
Bus Replacement Program	438,814	173,678	43,932	51,100	56,138	66,989	68,800
Common Infrastructure Program	49,955	23,335	10,991	2,430	2,190	2,200	2,200
Edgewater Multi-storey Car Park	46,482	565	565	6,353	21,854	17,710	-
Extension of the Northern Suburbs Railway to Butler	220,730	187,874	61,318	26,583	6,273	-	-
Forrestfield Airport Link	2,021,000	7,000	7,000	12,000	57,000	104,000	510,000
Freight Program.....	147,426	146,337	33,189	1,089	-	-	-
New Perth Stadium Transport Project	358,641	27,402	21,966	80,617	101,063	122,394	27,165
Operational Business Support Systems Program	100,362	22,564	10,915	11,118	5,000	6,047	4,713
Perth City Link	569,269	427,784	109,219	99,684	38,329	3,472	-
Parking Facilities Program	7,998	4,617	-	3,381	-	-	-
Rail Infrastructure Program	479,039	70,535	42,589	31,194	19,107	11,635	42,736
Rail Stations Program.....	36,509	33,549	10,491	2,960	-	-	-
Railcar Program	244,142	137,085	48,738	60,861	39,894	6,302	-
COMPLETED WORKS							
Bus Infrastructure Program.....	1,356	1,356	35	-	-	-	-
Bus Replacement Program ^(a)	8,600	8,600	6,031	-	-	-	-
Common Infrastructure Program	2,260	2,260	46	-	-	-	-
Freight Program.....	5,902	5,902	5,734	-	-	-	-
Parking Facilities Program	56,137	56,137	3,787	-	-	-	-
Rail Infrastructure Program	28,675	28,675	2,050	-	-	-	-
Rail Stations Program.....	11,360	11,360	2,487	-	-	-	-
Railcar Program.....	671	671	166	-	-	-	-
NEW WORKS							
Bus Replacement Program ^(a)	64,672	-	-	29,295	12,740	14,369	8,268
Common Infrastructure Program	950	-	-	950	-	-	-
MAX Light Rail	1,877,000	-	-	-	-	-	17,000
Operational Business Support Systems Program	39,000	-	-	-	-	-	9,000
Parking Facilities Program	18,000	-	-	-	-	-	2,000
Rail Infrastructure Program	144,800	-	-	-	-	-	10,791
Asset Investment Program Efficiency Measure	(27,915)	-	-	(8,313)	(6,212)	(4,382)	(9,008)
Total Cost of Asset Investment Program	7,036,641	1,401,680	431,240	424,463	385,252	365,815	693,961
Loan and Other Repayments.....			81,239	86,577	91,246	106,626	104,627
Total.....	7,036,641	1,401,680	512,479	511,040	476,498	472,441	798,588
FUNDED BY							
Capital Appropriation.....			96,701	94,405	132,176	142,864	154,076
Borrowings			280,242	236,190	146,756	137,906	550,393
Drawdowns from the Holding Account			56,758	36,336	49,162	42,488	59,166
Internal Funds and Balances			18,338	(4,957)	122	-	(50)
Other.....			34,259	63,645	42,196	22,119	7,838
Drawdowns from Royalties for Regions Fund ^(b)			3,400	4,804	5,023	4,670	-
Funding Included in Department of Treasury - New Perth Stadium.....			22,781	80,617	101,063	122,394	27,165
Total Funding			512,479	511,040	476,498	472,441	798,588

(a) Partly funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services in 2014-15 increased by \$64 million (5.2%) from the 2013-14 Estimated Actual. The net increase is mainly due to increased costs for:

- bus contract cost escalation (including school bus contracts) (\$17 million);
- interest on borrowings for asset investment (\$16.5 million);
- depreciation (\$13.5 million);
- additional bus service kilometres (\$13.2 million);
- labour cost escalation (\$7.3 million); and
- fuel (\$5.1 million).

Income

The total income is estimated to be \$272.5 million for the 2014-15 Budget Estimate. This represents an increase of \$9.1 million compared to the 2013-14 Estimated Actual. This increase is mainly attributable to:

- increased Transperth and TransWA fare revenue (\$20.2 million); offset by
- a one-off contribution to the Perth City Link project from the City of Perth in 2013-14 (\$12 million).

Statement of Financial Position

The Authority's total equity is expected to decrease by \$28.4 million from the 2013-14 Estimated Actual to the 2014-15 Budget Estimate. This reflects a projected increase in total assets of \$116.3 million and an increase in total liabilities of \$144.7 million.

The increase in assets is mainly attributable to:

- property, plant and equipment (\$147.8 million);
- cash balances (\$5.5 million); offset by
- a drawdown in the holding account receivables for future asset replacement (\$36.3 million).

The Authority's statement shows accumulated deficits across the forward estimates period 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 asset depreciation has been withdrawn.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	140,789	150,453	156,022	163,308	174,245	181,314	185,270
Grants and subsidies ^(c)	427,439	457,380	455,219	486,759	515,490	547,264	560,564
Supplies and services.....	219,133	218,103	223,969	214,749	220,708	230,360	228,349
Accommodation.....	28,892	29,797	29,797	34,327	36,616	39,146	39,344
Depreciation and amortisation.....	245,404	263,914	263,914	277,366	276,857	281,456	292,057
Borrowing expenses.....	69,877	78,040	78,402	94,860	108,041	117,059	135,275
Other expenses.....	20,833	20,220	20,360	20,364	20,440	19,721	20,309
TOTAL COST OF SERVICES.....	1,152,367	1,217,907	1,227,683	1,291,733	1,352,397	1,416,320	1,461,168
Income							
Sale of goods and services.....	192,904	207,413	186,790	207,244	221,032	233,285	249,260
Regulatory fees and fines.....	3,567	3,940	3,940	3,940	3,940	3,940	3,940
Grants and subsidies.....	23,316	34,732	33,367	22,199	21,124	20,572	31,022
Other revenue.....	41,964	38,535	39,300	39,082	39,521	39,640	39,671
Total Income.....	261,751	284,620	263,397	272,465	285,617	297,437	323,893
NET COST OF SERVICES.....	890,616	933,287	964,286	1,019,268	1,066,780	1,118,883	1,137,275
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	337	348	348	359	359	359	359
Resources received free of charge.....	618	-	-	-	-	-	-
Royalties for Regions Fund ^(d)	3,297	2,701	3,109	12	8	8	4
Operating Subsidy.....	646,184	683,790	712,103	746,998	795,023	842,526	860,771
TOTAL INCOME FROM STATE GOVERNMENT.....	650,436	686,839	715,560	747,369	795,390	842,893	861,134
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(240,180)	(246,448)	(248,726)	(271,899)	(271,390)	(275,990)	(276,141)

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 1,476, 1,538 and 1,615 respectively. In some cases the figures for 2012-13 and 2013-14 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$3.3 million (2012-13), \$2.7 million (2013-14 Budget), \$3.1 million (2013-14 estimated outturn), \$12,000 (2014-15), \$8,000 (2015-16), \$8,000 (2016-17) and \$4,000 (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Local Government.....	21	1,200	1,200	1,600	-	-	-
Metropolitan Services:							
Bus Operators.....	303,892	325,642	324,761	353,031	379,051	406,366	415,605
Ferry Services.....	763	731	731	770	797	825	854
Regional Bus Services.....	14,563	16,136	16,025	16,666	17,333	17,939	18,567
Regional School Bus Services:							
Conveyance Allowance.....	2,148	3,771	3,771	3,888	4,144	4,123	4,197
School Bus Services.....	106,052	109,900	108,731	110,804	114,165	118,011	121,341
TOTAL.....	427,439	457,380	455,219	486,759	515,490	547,264	560,564

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	56,114	46,489	53,011	57,968	57,846	58,608	69,108
Restricted cash.....	8,448	7,324	6,459	7,047	5,595	5,255	5,155
Holding account receivables.....	56,241	24,836	56,241	56,241	56,241	56,241	56,241
Receivables.....	25,603	23,215	25,603	25,603	25,603	25,603	25,603
Other.....	15,394	16,222	15,394	15,394	15,394	15,394	15,394
Assets held for sale.....	10,380	12,100	10,380	10,380	10,380	10,380	10,380
Total current assets.....	172,180	130,186	167,088	172,633	171,059	171,481	181,881
NON-CURRENT ASSETS							
Holding account receivables.....	946,363	922,911	889,605	853,269	804,107	761,619	702,453
Property, plant and equipment.....	5,553,246	5,782,629	5,706,013	5,853,800	5,962,771	6,047,013	6,451,947
Intangibles.....	8,028	27,324	21,727	21,039	20,464	20,581	17,551
Restricted cash.....	2,984	-	2,984	2,984	2,984	2,984	2,984
Other.....	-	4,240	-	-	-	-	-
Total non-current assets.....	6,510,621	6,737,104	6,620,329	6,731,092	6,790,326	6,832,197	7,174,935
TOTAL ASSETS.....	6,682,801	6,867,290	6,787,417	6,903,725	6,961,385	7,003,678	7,356,816
CURRENT LIABILITIES							
Employee provisions.....	30,642	27,391	30,642	30,642	30,642	30,642	30,642
Payables.....	64,019	66,495	64,019	64,019	64,019	64,019	64,019
Other.....	122,483	111,718	124,483	124,383	124,283	124,183	140,743
Total current liabilities.....	217,144	205,604	219,144	219,044	218,944	218,844	235,404
NON-CURRENT LIABILITIES							
Employee provisions.....	6,593	6,462	6,593	6,593	6,593	6,593	6,593
Borrowings.....	1,471,291	1,736,882	1,670,294	1,819,908	1,875,418	1,906,698	2,335,804
Other.....	200,593	194,789	195,791	191,013	184,195	179,251	173,785
Total non-current liabilities.....	1,678,477	1,938,133	1,872,678	2,017,514	2,066,206	2,092,542	2,516,182
TOTAL LIABILITIES.....	1,895,621	2,143,737	2,091,822	2,236,558	2,285,150	2,311,386	2,751,586
EQUITY							
Contributed equity.....	3,042,003	3,230,338	3,199,144	3,442,615	3,723,073	4,015,120	4,204,199
Accumulated surplus/(deficit).....	(229,696)	(484,282)	(478,422)	(750,321)	(1,021,711)	(1,297,701)	(1,573,842)
Reserves.....	1,974,873	1,977,497	1,974,873	1,974,873	1,974,873	1,974,873	1,974,873
Total equity.....	4,787,180	4,723,553	4,695,595	4,667,167	4,676,235	4,692,292	4,605,230
TOTAL LIABILITIES AND EQUITY.....	6,682,801	6,867,290	6,787,417	6,903,725	6,961,385	7,003,678	7,356,816

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	337	348	348	359	359	359	359
Capital appropriation	245,963	118,624	96,701	94,405	132,176	142,864	154,076
Holding account drawdowns.....	25,533	54,857	56,758	36,336	49,162	42,488	59,166
Royalties for Regions Fund ^(b)	3,297	6,100	6,509	4,816	5,031	4,678	4
Operating Subsidy	646,184	683,790	712,103	746,998	795,023	842,526	860,771
New Perth Stadium Account.....	4,621	60,781	22,781	80,617	101,063	122,394	27,165
Net cash provided by State Government.....	925,935	924,500	895,200	963,531	1,082,814	1,155,309	1,101,541
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(135,127)	(149,789)	(155,358)	(162,620)	(175,597)	(180,792)	(185,270)
Grants and subsidies	(428,493)	(457,380)	(455,219)	(486,760)	(515,491)	(547,265)	(560,565)
Supplies and services.....	(214,441)	(218,120)	(221,986)	(214,866)	(220,833)	(230,484)	(228,473)
Accommodation.....	(28,707)	(29,801)	(29,801)	(34,331)	(36,612)	(39,142)	(39,340)
Other payments.....	(209,769)	(191,376)	(191,878)	(207,843)	(225,997)	(234,296)	(253,100)
Receipts							
Regulatory fees and fines.....	3,469	3,940	3,940	3,940	3,940	3,940	3,940
Grants and subsidies	23,757	34,732	33,367	22,199	21,124	20,572	31,022
Sale of goods and services	190,612	207,413	186,790	207,244	221,032	233,285	249,260
GST receipts.....	114,267	93,137	93,137	92,640	97,537	97,537	97,537
Other receipts.....	37,776	33,069	33,834	33,616	34,055	34,174	34,205
Net cash from operating activities.....	(646,656)	(674,175)	(703,174)	(746,781)	(796,842)	(842,471)	(850,784)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(518,763)	(543,185)	(431,240)	(424,463)	(385,252)	(365,815)	(693,961)
Proceeds from sale of non-current assets	1,107	-	860	-	-	-	-
Net cash from investing activities.....	(517,656)	(543,185)	(430,380)	(424,463)	(385,252)	(365,815)	(693,961)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(69,855)	(81,079)	(81,239)	(86,577)	(91,246)	(106,626)	(104,627)
Proceeds from borrowings	291,461	337,691	280,242	236,190	146,756	137,906	550,393
Net cash from financing activities.....	221,606	256,612	199,003	149,613	55,510	31,280	445,766
NET INCREASE/(DECREASE) IN CASH HELD	(16,771)	(36,248)	(39,351)	(58,100)	(43,770)	(21,697)	2,562
Cash assets at the beginning of the reporting period.....	81,717	55,802	67,546	62,454	67,999	66,425	66,847
Net cash transferred to/from other agencies.....	2,600	34,259	34,259	63,645	42,196	22,119	7,838
Cash assets at the end of the reporting period.....	67,546	53,813	62,454	67,999	66,425	66,847	77,247

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

(b) Regional Infrastructure and Headworks Fund - \$3.4 million (2013-14 estimated outturn), \$4.8 million (2014-15), \$5 million (2015-16), \$4.7 million (2016-17), Regional Community Services Fund - \$3.3 million (2012-13 Actual), \$6.1 million (2013-14 Budget), \$3.1 million (2013-14 estimated outturn), \$12,000 (2014-15), \$8,000 (2015-16), \$8,000 (2016-17) and \$4,000 (2017-18).

ALBANY PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2014-15 Asset Investment Program includes \$1 million for minor works (including motor vehicle purchases). In addition, \$3.8 million has been allocated to improve the efficiency of rail access to the Port.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Minor Works – 2013-14 Program.....	974	974	974	-	-	-	-
Motor Vehicle Replacement – 2013-14 Program.....	250	250	250	-	-	-	-
NEW WORKS							
Minor Works							
2014-15 Program	750	-	-	750	-	-	-
2015-16 Program	750	-	-	-	750	-	-
2016-17 Program	1,000	-	-	-	-	1,000	-
2017-18 Program	1,000	-	-	-	-	-	1,000
Motor Vehicle Replacement							
2015-16 Program	250	-	-	-	250	-	-
2014-15 Program	250	-	-	250	-	-	-
Port Infrastructure Enhancement – Rail Access.....	3,785	-	-	3,785	-	-	-
Total Cost of Asset Investment Program	9,009	1,224	1,224	4,785	1,000	1,000	1,000
FUNDED BY							
Internal Funds and Balances			1,224	4,785	1,000	1,000	1,000
Total Funding			1,224	4,785	1,000	1,000	1,000

BROOME PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2014-15 Asset Investment Program totals \$11.6 million and includes continued funding for the refurbishment of the wharf to extend its life for a further 10 years, as well as funding for minor works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Major Port Infrastructure - Wharf Extension of Life ^(a)	24,150	3,000	3,000	10,575	10,575	-	-
Minor Works - 2013-14 Program	1,610	1,110	1,110	500	-	-	-
COMPLETED WORKS							
Property Development - Occupational Health and Safety.....	2,130	2,130	1,328	-	-	-	-
NEW WORKS							
Minor Works							
2014-15 Program	1,075	-	-	1,075	-	-	-
2015-16 Program	1,359	-	-	-	1,359	-	-
2016-17 Program	1,360	-	-	-	-	1,360	-
2017-18 Program	1,575	-	-	-	-	-	1,575
Asset Investment Program Efficiency Measure	(1,327)	-	-	(583)	(597)	(68)	(79)
Total Cost of Asset Investment Program	31,932	6,240	5,438	11,567	11,337	1,292	1,496
FUNDED BY							
Capital Appropriation			-	10,575	10,575	-	-
Borrowings			2,938	-	-	-	-
Internal Funds and Balances			(500)	992	762	1,292	1,496
Drawdowns from Royalties for Regions Fund ^(b)			3,000	-	-	-	-
Total Funding			5,438	11,567	11,337	1,292	1,496

(a) Partly funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

BUNBURY PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2014-15 Asset Investment Program of \$4.8 million includes:

- \$2 million for the replacement of mobile plant and equipment, improvements to the Port's infrastructure and other civil works;
- \$1.8 million for the purchase of freehold land as part of the Port's Inner Harbour Structure Plan 2009; and
- \$1 million for the construction of a Road Network – Inner Harbour South.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement – Minor Works							
2012-13 Program	1,551	1,551	472	-	-	-	-
2013-14 Program	2,600	2,600	2,600	-	-	-	-
Purchase of Freehold Land							
Glen Iris 2 of 4 Lots 2011-12	1,955	1,955	1,955	-	-	-	-
Glen Iris 2 of 4 Lots 2012-13	1,587	1,587	1,587	-	-	-	-
Lot 10 Estuary Drive (Ex Goodman Fielder Land)	2,000	2,000	2,000	-	-	-	-
NEW WORKS							
Asset Replacement – Minor Works							
2014-15 Program	3,800	-	-	3,800	-	-	-
2015-16 Program	2,000	-	-	-	2,000	-	-
2016-17 Program	3,000	-	-	-	-	3,000	-
2017-18 Program	3,000	-	-	-	-	-	3,000
Infrastructure - Construction of Road Network - Inner Harbour South							
	1,950	-	-	1,000	950	-	-
Total Cost of Asset Investment Program	23,443	9,693	8,614	4,800	2,950	3,000	3,000
FUNDED BY							
Internal Funds and Balances			8,614	4,800	2,950	3,000	3,000
Total Funding			8,614	4,800	2,950	3,000	3,000

DAMPIER PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's Asset Investment Program in 2014-15 will consist of the construction of port infrastructure at the Port of Ashburton, as well as various minor works at Dampier Port. Minor works include the replacement of mobile plant and office equipment, and upgrades to the Dampier Port's infrastructure.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Asset Investment - Port of Ashburton.....	32,400	1,000	1,000	5,000	12,000	11,000	2,400
COMPLETED WORKS							
Minor Works - 2013-14 Program	7,400	7,400	7,400	-	-	-	-
NEW WORKS							
Minor Works							
2014-15 Program	5,000	-	-	5,000	-	-	-
2015-16 Program	5,000	-	-	-	5,000	-	-
2016-17 Program	5,000	-	-	-	-	5,000	-
2017-18 Program	6,000	-	-	-	-	-	6,000
Asset Investment Program Efficiency Measure	(1,000)	-	-	(250)	(250)	(250)	(250)
Total Cost of Asset Investment Program	59,800	8,400	8,400	9,750	16,750	15,750	8,150
FUNDED BY							
Internal Funds and Balances			7,400	4,750	4,750	4,750	5,750
Other.....			1,000	5,000	12,000	11,000	2,400
Total Funding			8,400	9,750	16,750	15,750	8,150

ESPERANCE PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's Asset Investment Program in 2014-15 will continue to focus on improving Port infrastructure and minor works including the replacement of plant and equipment.

In addition, the Hughes Road Port entry will be upgraded to align with the Esperance Port Access Corridor Project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COMPLETED WORKS							
Minor Works - 2013-14 Program	5,000	5,000	5,000	-	-	-	-
Rail Refurbishment Works	2,000	2,000	2,000	-	-	-	-
NEW WORKS							
Berth 2 Container Hardstand	1,300	-	-	-	1,300	-	-
Hughes Road Upgrade	11,200	-	-	11,200	-	-	-
Iron Ore Shed Ventilation Upgrade	2,500	-	-	2,500	-	-	-
Minor Works							
2014-15 Program	2,500	-	-	2,500	-	-	-
2015-16 Program	3,700	-	-	-	3,700	-	-
2016-17 Program	5,000	-	-	-	-	5,000	-
2017-18 Program	5,000	-	-	-	-	-	5,000
Total Cost of Asset Investment Program	38,200	7,000	7,000	16,200	5,000	5,000	5,000
FUNDED BY							
Borrowings			2,000	11,200	-	-	-
Internal Funds and Balances			5,000	5,000	5,000	5,000	5,000
Total Funding			7,000	16,200	5,000	5,000	5,000

FREMANTLE PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Asset Investment Program for 2014-15 to 2017-18 totals \$167.6 million. Major approved projects planned or underway include:

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.

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, world-class waterfront that is consistent with the needs of a growing and dynamic working port and complies with port buffer requirements. Additional lease rental revenue is expected as a result of this project.

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. Additional plant is also required to maintain berth utilisation at an acceptable level.

Plant, equipment and infrastructure

Programs to include replacement and additional plant, equipment and infrastructure to maintain required levels of service to customers and to accommodate projected trade growth.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Fremantle Port - Inner and Outer Harbour - Security Upgrades.....	4,498	4,398	1,546	100	-	-	-
Fremantle Waterfront Project							
Commercial Precinct Access and Services	4,279	1,329	-	-	2,950	-	-
Inner Harbour							
Administration Office Building - Upgrade of Lifts.....	1,200	100	100	1,100	-	-	-
Deepening of the Inner Harbour Stage 1.....	107,655	97,415	-	-	10,240	-	-
Overseas Passenger Terminal	4,500	1,234	-	-	1,266	2,000	-
Replacement of Trucks	954	634	350	-	250	70	-
North Quay							
Berth Upgrades - Western Stage.....	80,256	69,522	-	-	10,734	-	-
Environmental Improvement Program.....	4,099	2,799	1,259	900	-	200	-
Land Acquisition	3,729	2,000	218	1,729	-	-	-
Upgrade of High Voltage Substations Rous 1, 2, 3 and 4	3,500	3,000	2,213	500	-	-	-
Upgrade of High Voltage Substations Rous SW1, 8, 9, 11A, 11 and 12.....	4,500	2,000	1,329	1,500	1,000	-	-
Outer Harbour							
Kwinana Bulk Jetty - Fire Fighting Foam System	3,843	343	-	3,500	-	-	-
Kwinana Bulk Terminal							
Dust Control and Roadworks	2,079	1,479	93	600	-	-	-
Infrastructure, Equipment Replacement and Upgrade.....	11,917	9,417	918	2,500	-	-	-
Civil and Mechanical Assets Upgrade	3,533	2,533	325	1,000	-	-	-
Upgrade Rail Infrastructure and Replacement of Other Plant	601	201	-	400	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Plant and Equipment							
Mobile Truck Mounted Capstans.....	450	200	-	250	-	-	-
Replace Specialised Plant.....	385	285	-	-	-	100	-
Replacement of Navigational Aids.....	4,667	1,417	-	-	-	500	500
Rous Head - New Rous Head Marina.....	4,155	200	200	3,955	-	-	-
Victoria Quay							
Fremantle Waterfront Implementation Plan.....	15,976	3,953	-	1,582	6,394	4,047	-
Berth E - Upgrade Fendering.....	10,675	6,675	6,500	4,000	-	-	-
COMPLETED WORKS							
Fremantle Port - Inner and Outer Harbour							
Upgrade of Electrical Metering System.....	275	275	275	-	-	-	-
Minor Works - 2013-14 Program.....	3,280	3,280	3,280	-	-	-	-
North Quay							
Cathodic Protection System for Steel Piles - Berth 10, RORO and Heavy Duty Pad at H Berth.....	648	648	61	-	-	-	-
Rail Terminal Stage 2.....	31,420	31,420	29,300	-	-	-	-
Tenant High Voltage Distribution Transformers.....	400	400	400	-	-	-	-
Upgrade of Main Substation and Victoria Quay - New Fibre Optic Network.....	2,450	2,450	125	-	-	-	-
Plant and Equipment							
Replacement of Special Purpose Trucks.....	1,170	1,170	500	-	-	-	-
Rous Head							
Purchase of Seabed.....	200	200	199	-	-	-	-
Seawall Construction and Rous Head Extension Stage 2.....	51,655	51,655	11,198	-	-	-	-
NEW WORKS							
Container Double Stacking on Rail.....	2,725	-	-	-	-	2,725	-
Fremantle Port - Inner and Outer Harbour							
Upgrade of Electrical Metering System Stage 2.....	1,300	-	-	1,300	-	-	-
Water Minimisation (Environmental).....	3,000	-	-	-	-	-	1,500
Security Upgrades Stage 2.....	3,000	-	-	-	1,500	1,500	-
Inner Harbour							
Provision of Alternative Vehicular Access.....	1,000	-	-	-	-	1,000	-
Replacement of Mechanical Plant.....	970	-	-	490	480	-	-
Minor Works							
2014-15 Program.....	2,000	-	-	2,000	-	-	-
2015-16 Program.....	2,000	-	-	-	2,000	-	-
2016-17 Program.....	2,000	-	-	-	-	2,000	-
2017-18 Program.....	2,000	-	-	-	-	-	2,000
North Quay							
Land Acquisitions.....	10,000	-	-	-	-	-	10,000
Berth - Heavy Duty Pad.....	7,400	-	-	7,400	-	-	-
Outer Harbour – Kwinana Bulk Jetty							
Bulk Handling Equipment.....	19,668	-	-	-	-	-	9,068
Export-Import Infrastructure.....	41,111	-	-	-	-	-	11,711
Replace Plant.....	590	-	-	-	590	-	-
Replace/Upgrade Transformer and Switchgear.....	550	-	-	-	550	-	-
Bulk Handling Equipment.....	14,000	-	-	14,000	-	-	-
Plant and Equipment - Replace Floating Plant.....	14,500	-	-	-	7,000	7,500	-
Transport Interchange Facilities.....	10,000	-	-	-	5,000	5,000	-
Victoria Quay							
Motor Vehicle Decking.....	15,000	-	-	2,000	13,000	-	-
Upgrade Public Amenities.....	450	-	-	250	200	-	-
Asset Investment Program Efficiency Measure.....	(8,032)	-	-	(1,803)	(3,158)	(1,332)	(1,739)
Total Cost of Asset Investment Program.....	514,181	302,632	60,389	49,253	59,996	25,310	33,040
FUNDED BY							
Capital Appropriation.....			29,869	-	-	-	-
Borrowings.....			24,200	23,197	42,642	3,168	9,543
Internal Funds and Balances.....			6,270	26,006	17,304	19,367	23,447
Other.....			50	50	50	2,775	50
Total Funding.....			60,389	49,253	59,996	25,310	33,040

GERALDTON PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's planned Asset Investment Program for 2014-15 is \$5.7 million. Planned expenditure comprises:

- an amount of \$1 million to complete the upgrade of information technology (IT) software to facilitate improved ship navigation within the harbour; and
- an allocation of \$4.8 million toward minor works which in 2014-15 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 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
IT Software Upgrade	2,500	1,544	1,344	956	-	-	-
COMPLETED WORKS							
Miscellaneous Works - 2013-14 Program.....	5,000	5,000	5,000	-	-	-	-
New Initiative - Oakajee Project.....	8,759	8,759	3,174	-	-	-	-
Pilot Boat.....	2,500	2,500	1,250	-	-	-	-
NEW WORKS							
Miscellaneous Works							
2014-15 Program	5,000	-	-	5,000	-	-	-
2015-16 Program	5,000	-	-	-	5,000	-	-
2016-17 Program	5,000	-	-	-	-	5,000	-
2017-18 Program	5,000	-	-	-	-	-	5,000
Asset Investment Program Efficiency Measure	(1,000)	-	-	(250)	(250)	(250)	(250)
Total Cost of Asset Investment Program	37,759	17,803	10,768	5,706	4,750	4,750	4,750
FUNDED BY							
Borrowings			3,174	-	-	-	-
Internal Funds and Balances			7,594	5,706	4,750	4,750	4,750
Total Funding			10,768	5,706	4,750	4,750	4,750

PORT HEDLAND PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2014-15 Asset Investment Program totals \$34.2 million for minor works, an upgrade project at the Utah Point Bulk Handling Facility and capital projects funded by the Port Improvement Rate.

The minor works program provides for upgrades to: safety, loading, information and communications technology, electrical and other equipment and the maintenance workshop. It also facilitates improvements to the Port's environment and lay-down areas. These works are necessary to sustain operations in the port, which has experienced compound annual growth of over 20% in the last three years.

The Utah Point Outload Circuit Upgrade project will enhance loading rates in line with contractual requirements and will significantly improve productivity whilst also reducing the environmental risk from product spillage.

Funding for the Channel Marker Replacement Program is provided by the Port Improvement Rate, which was established to fund asset improvements that are necessary to sustain the long-term operation and development of the Port. This program includes the replacement of deteriorating Channel Markers (navigational aids) with contemporary, fit-for-purpose beacons and supporting pile structures to ensure safe passage, and efficient movement in the harbour.

Individual Port Improvement Rate Capital Projects are subject to business case approval by the Government.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Port Improvement Rate							
Asset Investment Provision.....	110,816	15,128	15,128	7,570	13,440	35,661	39,017
Channel Marker Replacement Program	40,768	4,500	4,500	18,956	17,312	-	-
Plant and Equipment - Utah Point Outload Circuit Upgrade	2,000	1,000	1,000	1,000	-	-	-
COMPLETED WORKS							
Infrastructure - Utah Point Office Building	1,500	1,500	1,500	-	-	-	-
Minor Works - 2013-14 Program	7,000	7,000	7,000	-	-	-	-
Wharves - Main Street Jetty - Stage 3.....	6,000	6,000	6,000	-	-	-	-
NEW WORKS							
Minor Works							
2014-15 Program	7,000	-	-	7,000	-	-	-
2015-16 Program	7,000	-	-	-	7,000	-	-
2016-17 Program	7,000	-	-	-	-	7,000	-
2017-18 Program	5,000	-	-	-	-	-	5,000
Asset Investment Program Efficiency Measure	(1,300)	-	-	(350)	(350)	(350)	(250)
Total Cost of Asset Investment Program	192,784	35,128	35,128	34,176	37,402	42,311	43,767
FUNDED BY							
Capital Appropriation			-	12,758	17,242	19,989	23,180
Internal Funds and Balances			35,128	21,418	20,160	22,322	20,587
Total Funding			35,128	34,176	37,402	42,311	43,767

FINANCE

PART 18 - MINISTER FOR TRANSPORT; FINANCE

DIVISION 75

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 113 Net amount appropriated to deliver services	183,113	176,393	172,840	173,920	190,271	197,466	200,386
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,559	1,625	1,625	1,625	1,625	1,625	1,625
Total appropriations provided to deliver services	184,672	178,018	174,465	175,545	191,896	199,091	202,011
ADMINISTERED TRANSACTIONS							
Item 114 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	249,257	304,324	298,960	182,753	197,638	214,613	229,748
Amount Authorised by Other Statutes							
- First Home Owner Grant Act 2000.....	133,828	108,842	115,182	91,975	93,720	94,716	95,250
CAPITAL							
Item 165 Capital Appropriation	15,073	27,026	22,269	41,995	69,624	21,882	6,406
TOTAL APPROPRIATIONS.....	582,830	618,210	610,876	492,268	552,878	530,302	533,415
EXPENSES							
Total Cost of Services.....	1,443,225	1,450,927	1,496,250	1,435,396	1,437,201	1,399,287	1,403,586
Net Cost of Services ^(a)	150,683	175,099	175,632	188,043	247,609	203,128	208,618
CASH ASSETS ^(b)	93,502	179,891	71,429	67,825	67,602	67,379	66,961

(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.

SPENDING CHANGES

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since publication of the 2013-14 Budget to Parliament on 8 August 2013, are outlined below:

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
2013-14 Depreciation Review	(8,000)	(1,200)	(1,000)	(1,000)	(1,000)
2013-14 Procurement Savings	(1,267)	-	-	-	-
2013-14 State Fleet Review	(7,607)	(5,406)	(3,206)	(1,021)	200
2013-14 Voluntary Separation Scheme	4,932	(380)	-	-	-
2014-15 Procurement Savings	-	(2,408)	-	-	-
Electricity Market Review Phase 1	-	2,500	-	-	-
Fremantle Prison Restoration Works	-	1,500	-	-	-
Government Owned Office Buildings Maintenance Works.....	-	783	1,186	2,083	2,947
Merger Implementation Group - Synergy and Verve Energy	2,493	-	-	-	-
Non-Residential Building Programs	55,308	66,200	-	-	-
Old Treasury Building and St George's Cathedral Heritage Precinct Redevelopment Project - Project Variations	-	(52,000)	55,431	5,974	5,975

	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Public Utilities Office Operation Review	-	(1,843)	(1,889)	(1,937)	(1,985)
Transfer of Accommodation Expenses to the Department of Treasury.....	-	(3,940)	(4,082)	(4,316)	(4,443)
Transfer of Corporate Services Expenses to the Department of Treasury.....	(174)	(417)	(425)	(433)	(441)
Transfer of Corporate Services Function from the Decommissioning of the Office of Shared Services	3,237	3,225	3,256	3,351	3,450

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

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

Government 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.	Due and payable revenue is collected and eligible grants, subsidies and rebates paid.	1. Revenue Assessment and Collection, and 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.	2. Development and Management of Common Use Contract Arrangements, State Fleet Leasing and Disposal, and Providing Facilitation Service for Agency Specific Contracts
	Efficient and effective Corporate Services to the Department of Treasury.	3. Corporate Services to the Department of Treasury
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.	4. Leads the Planning, Delivery, Management and Maintenance of Government Buildings, Projects and 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.	5. Development and Implementation of Energy Policy and Economic Reform; Assessment of proposed policy changes and the impact on regulatory functions

Service Summary

Expense	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
1. Revenue Assessment and Collection, and Grants and Subsidies Administration	48,073	56,341	56,550	57,202	58,175	59,155	59,248
2. Development and Management of Common Use Contract Arrangements, State Fleet Leasing and Disposal, and Providing Facilitation Service for Agency Specific Contracts	114,473	130,416	120,363	127,268	130,992	132,829	134,408
3. Corporate Services to the Department of Treasury ^(a)	6,348	7,302	7,397	6,788	7,013	7,131	7,224
4. Leads the Planning, Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation	1,248,805	1,230,842	1,284,126	1,216,638	1,212,353	1,171,124	1,173,397
5. Development and Implementation of Energy Policy and Economic Reform; Assessment of proposed policy changes and the impact on regulatory functions ^(a)	25,526	26,026	27,814	27,500	28,668	29,048	29,309
Total Cost of Services	1,443,225	1,450,927	1,496,250	1,435,396	1,437,201	1,399,287	1,403,586

(a) The 2013-14 Actual, 2013-14 Budget and 2013-14 Estimated Actual have been recast to ensure consistency with the transfer of the Department of Treasury's accommodation budget effective from 1 July 2014 and the transfer of the Economic Reform Unit from Service 3 to Service 5.

Significant Issues Impacting the Agency

Building Management and Works

- Building Management and Works (BMW) will deliver a significant Capital Works Program in 2014-15 on behalf of the State, with substantial investment in both education and health infrastructure. Over the coming years, BMW's program is expected to reduce to more historical levels of investment.
- Controlling the cost growth of office accommodation, the second largest expense for most government agencies, remains a high priority for BMW. Continuing to focus on achieving value-for-money and working closely with agencies to minimise office accommodation costs across government will be a major focus.
- BMW has commenced a trial of project bank accounts on a select number of construction projects that will transition into delivery during 2014-15. The project bank accounts are intended to result in sub-contractors being paid in a more timely manner and also provided a greater degree of protection from financial difficulties of head contractors. The further roll out of project bank accounts will occur in 2014-15 following consideration of the trial.

State Revenue

- Effort to improve customer service, further reduce red tape and increase operational efficiency will continue over 2014-15. This will focus on enhanced online service delivery enabling greater self assessment of duties and payment options, and improved use of data and information to target audit and investigation activities to areas of greatest risk and to better differentiate service delivery. In addition, work will continue to improve effectiveness of operations through better focused messaging and clearer taxpayer communication.

Public Utilities Office

- The priority in 2014-15 will be the completion of the review of the Electricity Market in the south west of Western Australia. The first phase of this review is due for completion in late 2014 and involves assessing the strengths and weakness of the current industry structure, market institutions and regulatory arrangements and determining options for reform. The second phase is expected to continue into 2015, involving detailed design and implementation of reforms.
- Efficiencies have been achieved since the closure of the Office of Energy and the inception of the Public Utilities Office (PUO) in 2012, including a reduction in Full Time Equivalents (FTEs) by shifting the focus from transactional, resource-intensive programs to the provision of policy advice. The PUO will continue to refine its resource allocation to deliver quality and timely policy advice as well as continuing actions to improve capability and performance.

Government Procurement

- Government Procurement will seek to assist agencies in delivering increased savings and procurement efficiencies. Options include improved performance of Common Use Arrangements and assistance to agencies to identify potential savings through better setting of contract specifications and standards, and a review of internal processes to reduce effort will be pursued.
- In 2014-15 Government Procurement will enhance its provision of advice, research and support of Information and Communications Technology (ICT) activities with a focus on sector-wide initiatives and shared knowledge.
- State Fleet finances agency passenger and light commercial vehicles. Options to reduce vehicle numbers and therefore borrowings will be pursued in 2014-15.

Outcomes and Key Effectiveness Indicators ^(a)

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Outcome: Due and payable revenue is collected and eligible grants, subsidies and rebates paid:					
Extent to which due revenue is collected	89%	88%	91%	91%	
Extent to which correct grants, subsidies and rebates are paid.....	99%	99%	99%	100%	
Outcome: Value for money from public sector procurement:					
Profitability of the State's light vehicle fleet (\$'000).....	\$19,354	\$18,645	\$13,222	\$13,024	1
Extent to which client agencies agree that their agency contracts and common use contract arrangements achieved value for money.....	94%	85%	93%	90%	
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	100%	100%	100%	100%	
Outcome: A sustainable, efficient, secure and affordable energy sector:					
The extent to which policy and program development objectives for the year are achieved	89%	100%	97%	100%	

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

Explanation of Significant Movements

(Notes)

1. The reduction is due to a combination of factors, including the variability in the market and a pronounced reduction in the number of vehicles presented for sale. In the short-term, agencies have opted to restructure existing leases and consequently delay the sale of a significant number of vehicles.

Services and Key Efficiency Indicators

1. Revenue Assessment and Collection, and Grants and Subsidies Administration

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 (for example, Perth Parking Levy on behalf of Department of Transport) or other jurisdictions (for example, collection of a range of taxes for the Commonwealth in the Indian Ocean Territories). State Revenue is also involved in 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, as well as concessions on water rates, local government rates and the Emergency Services Levy for pensioners and seniors.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 48,073	\$'000 56,341	\$'000 56,550	\$'000 57,202	
Less Income	3,796	4,794	4,798	4,735	
Net Cost of Service.....	44,277	51,547	51,752	52,467	
Employees (Full Time Equivalents).....	281	321	327	350	1
Efficiency Indicators					
Cost per \$100 of Revenue Raised.....	\$0.62	\$0.66	\$0.68	\$0.67	
Average Cost per Application/Claim Processed	\$9.84	\$10.86	\$12.05	\$11.37	2

Explanation of Significant Movements

(Notes)

- Further resources have been provided for the capital technology project Revenue Systems Consolidation and Enhancement Program, commencing 2014-15 for a finite period. The increase in FTEs also reflects the transfer of in-house Corporate Services from the Office of Shared Services.
- The 2013-14 Estimated Actual processing cost for grants and subsidies is marginally higher due to a lower than budgeted number of applications/claims and increased costs. The temporary increase in FTE to implement the Energy Concession Extension Scheme has increased the allocation of costs to this service in 2013-14.

2. Development and Management of Common Use Contract Arrangements, State Fleet Leasing and Disposal, and Providing Facilitation Service for Agency Specific Contracts

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.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 114,473	\$'000 130,416	\$'000 120,363	\$'000 127,268	
Less Income	96,902	105,723	92,700	96,591	
Net Cost of Service.....	17,571	24,693	27,663	30,677	
Employees (Full Time Equivalents).....	311	347	360	361	1
Efficiency Indicators					
Cost of Facilitating the Development and Management of Agency Specific Contracts as a Percentage of the Contract Award Value	2.4%	2.0%	2.1%	2.2%	
Average Administrative Cost per Vehicle for Financing and Managing the State Fleet Service	\$87	\$120	\$103	\$106	2
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.....	1.7%	2.0%	1.9%	1.9%	

Explanation of Significant Movements

(Notes)

- The increase in FTEs reflects the transfer of in-house Corporate Services from the Office of Shared Services.
- The variance between the 2013-14 Budget and 2013-14 Estimated Actual reflects the benefits of reduced salary costs. The 2014-15 Budget Target has been adjusted to reflect the ongoing reduction in salary costs.

3. Corporate Services to the Department of Treasury ^(a)

These services includes corporate services directly provided by the Department to support the outcomes and activities of the Department of Treasury.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 6,348	\$'000 7,302	\$'000 7,397	\$'000 6,788	
Less Income	34	21	23	-	
Net Cost of Service.....	6,314	7,281	7,374	6,788	
Employees (Full Time Equivalents).....	28	34	43	43	1

(a) The Total Cost of Services for 2012-13 Actual, 2013-14 Budget and 2013-14 Estimated Actual have been recast to ensure consistency with the transfer of the Department of Treasury's accommodation budget effective from 1 July 2014 and the transfer of the Economic Reform Unit to Service 5.

Explanation of Significant Movements

(Notes)

- The increase in FTEs reflects the transfer of in-house Corporate Services from the Office of Shared Services.

4. Leads the Planning, Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation

Leads the planning, delivery and management of a property portfolio that supports the delivery of government services to the community; including the delivery of new building works, maintenance programs for existing buildings and office accommodation.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 1,248,805	\$'000 1,230,842	\$'000 1,284,126	\$'000 1,216,638	
Less Income	1,188,907	1,164,939	1,220,251	1,145,682	
Net Cost of Service.....	59,898	65,903	63,875	70,956	
Employees (Full Time Equivalents).....	431	466	489	488	1
Efficiency Indicators					
Percentage of Significant Projects in New Buildings Program Delivered within Three Months of Approved Timeframe	78%	85%	87%	85%	
Percentage of Maintenance Services Delivered within 10% of Approved Timeframe	n/a	75%	80%	80%	2
Average Office Accommodation Floor Space per Work Point	15.9m ²	16.0m ²	15.6m ²	15.0m ²	

Explanation of Significant Movements

(Notes)

- The increase in FTEs reflects the transfer of in-house Corporate Services from the Office of Shared Services.
- This is a new indicator that was developed as part of the 2013-14 Budget process. Accordingly, comparative 2012-13 data is not available.

5. Development and Implementation of Energy Policy and Economic Reform; Assessment of proposed policy changes and the impact on regulatory functions ^(a)

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 and advice to Government on Commonwealth and State economic issues and reforms and assessment of the impact and adequacy of proposed regulation.

	2012-13 Actual	2013-14 Budget	2013-14 Estimated Actual	2014-15 Budget Target	Note
Total Cost of Service	\$'000 25,526	\$'000 26,026	\$'000 27,814	\$'000 27,500	
Less Income	2,903	351	2,846	345	
Net Cost of Service.....	22,623	25,675	24,968	27,155	
Employees (Full Time Equivalents).....	81	105	109	80	1
Efficiency Indicators					
Average Cost of Routine Energy Policy and Program Tasks.....	\$5,776	\$9,970	\$15,150	\$13,880	2
Average Cost of Energy Policy Projects and Programs	\$47,498	\$81,350	\$208,629	\$99,160	3
Percentage of Regulatory Impact Statements Assessed within Agreed Timeframes	90%	90%	100%	90%	4

(a) Total Cost of Service, Income, Full Time Equivalent and Efficiency Indicators for 2011-12 Actual, 2013-14 Budget, 2013-14 Estimated Actual and 2014-15 Budget Target have been adjusted to include the Economic Reform Unit transfer from Service 3.

Explanation of Significant Movements

(Notes)

1. The decrease in FTEs is a result of the Public Utilities Office operational review.
2. The increased average cost per unit of routine tasks can be attributed to a lower than predicted task count due to a reduction in high-volume, transactional tasks in 2013 and a corresponding increase in tasks related to more complex policy matters. The indicator does not contain a weighting to reflect the complexity of routine tasks.
3. The total number of projects completed is substantially lower than estimates but there has been an increase in the complexity of projects undertaken compared with previous years, for example, the Synergy-Verve Energy Merger Project. The indicator does not contain a weighting to reflect the long-term and complex nature of some projects.
4. Generally, only a small number of proposals require the completion of a Regulatory Impact Statement. However, when required, they tend to be lengthy and complex matters. In 2013-14, all Regulatory Impact Statements received were completed within the prescribed timeframe.

ASSET INVESTMENT PROGRAM

The planned Asset Investment Program for 2014-15 is \$167.7 million. The State Fleet's asset investment of \$130 million on vehicle acquisitions accounts for the majority of the new expenditure scheduled in 2014-15. Additionally, \$37.1 million is estimated for works in progress, of which \$33.6 million relates to the Master Planning Strategy for Government Office Accommodation and \$2.4 million for the relocation of the Department of Commerce.

Regarding new works, the key item for 2014-15 is the Revenue Systems Consolidation and Enhancement Program with an investment of \$6.8 million. The Asset Investment Program Efficiency Measure will be applied at the project level as part of the 2014-15 Mid-year Review.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-14 \$'000	2013-14 Estimated Expenditure \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
WORKS IN PROGRESS							
Accommodation Fit-out Projects - Master Planning Strategy - Government Office Accommodation.....	225,819	166,817	14,000	33,600	20,402	5,000	-
Computing and Office Equipment Replacement - 2004-05 to 2014-15 ServiceNet	3,609	3,333	200	276	-	-	-
Procurement Systems Replacement - 2011-12 Program	450	47	-	403	-	-	-
Relocation of Department of Commerce Project	8,370	2,932	2,932	2,358	1,000	2,080	-
Software Development - Revenue Collection Information System Replacement.....	20,318	19,828	981	490	-	-	-
COMPLETED WORKS							
Accommodation Fit-out Projects - Cabinet Offices	23,451	23,451	1,500	-	-	-	-
Computing and Office Equipment Replacement - Removal of Building Management Works Information and Communications Technology (ICT) from the Department of Housing and Works	2,191	2,191	618	-	-	-	-
Financial Management Information System Implementation....	2,319	2,319	2,319	-	-	-	-
ICT Replacement - 2013-14 Program.....	854	854	854	-	-	-	-
Procurement Systems Replacement - 2013-14 Program	450	450	450	-	-	-	-
South West Native Title - Noongar Cultural Centre	300	300	300	-	-	-	-
Vehicle Acquisitions - 2013-14 Program.....	131,000	131,000	131,000	-	-	-	-
NEW WORKS							
Accommodation Fit-out Projects - St Georges Cathedral Heritage Precinct - Office Fit-out	46,700	-	-	-	40,000	6,700	-
ICT Replacement							
2014-15 Program	1,560	-	-	1,560	-	-	-
2015-16 Program	1,232	-	-	-	1,232	-	-
2016-17 Program	970	-	-	-	-	970	-
2017-18 Program	1,000	-	-	-	-	-	1,000
ServiceNet Replacement							
2015-16 Program	284	-	-	-	284	-	-
2016-17 Program	293	-	-	-	-	293	-
2017-18 Program	302	-	-	-	-	-	302
Procurement Systems Replacement							
2014-15 Program	450	-	-	450	-	-	-
2015-16 Program	450	-	-	-	450	-	-
2016-17 Program	450	-	-	-	-	450	-
2017-18 Program	450	-	-	-	-	-	450
Software Development - Revenue Systems Consolidation and Enhancement Program	33,386	-	-	6,788	9,050	8,438	6,494
Vehicle Acquisitions							
2014-15 Program	130,000	-	-	130,000	-	-	-
2015-16 Program	127,000	-	-	-	127,000	-	-
2016-17 Program	126,000	-	-	-	-	126,000	-
2017-18 Program	126,000	-	-	-	-	-	126,000
Asset Investment Program Efficiency Measure	(28,731)	-	-	(8,239)	(7,468)	(6,636)	(6,388)
Total Cost of Asset Investment Program	986,927	353,522	155,154	167,686	191,950	143,295	127,858
Loan and Other Repayments.....			78,348	78,038	79,698	78,148	78,148
Total.....	986,927	353,522	233,502	245,724	271,648	221,443	206,006
FUNDED BY							
Capital Appropriation.....			22,269	41,995	69,624	21,882	6,406
Asset Sales.....			45,957	53,373	51,637	45,581	45,844
Drawdowns from the Holding Account			1,402	1,688	1,676	1,713	1,752
Internal Funds and Balances			163,874	148,668	148,711	152,267	152,004
Total Funding			233,502	245,724	271,648	221,443	206,006

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services for 2014-15 is expected to decrease by \$200 million (12%), when compared to the 2013-14 Estimated Actual. This reduction is predominantly attributable to a decrease in employee benefits, supplies and services and depreciation associated with the decommissioning of the Office of Shared Services and reduced non-residential building activity.

Income

Income is estimated at \$1.2 billion for 2014-15, a reduction of \$111 million (8%) compared to the 2013-14 Estimated Actual attributable to the decrease of agency revenue associated with the decommissioning of the Office of Shared Services and the reduction in the non-residential building activity.

Statement of Financial Position

The Department's total equity is expected to increase by \$74 million. This increase is predominantly attributable to the Master Planning Strategy – Government Office Accommodation and Revenue Systems Consolidation and Enhancement Asset Investment Program.

INCOME STATEMENT ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	146,917	152,439	159,225	149,203	153,749	158,169	158,688
Grants and subsidies ^(c)	14,007	5,055	5,055	5,235	57,235	5,235	5,235
Supplies and services ^(d)	1,232,099	1,217,703	1,276,232	1,148,694	1,079,084	1,084,930	1,086,839
Accommodation ^(d)	16,264	24,512	24,512	21,603	21,837	21,766	22,253
Depreciation and amortisation	139,795	165,835	151,286	93,464	99,660	102,660	104,160
Other expenses	20,875	21,275	19,400	17,197	25,636	26,527	26,411
TOTAL COST OF SERVICES	1,569,957	1,586,819	1,635,710	1,435,396	1,437,201	1,399,287	1,403,586
Income							
Sale of goods and services	978,039	980,712	1,036,020	925,163	865,374	870,774	870,774
Grants and subsidies	10,905	293	293	-	-	-	-
Other revenue	319,455	333,023	322,489	322,190	324,218	325,385	324,194
Total Income	1,308,399	1,314,028	1,358,802	1,247,353	1,189,592	1,196,159	1,194,968
NET COST OF SERVICES	261,558	272,791	276,908	188,043	247,609	203,128	208,618
INCOME FROM STATE GOVERNMENT							
Service appropriations	295,546	275,710	275,741	175,545	191,896	199,091	202,011
Resources received free of charge	12,672	14,442	14,442	14,491	14,505	14,519	14,519
Royalties for Regions Fund ^(e)	166	180	149	103	70	72	86
TOTAL INCOME FROM STATE GOVERNMENT	308,384	290,332	290,332	190,139	206,471	213,682	216,616
SURPLUS/(DEFICIENCY) FOR THE PERIOD	46,826	17,541	13,424	2,096	(41,138)	10,554	7,998

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

(b) The Full Time Equivalents (FTEs) for 2012-13 Actual, 2013-14 Estimated Actual and 2014-15 Estimates are 1,132, 1,328 and 1,322 respectively. The 2012-13 Actual as published in the budget statements varies from the Department's 2012-13 Annual Report because: i) Shared Services is not included in the 2014-15 Budget Statements, and ii) The Economic Reform Unit was added to the values included in the budget statements for comparability purposes.

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

(d) The presentation Accommodation Costs has been changed this year, such that only costs related to the Department of Finance are classified as finance accommodation costs. In past years, the accommodation line item has included recouped accommodation costs for other agencies. The 2013-14 Budget has been backcast on this basis, with agencies recouped accommodation reclassified as Supplies and Services.

(e) Regional Community Services Fund - \$0.2 million (2012-13), \$0.2 million (2013-14 Budget), \$0.1 million (2013-14 estimated outturn), \$0.1 million (2014-15), \$0.1 million (2015-16), \$0.1 million (2016-17) and \$0.1 million (2017-18).

Details of Controlled Grants and Subsidies

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Contribution to Australian Energy Market							
Commission	82	85	85	85	85	85	85
Financial Counsellors' Association of West Australian Conference Sponsorship	10	-	-	-	-	-	-
Old Treasury Building and St George's Cathedral Heritage Precinct Redevelopment ^(a)	-	-	-	-	52,000	-	-
Other	35	-	-	-	-	-	-
Renewable Remote Power Generation							
Program	1,986	-	-	-	-	-	-
Solar Hot Water Heater Incentive Scheme	1,327	-	-	-	-	-	-
Solar Schools Program	3	-	-	-	-	-	-
Standing Council on Energy and Resources							
Contribution	2	150	150	150	150	150	150
State's contribution to the Underground Power Project	10,324	4,820	4,820	5,000	5,000	5,000	5,000
Western Australian Council of Social Services Consumer Essentials Project	238	-	-	-	-	-	-
TOTAL	14,007	5,055	5,055	5,235	57,235	5,235	5,235

(a) Non-cash expenditure of \$52 million will be incurred in 2015-16 in relation to the heritage component of the Old Treasury Building development.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	87,108	169,165	64,981	61,318	61,210	61,102	60,799
Restricted cash.....	2,582	6,690	2,582	2,582	2,582	2,582	2,582
Holding account receivables.....	1,402	1,729	1,688	1,676	1,713	1,752	1,752
Receivables.....	134,251	81,399	133,700	133,714	129,432	124,120	119,436
Other.....	245,418	145,153	244,420	242,687	240,667	238,647	236,629
Total current assets.....	470,761	404,136	447,371	441,977	435,604	428,203	421,198
NON-CURRENT ASSETS							
Holding account receivables.....	241,479	334,474	325,476	380,341	439,565	500,000	560,685
Property, plant and equipment.....	822,040	786,022	834,018	835,427	872,551	867,613	847,247
Intangibles.....	84,345	2,645	16,466	14,012	9,295	2,124	1,894
Restricted cash.....	3,812	4,037	3,866	3,925	3,810	3,695	3,580
Other.....	23,510	32,795	20,777	16,982	13,628	8,484	3,340
Total non-current assets.....	1,175,186	1,159,973	1,200,603	1,250,687	1,338,849	1,381,916	1,416,746
TOTAL ASSETS.....	1,645,947	1,564,109	1,647,974	1,692,664	1,774,453	1,810,119	1,837,944
CURRENT LIABILITIES							
Employee provisions.....	31,880	35,249	30,684	30,666	30,639	30,612	30,584
Payables.....	321,119	319,026	301,513	295,375	285,243	275,315	304,284
Other.....	105,394	51,711	97,172	90,879	83,639	76,449	69,373
Total current liabilities.....	458,393	405,986	429,369	416,920	399,521	382,376	404,241
NON-CURRENT LIABILITIES							
Employee provisions.....	7,263	7,942	7,281	7,299	7,346	7,393	7,439
Borrowings.....	89,060	61,497	90,000	78,362	66,014	55,166	44,318
Other.....	32,717	26,022	27,117	21,517	74,552	75,760	78,118
Total non-current liabilities.....	129,040	95,461	124,398	107,178	147,912	138,319	129,875
TOTAL LIABILITIES.....	587,433	501,447	553,767	524,098	547,433	520,695	534,116
EQUITY							
Contributed equity.....	956,880	984,608	979,149	1,021,144	1,090,768	1,112,650	1,119,056
Accumulated surplus/(deficit).....	82,367	76,812	95,791	97,887	56,749	67,303	75,301
Reserves.....	19,267	2,938	19,267	19,267	19,267	19,267	19,267
Other.....	-	(1,696)	-	30,268	60,236	90,204	90,204
Total equity.....	1,058,514	1,062,662	1,094,207	1,168,566	1,227,020	1,289,424	1,303,828
TOTAL LIABILITIES AND EQUITY.....	1,645,947	1,564,109	1,647,974	1,692,664	1,774,453	1,810,119	1,837,944

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	202,176	182,025	190,056	119,004	130,959	136,654	139,574
Capital appropriation	15,073	27,026	22,269	41,995	69,624	21,882	6,406
Holding account drawdowns.....	1,466	1,402	1,402	1,688	1,676	1,713	1,752
Royalties for Regions Fund ^(b)	166	180	149	103	70	72	86
Net cash provided by State Government.....	218,881	210,633	213,876	162,790	202,329	160,321	147,818
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(150,142)	(148,671)	(156,809)	(145,261)	(149,605)	(154,025)	(154,544)
Grants and subsidies	(14,007)	(5,055)	(5,055)	(5,235)	(5,235)	(5,235)	(5,235)
Supplies and services ^(c)	(1,295,201)	(1,279,108)	(1,277,536)	(1,118,224)	(1,047,951)	(1,053,796)	(1,055,671)
Accommodation ^(c)	(16,263)	(35,588)	(24,412)	(21,502)	(22,698)	(22,627)	(23,127)
Other payments.....	(154,859)	(154,894)	(153,650)	(151,593)	(158,984)	(159,630)	(160,884)
Receipts							
Grants and subsidies	10,905	293	293	-	-	-	-
Sale of goods and services	1,181,692	981,612	1,036,920	933,063	866,274	871,674	871,674
GST receipts	133,070	136,546	134,887	135,138	134,616	134,202	133,997
Other receipts.....	83,693	328,935	324,555	337,380	338,567	340,966	340,573
Net cash from operating activities	(221,112)	(104,754)	(120,807)	(36,234)	(45,016)	(48,471)	(53,217)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(151,853)	(157,911)	(155,154)	(167,686)	(191,950)	(143,295)	(127,858)
Proceeds from sale of non-current assets	51,241	59,777	45,957	53,373	51,637	45,581	45,844
Net cash from investing activities	(100,612)	(98,134)	(109,197)	(114,313)	(140,313)	(97,714)	(82,014)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings ^(d)	(113,163)	(103,149)	(103,149)	(78,038)	(79,698)	(78,148)	(78,148)
Proceeds from borrowings ^(d)	103,001	60,000	95,734	60,000	60,000	60,000	60,000
Other proceeds.....	1,071	10,206	1,345	2,191	2,475	3,789	5,143
Net cash from financing activities.....	(9,091)	(32,943)	(6,070)	(15,847)	(17,223)	(14,359)	(13,005)
NET INCREASE/(DECREASE) IN CASH HELD	(111,934)	(25,198)	(22,198)	(3,604)	(223)	(223)	(418)
Cash assets at the beginning of the reporting period.....	205,436	204,964	93,502	71,429	67,825	67,602	67,379
Net cash transferred to/from other agencies.....	-	125	125	-	-	-	-
Cash assets at the end of the reporting period.....	93,502	179,891	71,429	67,825	67,602	67,379	66,961

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

(b) Regional Community Services Fund - \$0.2 million (2012-13), \$0.2 million (2013-14 Budget), \$0.1 million (2013-14 estimated outturn), \$0.1 million (2014-15), \$0.1 million (2015-16), \$0.1 million (2016-17) and \$0.1 million (2017-18).

(c) The presentation Accommodation Costs has been changed this year such that only costs related to the Department are classified as finance accommodation costs. In past years the accommodation line item has included recouped accommodation costs for other agencies. The 2013-14 Budget has been backcast on this basis, with agencies recouped accommodation reclassified as Supplies and Services.

(d) The 2013-14 Budget for the Repayment of Borrowings and Proceeds from Borrowings have been adjusted to reflect current operational activities.

DETAILS OF ADMINISTERED TRANSACTIONS

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
INCOME							
Taxation							
Insurance Duty	554,564	592,900	592,900	638,100	688,300	744,600	808,100
Land Tax	566,812	655,330	660,330	752,637	827,742	910,700	1,011,150
Metropolitan Region Improvement Tax.....	85,107	87,200	88,800	92,600	101,900	112,100	123,300
Payroll Tax	3,464,843	3,715,626	3,605,626	3,819,846	4,129,974	4,467,300	4,834,050
Racing and Wagering Western Australia Tax....	41,093	42,339	42,339	43,678	44,890	46,195	47,320
Transfer Duty	1,653,704	1,865,400	1,838,700	1,823,100	1,748,400	1,764,100	1,825,800
Landholder Duty.....	216,471	308,600	196,100	122,600	119,900	120,500	122,600
<i>Total Duty on Transfers.....</i>	<i>1,870,175</i>	<i>2,174,000</i>	<i>2,034,800</i>	<i>1,945,700</i>	<i>1,868,300</i>	<i>1,884,600</i>	<i>1,948,400</i>
Vehicle Licence Duty	404,004	436,200	395,600	442,300	488,700	535,600	586,500
Other Duties	4,731	5	125	5	1	1	1
Commonwealth Mirror Taxes.....	42,500	45,810	45,510	48,310	52,310	56,510	61,210
Other Revenue							
Office Lease Rental Revenue	39,613	39,000	39,767	41,602	45,351	46,760	48,268
Other Income.....	44,614	36,300	42,300	52,950	64,100	64,250	65,900
Appropriations							
First Home Owner Grant Act 2000.....	133,828	108,842	115,182	91,975	93,720	94,716	95,250
Administration Grants and Transfer Payments ...	249,257	304,324	298,960	182,753	197,638	214,613	229,748
TOTAL ADMINISTERED INCOME	7,501,141	8,237,876	7,962,239	8,152,456	8,602,926	9,177,945	9,859,197
EXPENSES							
Grants and Subsidies							
Ex-gratia Payments – Construction							
Subcontractor Investigation	-	5,000	5,000	-	-	-	-
Energy Concession Extension Scheme	120	5,000	2,506	2,788	3,067	3,377	3,707
First Home Owner Scheme.....	133,828	108,842	115,182	91,975	93,720	94,716	95,250
Life Support Equipment Subsidy Scheme	1,005	1,352	1,067	1,164	1,270	1,386	1,512
Payroll Tax Rebate Schemes	(172)	128,600	128,600	1,200	1,000	1,000	500
Pensioner Concessions – Emergency Services							
Levy.....	12,671	16,009	14,900	16,200	17,500	19,000	20,500
Pensioner Concessions – Local Government							
and Water Rates.....	79,125	89,592	88,000	95,500	104,000	113,000	122,500
Public Swimming Pools – Operating Costs							
Subsidy.....	360	-	78	-	-	-	-
Thermoregulatory Dysfunction Energy							
Subsidy.....	950	971	1,009	1,101	1,201	1,310	1,429
Other Expenses							
Refund of Past Years Revenue	155,198	57,800	57,800	64,800	69,600	75,540	79,600
Doubtful Debts Expense	5,498	-	-	-	-	-	-
Other Expenses.....	44,614	36,300	42,300	52,950	64,100	64,250	65,900
Payments to Consolidated Account	6,908,506	7,788,410	7,505,797	7,824,778	8,247,468	8,804,366	9,468,299
TOTAL ADMINISTERED EXPENSES.....	7,341,703	8,237,876	7,962,239	8,152,456	8,602,926	9,177,945	9,859,197

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

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement	1,569,957	1,586,819	1,635,710	1,435,396	1,437,201	1,399,287	1,403,586
<i>Transfer of the Department of Treasury's Accommodation Budget</i>	(3,841)	(2,526)	(3,826)	-	-	-	-
<i>Transfer of the Economic Reform Division from Department of Treasury.....</i>	961	-	-	-	-	-	-
<i>The Decommissioning of the Office of Shared Services.....</i>	(123,852)	(133,366)	(135,634)	-	-	-	-
Adjusted Total Cost of Services	1,443,225	1,450,927	1,496,250	1,435,396	1,437,201	1,399,287	1,403,586
APPROPRIATIONS							
Service Appropriations as per Income Statement	295,546	275,710	275,741	175,545	191,896	199,091	202,011
<i>Transfer of the Department of Treasury's Accommodation Budget</i>	(3,841)	(2,526)	(3,826)	-	-	-	-
<i>Transfer of the Economic Reform Division from Department of Treasury.....</i>	961	-	-	-	-	-	-
<i>The Decommissioning of the Office of Shared Services.....</i>	(107,994)	(95,166)	(97,450)	-	-	-	-
Adjusted Total Appropriations Provided to Deliver Services.....	184,672	178,018	174,465	175,545	191,896	199,091	202,011

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:

	2012-13 Actual \$'000	2013-14 Budget \$'000	2013-14 Estimated Actual \$'000	2014-15 Budget Estimate \$'000	2015-16 Forward Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000
Contract Services – Building Management and Works	1,143,477	1,164,910	1,214,967	1,146,338	1,078,612	1,083,892	1,083,889
GST Input Credits.....	12,423	5,529	12,373	12,374	12,374	12,374	12,374
GST Receipts On Sales.....	120,647	131,017	122,514	122,764	122,242	121,828	121,623
Land Tax Liability Enquiry Fee.....	2,681	2,650	2,800	2,800	2,800	2,800	2,800
Merchant Fees	211	1,320	1,320	1,452	1,597	1,597	1,597
National Partnership Payments	355	293	293	-	-	-	-
Oracle Licence Recoup ^(a)	-	-	-	2,000	2,000	2,000	2,000
Other Receipts	16,736	9,830	16,787	15,409	16,357	16,488	16,488
Procurement Services ^(b)	8,883	8,952	8,952	9,776	10,565	10,682	10,682
Revenue From Executive Vehicle Scheme	111	300	93	95	98	101	104
Shared Services Rendered	15,843	38,185	38,185	-	-	-	-
State Fleet Revenue	87,993	84,400	78,371	92,573	92,812	95,080	94,687
TOTAL.....	1,409,360	1,447,386	1,496,655	1,405,581	1,339,457	1,346,842	1,346,244

(a) Prior to the decommissioning of the Office of Shared Services the Oracle Licence Recoup was reported against the Shared Services Rendered item.

(b) Includes Purchase Card Rebate and ServiceNet revenue. Previously reported against Other Receipts item.

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

	Vol	Page		Vol	Page
Aboriginal Affairs.....	1	308	Parliament.....	1	45
Agriculture and Food.....	2	569	Parliamentary Commissioner for		
Albany Port Authority.....	2	837	Administrative Investigations.....	1	64
Animal Resources Authority.....	1	155	Parliamentary Inspector of the Corruption and		
Attorney General.....	2	431	Crime Commission.....	2	482
Botanic Gardens and Parks Authority.....	2	679	Parliamentary Services.....	1	58
Broome Port Authority.....	2	838	Peel Development Commission.....	1	218
Bunbury Port Authority.....	2	839	Perth Market Authority.....	2	588
Bunbury Water Corporation.....	2	787	Pilbara Development Commission.....	1	224
Burswood Park Board.....	2	566	Planning.....	1	329
Busselton Water Corporation.....	2	788	Port Hedland Port Authority.....	2	845
Chemistry Centre (WA).....	1	116	Premier and Cabinet.....	1	73
Child Protection and Family Support.....	1	415	Public Sector Commission.....	1	84
Commerce.....	2	488	Public Transport Authority of Western		
Commissioner for Children and Young People ...	2	470	Australia.....	2	825
Commissioner for Equal Opportunity.....	2	455	Racing and Wagering Western Australia.....	2	564
Commissioner of Main Roads.....	2	810	Racing, Gaming and Liquor.....	2	556
Corrective Services.....	2	747	Regional Development.....	1	171
Corruption and Crime Commission.....	2	447	Registrar, Western Australian Industrial		
Country High School Hostels Authority.....	1	301	Relations Commission.....	2	500
Culture and the Arts.....	1	353	Rottneest Island Authority.....	1	389
Dampier Port Authority.....	2	840	Royalties for Regions - Regional and		
Disability Services Commission.....	1	405	State-wide Initiatives.....	1	182
Economic Regulation Authority.....	2	619	Rural Business Development Corporation.....	2	580
Education.....	1	269	Salaries and Allowances Tribunal.....	1	100
Education Services.....	1	284	School Curriculum and Standards Authority.....	1	293
Electricity Sector Provisions.....	2	642	Small Business Development Corporation.....	2	762
Environment Regulation.....	2	671	South West Development Commission.....	1	232
Esperance Port Authority.....	2	841	Sport and Recreation.....	2	535
Finance.....	2	846	State Development.....	1	105
Fire and Emergency Services.....	2	731	State Emergency Management Committee		
Fisheries.....	2	589	Secretariat.....	2	741
Forest Products Commission.....	2	789	State Training Providers.....	1	167
Fremantle Port Authority.....	2	842	Swan River Trust.....	2	695
Gascoyne Development Commission.....	1	183	Synergy.....	2	637
Geraldton Port Authority.....	2	844	Training and Workforce Development.....	1	156
Gold Corporation.....	1	92	Transport.....	2	793
Goldfields-Esperance Development			Treasury.....	2	603
Commission.....	1	189	WA Health.....	1	127
Governor's Establishment.....	1	93	Water.....	2	773
Great Southern Development Commission.....	1	196	Water Corporation.....	2	785
Heritage Council of Western Australia.....	2	713	Western Australia Health Promotion		
Horizon Power.....	2	635	Foundation.....	1	154
Housing Authority.....	2	520	Western Australia Police.....	1	369
Independent Market Operator.....	2	634	Western Australian Electoral Commission.....	1	317
Insurance Commission of Western Australia.....	2	626	Western Australian Greyhound Racing		
Keystart Housing Scheme Trust.....	2	532	Association.....	2	565
Kimberley Development Commission.....	1	203	Western Australian Institute of Sport.....	2	555
Lands.....	1	247	Western Australian Land Authority.....	1	255
Legal Aid Commission of Western Australia.....	2	487	Western Australian Land Information		
Legislative Assembly.....	1	53	Authority.....	1	257
Legislative Council.....	1	47	Western Australian Meat Industry Authority.....	2	587
Local Government and Communities.....	2	645	Western Australian Planning Commission.....	1	343
Lotteries Commission.....	1	99	Western Australian Sports Centre Trust.....	2	547
Mental Health Commission.....	1	393	Western Australian Tourism Commission.....	1	380
Metropolitan Cemeteries Board.....	2	658	Western Australian Treasury Corporation.....	2	633
Metropolitan Redevelopment Authority.....	1	342	Western Power Networks.....	2	639
Mid West Development Commission.....	1	210	Western Power Provisions.....	2	641
Mines and Petroleum.....	2	509	Wheatbelt Development Commission.....	1	239
National Trust of Australia (WA).....	2	720	WorkCover WA Authority.....	2	506
Office of the Auditor General.....	2	627	Zoological Parks Authority.....	2	704
Office of the Director of Public Prosecutions.....	2	462			
Office of the Environmental Protection					
Authority.....	2	687			
Office of the Information Commissioner.....	2	476			
Office of the Inspector of Custodial Services.....	2	757			
Parks and Wildlife.....	2	661			