



**2015-16**

# **BUDGET**

**Paper No. 2**

**Budget Statements Volume 2**

**2015-16 Budget Paper** set includes:

Budget Paper No. 1 – Budget Speech

Budget Paper No. 2 – Budget Statements (Volumes 1–2)

Budget Paper No. 3 – Economic and Fiscal Outlook

Reader's Guide to the 2015-16 Budget Statements (Available electronically from <http://www.ourstatebudget.wa.gov.au>)



# **2015-16 BUDGET**

## **BUDGET STATEMENTS**

**Budget Paper No. 2**  
**Volume 2**

**PRESENTED TO THE LEGISLATIVE ASSEMBLY  
ON 14 MAY 2015**

2015-16 Budget Statements  
**(Budget Paper No. 2 Volume 2)**  
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## 2015-16 BUDGET

### BUDGET STATEMENTS

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## **CHAPTER 3**

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# **AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES**

## **Part 9 - 18**

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Further information pertaining to the 2015-16 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	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
437	Attorney General			
	– Delivery of Services .....	343,295	344,956	340,843
	– Capital Appropriation .....	11,183	13,733	6,272
	Total .....	354,478	358,689	347,115
452	Corruption and Crime Commission			
	– Delivery of Services .....	33,794	33,647	32,003
	Total .....	33,794	33,647	32,003
461	Commissioner for Equal Opportunity			
	– Delivery of Services .....	3,525	3,525	3,379
	Total .....	3,525	3,525	3,379
467	Office of the Director of Public Prosecutions			
	– Delivery of Services .....	34,723	34,738	35,063
	Total .....	34,723	34,738	35,063
475	Commissioner for Children and Young People			
	– Delivery of Services .....	2,962	2,962	3,082
	Total .....	2,962	2,962	3,082
481	Office of the Information Commissioner			
	– Delivery of Services .....	2,317	2,317	2,391
	Total .....	2,317	2,317	2,391
487	Parliamentary Inspector of the Corruption and Crime Commission			
	– Delivery of Services .....	540	586	713
	Total .....	540	586	713

**Part 9**  
**Attorney General; Minister for Commerce**

**Summary of Portfolio Appropriations**

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
494	Commerce			
	– Delivery of Services .....	80,616	71,916	66,606
	– Administered Grants, Subsidies and Other Transfer Payments ...	556	206	-
	Total .....	81,172	72,122	66,606
508	Registrar, Western Australian Industrial Relations Commission			
	– Delivery of Services .....	11,845	10,042	12,754
	Total .....	11,845	10,042	12,754
	<b>GRAND TOTAL</b>			
	– Delivery of Services .....	513,617	504,689	496,834
	– Administered Grants, Subsidies and Other Transfer Payments ...	556	206	-
	– Capital Appropriation .....	11,183	13,733	6,272
	<b>Total .....</b>	<b>525,356</b>	<b>518,628</b>	<b>503,106</b>



## Division 37 Attorney General

### Part 9 Attorney General; Minister for Commerce

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 49 Net amount appropriated to deliver services .....	250,623	249,542	251,327	<b>246,296</b>	235,255	234,447	235,690
<b>Amount Authorised by Other Statutes</b>							
- Children's Court of Western Australia Act 1988 .....	422	430	430	<b>438</b>	438	438	438
- Criminal Injuries Compensation Act 2003 .....	33,800	31,817	31,817	<b>31,817</b>	31,817	31,817	31,817
- District Court of Western Australia Act 1969 .....	10,917	11,575	11,925	<b>12,122</b>	12,122	12,122	12,122
- Judges' Salaries and Pensions Act 1950..	10,400	10,975	10,625	<b>10,836</b>	10,836	10,836	10,836
- Salaries and Allowances Act 1975 .....	29,032	32,619	32,495	<b>32,841</b>	32,553	32,547	32,542
- Solicitor General Act 1969 .....	576	576	576	<b>590</b>	594	594	594
- State Administrative Tribunal Act 2004 ....	4,993	5,730	5,730	<b>5,872</b>	5,878	5,878	5,878
- Suitor's Fund Act 1964 .....	30	31	31	<b>31</b>	31	31	31
Total appropriations provided to deliver services.....	340,793	343,295	344,956	<b>340,843</b>	329,524	328,710	329,948
<b>CAPITAL</b>							
Item 132 Capital Appropriation.....	48,140	11,183	13,733	<b>6,272</b>	6,421	6,583	7,138
<b>TOTAL APPROPRIATIONS .....</b>	<b>388,933</b>	<b>354,478</b>	<b>358,689</b>	<b>347,115</b>	<b>335,945</b>	<b>335,293</b>	<b>337,086</b>
<b>EXPENSES</b>							
Total Cost of Services .....	508,258	535,833	539,680	<b>552,435</b>	539,313	533,233	535,200
Net Cost of Services (a) .....	370,735	400,552	400,782	<b>404,870</b>	391,564	384,396	384,996
<b>CASH ASSETS (b) .....</b>	<b>57,566</b>	<b>12,855</b>	<b>27,207</b>	<b>26,156</b>	<b>24,107</b>	<b>24,981</b>	<b>25,858</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(1,413)	(1,979)	(1,970)	(2,063)	(2,063)
15% Procurement Savings .....	-	(4,832)	(5,001)	(5,314)	(5,385)
2015-16 Tariffs, Fees and Charges .....	-	6,807	7,048	7,192	10,162
Agency Expenditure Review - Savings Measures .....	-	(19,675)	(19,675)	(19,675)	(19,675)
Commissioner for Victims of Crime - Support Services - Corrective Adjustment....	-	-	-	(755)	(755)
Enhanced Fines Enforcement Measures - Criminal Enforcement Team .....	-	1,461	1,461	243	-
Information and Communications Technology (ICT) Provision of Essential Shared Infrastructure and Services .....	1,000	2,222	-	-	-
ICT Savings and Reform .....	(1,187)	(2,434)	(2,495)	(2,557)	-
Integrated Courts Management System - Provision of Development and Support for the Australian Capital Territory .....	2,345	2,770	633	651	-

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Legal Aid					
1% General Government Efficiency Dividend.....	(287)	(421)	(430)	(437)	(437)
15% Procurement Savings .....	-	(735)	(731)	(718)	(718)
Mental Health Court Diversion and Support Program Pilot .....	-	204	-	-	-
Non-Government Human Services Sector Indexation Adjustment.....	(25)	-	-	-	-
Workforce Renewal Policy .....	(65)	(539)	(1,112)	(1,717)	(2,354)
Mental Health Court Diversion and Support Program Pilot.....	-	746	-	-	-
Non-Government Human Services Sector Indexation Adjustment.....	(16)	-	-	-	-
Old Treasury Building and St Georges Cathedral Heritage - Accommodation Funding.....	3,417	25,360	20,844	15,785	16,584
Parliamentary Inspector of the Corruption Crime Commission - Office Accommodation .....	(61)	(123)	(128)	(133)	(136)
Public Private Partnerships - Finance Costs Realignment .....	(1,304)	(1,636)	(2,014)	(2,441)	(2,441)
Road Trauma Trust Account Adjustment.....	41	-	-	-	-
State Solicitor's Office - South West Native Title Agreement.....	-	335	-	-	-
Sunday Courts - Reallocation of Funding .....	-	(491)	(503)	(516)	(529)
Workforce Renewal Policy .....	(399)	(3,280)	(6,727)	(10,333)	(14,127)

## Significant Issues Impacting the Agency

- 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 Department continues to progress the Government's law and order reform agenda, including priorities to introduce specific Family Violence Restraining Orders, and to strengthen laws relating to Directors' Liability, provision of bail and sentencing of offenders.
- The Registry of Births, Deaths and Marriages is continuing its work with other jurisdictions to advance and coordinate improvements to Australia's registration processes and maximise the Registry's contribution to the national identity management and security agenda.
- The Office of the Public Advocate continues to experience increasing demand for statutory services to vulnerable adults with decision-making disabilities as a result of the ageing population and an increasing number of people with mental illness who require a guardian. Similarly, the Public Trustee continues to experience increased demand and complexity of trust management and estate administration services.
- Enhanced measures for the enforcement of fines and infringements including the use of mobile licence plate recognition continue to be implemented in Perth and the South West region. The enhanced sanctions continue to have a positive impact on payments and are a valuable tool in managing the outstanding debt currently registered with the Fines Enforcement Registry.
- The State Solicitor's Office continues to respond to the increasing volume of requests associated with the Commonwealth's Royal Commission into Institutional Responses to Child Sexual Abuse.
- The Commissioner for Victims of Crime will continue to progress a range of reforms to contribute to better outcomes for victims of crime. The areas of focus are on enhancing safety for victims, deepening the recognition of the interests of victims of crime in the justice system, and consolidating improvements to the whole-of-government provision of information to victims of crime.
- Demand for Legal Aid services in the State criminal jurisdiction continues to increase as a consequence of the withdrawal of 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 anticipated reductions to the ALSWA budget which are expected to be included in the Commonwealth's 2015-16 Budget.
- The National Partnership Agreement (NPA) is the instrument through which Legal Aid Western Australia (LAWA) derives the majority of its Commonwealth funding. Under existing arrangements, Commonwealth provides for approximately 37% of LAWA's total revenue. LAWA is seeking a more equitable funding arrangement under a newly negotiated NPA which is due to come into effect on 1 July 2015.
- The functions of Supreme Court – Civil along with the Department is scheduled to move into the Old Treasury Building Office Tower in mid-2016. The development forms part of Perth's Cathedral and Treasury Precinct currently under development and is due for completion in mid-2016.

## 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.	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

### Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Court and Tribunal Services .....	350,313	379,131	384,863	388,692	387,438	383,455	383,649
2. Advocacy, Guardianship and Administration Services .....	5,985	6,196	6,299	7,427	6,629	6,273	6,287
3. Trustee Services .....	23,815	22,315	22,299	23,291	22,467	22,292	22,272
4. Births, Deaths and Marriages .....	7,231	7,487	7,305	7,894	7,901	8,061	9,485
5. Services to Government .....	83,926	82,335	80,922	85,921	75,540	73,603	73,906
6. Legal Aid Assistance .....	36,988	38,369	37,992	39,210	39,338	39,549	39,601
<b>Total Cost of Services .....</b>	<b>508,258</b>	<b>535,833</b>	<b>539,680</b>	<b>552,435</b>	<b>539,313</b>	<b>533,233</b>	<b>535,200</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: An efficient, accessible court and tribunal system:</b>					
Supreme Court - Criminal - time to trial <sup>(b)</sup> .....	30 weeks	28 weeks	33 weeks	28 weeks	1
Supreme Court - Civil - time to finalise non-trial matters <sup>(c)</sup> .....	19 weeks	19 weeks	19 weeks	19 weeks	
District Court - Criminal - time to trial <sup>(b)</sup> .....	26 weeks	32 weeks	31 weeks	32 weeks	
State Administrative Tribunal - time to finalise <sup>(c)</sup> .....	14 weeks	15 weeks	14 weeks	15 weeks	
Family Court of Western Australia - time to finalise non-trial matters <sup>(c)</sup> .....	57 weeks	27 weeks	45 weeks	27 weeks	2
Magistrates Court - Criminal and Civil - time to trial <sup>(b)</sup> .....	18 weeks	19 weeks	19 weeks	19 weeks	
Coroner's Court - time to trial <sup>(b)</sup> .....	112 weeks	128 weeks	128 weeks	128 weeks	
Fines Enforcement Registry - Percentage of fines satisfied within 12 months - fines and costs .....	40%	35%	38%	35%	
Fines Enforcement Registry - Percentage of fines satisfied within 12 months - infringements .....	60%	57%	60%	57%	
<b>Outcome: Trustee, Guardianship and Administration services are accessible to all Western Australians:</b>					
Percentage of Guardians of last resort allocated in one day .....	94%	95%	95%	95%	
Percentage of Western Australian deceased estates administered by the Public Trustee .....	5.1%	6.5%	5%	6.5%	3
Percentage of clients who have services provided by the Public Trustee under an operating subsidy .....	49%	35%	45%	35%	4
<b>Outcome: Western Australian birth, death and marriage certificates are accurate and accessible:</b>					
Percentage of certificates of birth, death or marriage issued within two days .....	95%	90%	95%	90%	
Extent to which births, deaths and marriages source information is recorded error free .....	97%	97%	97%	97%	
<b>Outcome: Government receives quality, timely legal and legislative drafting services:</b>					
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 .....	100%	90%	98%	90%	
<b>Outcome: Equitable access to legal services and information:</b>					
Percentage of eligible applicants who receive a grant of legal aid .....	78%	78%	77%	77%	
Percentage of persons who are provided with a duty lawyer service .....	17%	23%	17%	17%	
Percentage of callers successfully accessing Infoline services .....	82%	87%	81%	81%	

(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 Supreme Court – Criminal – time to trial 2014-15 Estimated Actual is expected to increase due to a combination of an increase in the volume of defended matters and increased judicial leave.
2. The Family Court of Western Australia – time to finalise non-trial matters 2014-15 Estimated Actual is expected to be higher than the budgeted target due to a 40% increase in trial work over the last two years which required the reallocation of two magistrates to trial work which has reduced the Court's capacity to undertake non-trial work.
3. The percentage of deceased estates administered by the Public Trustee is expected to remain lower than 2014-15 Budget as a result of an ongoing 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 2014-15 Budget due to an increased number of appointments from the State Administrative Tribunal (SAT) to vulnerable clients where the service is at a subsidised cost or no cost.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 350,313	\$'000 379,131	\$'000 384,863	\$'000 388,692	
Less Income .....	85,318	84,416	88,036	94,938	1
Net Cost of Service.....	264,995	294,715	296,827	293,754	
<b>Employees (Full Time Equivalents) <sup>(a)</sup></b> .....	1,199	1,277	1,284	1,300	
<b>Efficiency Indicators <sup>(b)</sup></b>					
Supreme Court - Criminal - Cost per Case .....	\$36,466	\$37,478	\$38,827	\$40,042	
Supreme Court - Civil - Cost per Case .....	\$9,869	\$9,255	\$9,031	\$12,750	2
Court of Appeal - Cost per Case.....	\$23,688	\$23,377	\$23,038	\$23,249	
District Court - Criminal - Cost per Case.....	\$21,636	\$21,036	\$20,075	\$19,361	
District Court - Civil - Cost per Case.....	\$6,501	\$7,832	\$7,403	\$6,534	3
State Administrative Tribunal - Cost per Case .....	\$3,290	\$3,463	\$3,857	\$3,932	
Family Court - Cost per Case .....	\$1,748	\$1,860	\$2,150	\$2,015	
Magistrates Court - Criminal - Cost per Case .....	\$945	\$1,237	\$1,210	\$984	4
Magistrates Court - Civil - Cost per Case.....	\$327	\$366	\$356	\$364	
Coroner's Court - Cost per Case .....	\$5,128	\$5,427	\$5,549	\$5,612	
Children's Court - Criminal - Cost per Case.....	\$907	\$970	\$1,001	\$939	
Children's Court - Civil - Cost per Case .....	\$500	\$429	\$444	\$568	5
Fines Enforcement Registry - Cost per Enforcement .....	\$25	\$21	\$25	\$24	

(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.

### Explanation of Significant Movements

(Notes)

- Total income is expected to be higher in 2015-16 as a result of the 2015-16 Tariffs, Fees and Charges review.
- The Supreme Court – Civil – Cost per Case is expected to be higher in 2015-16 due to a reduction in the number of finalisations following lower civil property possession applications, and higher costs associated with the relocation of the Supreme Court Civil to the Old Treasury Building Office Tower.
- The District Court – Civil – Cost per Case is expected to be lower in 2015-16 due an increase in the number of finalisations across all areas of civil related work.
- The Magistrates Court – Criminal – Cost per Case is expected to be lower in 2015-16 due to an increase in the number of matters finalised in the areas of traffic matters, illicit drugs and miscellaneous offences.
- The Children's Court – Civil – Cost per Case is expected to be higher in 2015-16 due to a decrease in finalisations as a result of a change in the relevant legislation which returns the responsibility of restraining orders from the Children's Court to the Magistrates' Court.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 5,985	\$'000 6,196	\$'000 6,299	\$'000 7,427	1
Less Income .....	44	84	89	96	
Net Cost of Service.....	5,941	6,112	6,210	7,331	
<b>Employees (Full Time Equivalents).....</b>	<b>48</b>	<b>51</b>	<b>51</b>	<b>51</b>	
<b>Efficiency Indicators</b>					
Average Cost of Providing Advocacy and Guardianship Services .....	\$1,820	\$1,800	\$1,700	\$1,860	

### Explanation of Significant Movements

(Notes)

1. The Total Cost of Service is expected to be higher in 2015-16 due to costs associated with the relocation to the Old Treasury Building Office Tower in 2015-16.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 23,815	\$'000 22,315	\$'000 22,299	\$'000 23,291	
Less Income .....	24,311	22,666	22,666	23,799	
Net Cost of Service.....	(496)	(351)	(367)	(508)	
<b>Employees (Full Time Equivalents).....</b>	<b>168</b>	<b>173</b>	<b>173</b>	<b>173</b>	
<b>Efficiency Indicators</b>					
Average Cost per Deceased Estate Administered .....	\$2,898	\$2,591	\$2,700	\$2,687	
Average Cost per Trust Managed.....	\$1,983	\$1,911	\$1,847	\$1,912	
Average Cost per Will Prepared .....	\$825	\$597	\$731	\$746	1

### Explanation of Significant Movements

(Notes)

1. The average cost of preparing a Will is expected to increase in 2015-16 as the number of Wills prepared is forecast to decrease.

#### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 7,231	\$'000 7,487	\$'000 7,305	\$'000 7,894	
Less Income .....	7,707	8,445	8,444	8,981	
Net Cost of Service .....	(476)	(958)	(1,139)	(1,087)	
Employees (Full Time Equivalents).....	52	55	55	55	
<b>Efficiency Indicators</b>					
Average Cost of Registration Services .....	\$1.87	\$1.90	\$1.89	\$1.99	

#### 5. Services to Government

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service <sup>(a)</sup> .....	\$'000 83,926	\$'000 82,335	\$'000 80,922	\$'000 85,921	1
Less Income .....	20,143	19,670	19,663	19,751	
Net Cost of Service .....	63,783	62,665	61,259	66,170	
Employees (Full Time Equivalents).....	387	440	440	440	
<b>Efficiency Indicators</b>					
Average Cost per Legal Matter <sup>(b)</sup> .....	\$3,635	\$3,800	\$3,900	\$4,100	
Average Cost per Page of Output <sup>(c)</sup> .....	\$203	\$226	\$211	\$233	

(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.

#### Explanation of Significant Movements

(Notes)

1. The Total Cost of Service is expected to be higher in 2015-16 due to costs associated with the relocation of the Department's offices to the Old Treasury Building Office Tower in 2015-16.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 36,988	\$'000 38,369	\$'000 37,992	\$'000 39,210	
Less Income .....	-	-	-	-	
Net Cost of Service.....	36,988	38,369	37,992	39,210	
<b>Employees (Full Time Equivalents).....</b>	<b>301</b>	<b>341</b>	<b>341</b>	<b>341</b>	
<b>Efficiency Indicators</b>					
Average Cost per Legal Representation .....	\$3,474	\$3,700	\$3,725	\$3,725	
Average Cost per Legal Information Service.....	\$45	\$36	\$46	\$46	
Average Cost per Legal Advice .....	\$221	\$215	\$219	\$219	
Average Cost per Application for a Grant of Legal Aid Processed.....	\$376	\$370	\$335	\$335	
Average Cost of Delivering Regional Initiatives for Legal Practice .....	\$10,429	\$11,912	\$6,172	\$6,172	1

### Explanation of Significant Movements

(Notes)

1. The implementation of the online Train-n-Track Learning Management System is reducing the average cost of delivering professional training to lawyers in regional and remote areas in Western Australia.

### Asset Investment Program

A number of major projects were completed in the 2014-15 financial year. This included the construction of the \$41.8 million Kununurra Courthouse redevelopment funded through Royalties for Regions (RfR), which commenced operations on 3 November 2014 and the \$52.5 million Carnarvon Police and Justice Complex (partly funded through RfR) which commenced operations on 20 April 2015. In addition, the criminal case management component of the Integrated Court Management System for the Magistrates Court and Children's Court was completed.

The Department continues to invest in 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.

The Registry of Births, Deaths and Marriages will replace its ageing Western Australian Registration System (WARS). Detailed planning and analysis is expected to occur in 2015-16.



	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Administrative							
Information Projects							
Business Systems - Corporate Information							
Management Systems .....	11,466	8,942	1,147	600	616	632	676
ICT Infrastructure Upgrade .....	25,860	21,292	2,044	1,100	1,110	1,130	1,228
Physical Infrastructure							
Replacement Office Equipment 2013-14 .....	2,483	1,001	-	-	1,482	-	-
Services							
Information Projects							
Court Audio/Visual Maintenance and Enhancements .....	15,378	10,554	347	860	1,215	1,322	1,427
eCourts - Integrated Courts Management System .....	12,400	11,400	2,610	1,000	-	-	-
Replacement of WARS .....	5,450	500	500	2,250	2,250	450	-
Physical Infrastructure							
Court and Judicial Security .....	7,536	5,395	547	507	520	534	580
Fitzroy Crossing Courthouse <sup>(a)</sup> .....	5,100	2,219	2,000	2,881	-	-	-
Kununurra Courthouse <sup>(a)</sup> .....	41,800	37,000	8,127	4,800	-	-	-
<b>COMPLETED WORKS</b>							
Administrative - Physical Infrastructure							
Building Infrastructure and Maintenance							
2013-14 Program .....	1,315	1,315	204	-	-	-	-
2014-15 Program .....	2,172	2,172	2,172	-	-	-	-
Replacement Office Equipment 2014-15 .....	1,576	1,576	1,576	-	-	-	-
Services							
Information Projects							
Upgrading of Alesco - Financial and Budgeting System .....	4,224	4,224	1,774	-	-	-	-
Physical Infrastructure							
Carnarvon Police and Justice Complex <sup>(b)</sup> .....	52,500	52,500	24,283	-	-	-	-
CBD Courts Construction and Central Law Courts							
Refurbishment .....	58,681	58,681	355	-	-	-	-
Kalgoorlie Court Upgrade .....	41,719	41,719	2,477	-	-	-	-
Mount Magnet Court Facility Replacement .....	1,715	1,715	1,707	-	-	-	-
<b>NEW WORKS</b>							
Administrative - Physical Infrastructure							
Building Infrastructure and Maintenance							
2015-16 Program .....	1,100	-	-	1,100	-	-	-
2016-17 Program .....	1,129	-	-	-	1,129	-	-
2017-18 Program .....	1,157	-	-	-	-	1,157	-
2018-19 Program .....	1,281	-	-	-	-	-	1,281
Replacement Office Equipment							
2015-16 Program .....	1,457	-	-	1,457	-	-	-
2016-17 Program .....	1,470	-	-	-	1,470	-	-
2017-18 Program .....	1,580	-	-	-	-	1,580	-
2018-19 Program .....	1,667	-	-	-	-	-	1,667
<b>Total Cost of Asset Investment Program .....</b>	<b>302,216</b>	<b>262,205</b>	<b>51,870</b>	<b>16,555</b>	<b>9,792</b>	<b>6,805</b>	<b>6,859</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			11,183	3,467	3,461	3,356	3,911
Drawdowns from the Holding Account .....			2,781	2,557	2,599	2,737	2,948
Internal Funds and Balances .....			32,632	2,850	3,732	712	-
Drawdowns from Royalties for Regions Fund <sup>(c)</sup> .....			5,274	7,681	-	-	-
<b>Total Funding .....</b>			<b>51,870</b>	<b>16,555</b>	<b>9,792</b>	<b>6,805</b>	<b>6,859</b>

(a) Funded from the Royalties for Regions Fund.

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

(c) Regional Infrastructure and Headworks Fund.

## **Financial Statements**

### **Income Statement**

#### *Expenses*

The Income Statement shows an increase in the Total Cost of Services of \$12.8 million (2.4%) in 2015-16 compared to the 2014-15 Estimated Actual. This mainly relates to spending changes to relocate the Department's Offices and the Supreme Court Civil to the Old Treasury Building Office Tower and the State Administrative Tribunal to the St Georges Cathedral Heritage Precinct (565 Hay Street, Perth).

#### *Income*

Total income is expected to be \$147.6 million in 2015-16, an increase of \$8.7 million (6.2%) compared to the 2014-15 Estimated Actual. Additional revenues are expected to be collected from Fines Enforcement Registry fees, Court fees and services provided by the Public Trustee, Registry of Births, Deaths and Marriages and the State Solicitor's Office.

### **Statement of Financial Position**

The Department's total equity is expected to increase by \$31.6 million (5.3%) between the 2014-15 Estimated Actual and the 2015-16 Budget Estimate. The increase is mainly attributed to equity contributions from the State to fund the Department's Asset Investment Program and finance lease repayments (\$11.1 million and \$2.8 million respectively). The remaining increase in net assets is explained by the movement in the asset revaluation reserve (\$15.8 million) and accumulated surplus reserve (\$1.8 million).

### **Statement of Cashflows**

The 2015-16 closing cash balance of \$26.2 million represents a decrease of \$1 million in comparison to the 2014-15 Estimated Actual. The decrease in cash is mainly as a result of increases in accommodation payments due to the relocation of the State Administrative Tribunal to new premises, and partially offset by reduction in capital payments due to the completion of major infrastructure projects.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	238,871	269,414	269,360	262,988	255,257	252,899	250,160
Grants and subsidies <sup>(c)</sup> .....	77,472	77,900	77,523	74,189	74,366	74,577	74,629
Supplies and services .....	94,138	98,565	99,331	97,440	96,046	95,885	98,185
Accommodation .....	38,686	38,426	41,565	63,069	58,021	53,326	54,499
Depreciation and amortisation .....	19,755	16,956	18,957	19,489	19,957	19,585	18,967
Finance Costs .....	17,095	16,817	16,813	16,481	16,103	15,676	15,676
Other expenses .....	22,241	17,755	16,131	18,779	19,563	21,285	23,084
<b>TOTAL COST OF SERVICES .....</b>	<b>508,258</b>	<b>535,833</b>	<b>539,680</b>	<b>552,435</b>	<b>539,313</b>	<b>533,233</b>	<b>535,200</b>
<b>Income</b>							
Sale of goods and services .....	28,777	30,496	33,841	35,277	35,252	36,100	35,831
Regulatory fees and fines .....	58,564	62,735	62,735	68,975	71,045	71,636	73,591
Grants and subsidies .....	18,073	13,677	13,677	14,012	14,366	14,600	14,977
Other revenue .....	32,109	28,373	28,645	29,301	27,086	26,501	25,805
<b>Total Income .....</b>	<b>137,523</b>	<b>135,281</b>	<b>138,898</b>	<b>147,565</b>	<b>147,749</b>	<b>148,837</b>	<b>150,204</b>
<b>NET COST OF SERVICES .....</b>	<b>370,735</b>	<b>400,552</b>	<b>400,782</b>	<b>404,870</b>	<b>391,564</b>	<b>384,396</b>	<b>384,996</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	340,793	343,295	344,956	340,843	329,524	328,710	329,948
Resources received free of charge .....	20,317	26,607	26,607	26,772	26,941	26,941	26,941
Liabilities assumed by the Treasurer .....	15,366	27,800	27,800	16,450	16,450	16,450	16,450
Royalties for Regions Fund:							
Regional Community Services Fund .....	1,731	2,892	2,692	3,154	3,478	2,249	257
Other appropriations .....	-	-	-	19,450	16,854	11,632	12,277
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>378,207</b>	<b>400,594</b>	<b>402,055</b>	<b>406,669</b>	<b>393,247</b>	<b>385,982</b>	<b>385,873</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>7,472</b>	<b>42</b>	<b>1,273</b>	<b>1,799</b>	<b>1,683</b>	<b>1,586</b>	<b>877</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 2,155, 2,344 and 2,360 respectively.

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

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Accused Costs Payments .....	4,266	6,009	6,009	1,493	1,548	1,548	1,548
Criminal Injuries Compensation Payments .....	33,319	31,817	31,817	31,817	31,817	31,817	31,817
Ex-Gratia and Act of Grace Payments .....	1,040	-	-	-	-	-	-
Legal Aid Assistance Grant .....	36,988	38,369	37,992	39,210	39,338	39,549	39,601
Other Grants, Subsidies and Transfer Payments .....	1,859	1,705	1,705	1,669	1,663	1,663	1,663
<b>TOTAL .....</b>	<b>77,472</b>	<b>77,900</b>	<b>77,523</b>	<b>74,189</b>	<b>74,366</b>	<b>74,577</b>	<b>74,629</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	24,211	4,805	17,313	22,829	20,180	20,439	21,316
Restricted cash .....	27,393	2,083	3,322	2,722	2,722	2,722	2,722
Holding account receivables .....	2,781	2,864	2,557	2,599	2,737	2,948	3,104
Receivables .....	7,611	7,317	7,111	7,111	7,111	7,111	7,111
Other .....	1,257	3,655	1,257	1,257	1,257	1,257	1,257
Assets held for sale .....	1,931	2,451	1,931	1,931	1,931	1,931	1,931
<b>Total current assets .....</b>	<b>65,184</b>	<b>23,175</b>	<b>33,491</b>	<b>38,449</b>	<b>35,938</b>	<b>36,408</b>	<b>37,441</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	141,233	155,325	157,633	174,523	191,743	208,380	224,243
Property, plant and equipment .....	649,124	709,401	672,952	680,443	680,609	680,640	671,313
Intangibles .....	10,860	4,282	7,221	8,020	8,913	8,868	6,087
Restricted cash .....	5,962	5,967	6,572	605	1,205	1,820	1,820
<b>Total non-current assets .....</b>	<b>807,179</b>	<b>874,975</b>	<b>844,378</b>	<b>863,591</b>	<b>882,470</b>	<b>899,708</b>	<b>903,463</b>
<b>TOTAL ASSETS .....</b>	<b>872,363</b>	<b>898,150</b>	<b>877,869</b>	<b>902,040</b>	<b>918,408</b>	<b>936,116</b>	<b>940,904</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	43,673	47,504	43,673	43,673	43,673	43,673	43,673
Payables .....	18,134	16,502	18,634	18,634	18,634	18,634	18,634
Other .....	10,343	9,837	10,990	11,589	11,589	11,589	11,589
<b>Total current liabilities .....</b>	<b>72,150</b>	<b>73,843</b>	<b>73,297</b>	<b>73,896</b>	<b>73,896</b>	<b>73,896</b>	<b>73,896</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	8,851	8,616	8,851	8,851	8,851	8,851	8,851
Borrowings .....	211,993	207,290	204,822	196,797	193,837	190,610	187,383
Other .....	137	93	137	137	137	137	137
<b>Total non-current liabilities .....</b>	<b>220,981</b>	<b>215,999</b>	<b>213,810</b>	<b>205,785</b>	<b>202,825</b>	<b>199,598</b>	<b>196,371</b>
<b>TOTAL LIABILITIES .....</b>	<b>293,131</b>	<b>289,842</b>	<b>287,107</b>	<b>279,681</b>	<b>276,721</b>	<b>273,494</b>	<b>270,267</b>
<b>EQUITY</b>							
Contributed equity .....	234,213	257,285	230,220	244,173	250,594	257,177	264,315
Accumulated surplus .....	67,902	57,199	69,175	70,974	72,657	74,243	75,120
Reserves .....	277,117	293,824	291,367	307,212	318,436	331,202	331,202
<b>Total equity .....</b>	<b>579,232</b>	<b>608,308</b>	<b>590,762</b>	<b>622,359</b>	<b>641,687</b>	<b>662,622</b>	<b>670,637</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>872,363</b>	<b>898,150</b>	<b>877,869</b>	<b>902,040</b>	<b>918,408</b>	<b>936,116</b>	<b>940,904</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	325,832	326,339	325,999	321,354	309,567	309,125	310,981
Capital appropriation .....	48,140	11,183	11,183	3,467	3,461	3,356	3,911
Equity contribution.....	-	-	2,550	2,805	2,960	3,227	3,227
Holding account drawdowns.....	2,660	2,781	2,781	2,557	2,599	2,737	2,948
Royalties for Regions Fund:							
Regional Community Services Fund .....	1,731	2,892	2,692	3,154	3,478	2,249	257
Regional Infrastructure and Headworks Fund .....	18,035	13,355	5,274	7,681	-	-	-
Administered appropriations .....	-	-	-	19,450	16,854	11,632	12,277
<b>Net cash provided by State Government.....</b>	<b>396,398</b>	<b>356,550</b>	<b>350,479</b>	<b>360,468</b>	<b>338,919</b>	<b>332,326</b>	<b>333,601</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(225,888)	(241,614)	(241,560)	(246,538)	(238,807)	(236,449)	(233,744)
Grants and subsidies.....	(77,472)	(77,900)	(77,523)	(74,189)	(74,366)	(74,577)	(74,629)
Supplies and services .....	(79,460)	(76,759)	(77,525)	(76,156)	(74,760)	(74,597)	(76,761)
Accommodation .....	(38,686)	(33,500)	(36,639)	(57,428)	(52,211)	(47,516)	(48,808)
Finance lease payments.....	(20,461)	(20,791)	(20,667)	(20,922)	(21,077)	(21,344)	(21,344)
GST payments.....	(23,151)	(22,813)	(22,813)	(22,813)	(22,813)	(22,813)	(22,813)
Other payments.....	(11,544)	(12,906)	(13,952)	(17,296)	(17,704)	(19,001)	(20,783)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines.....	58,564	62,735	62,735	68,975	71,045	71,636	73,591
Grants and subsidies.....	18,073	13,677	13,677	14,012	14,366	14,600	14,977
Sale of goods and services.....	28,777	30,496	33,841	35,277	35,252	36,100	35,831
GST receipts.....	23,157	22,813	22,813	22,813	22,813	22,813	22,813
Other receipts .....	32,262	28,373	28,645	29,301	27,086	26,501	25,805
<b>Net cash from operating activities .....</b>	<b>(315,829)</b>	<b>(328,189)</b>	<b>(328,968)</b>	<b>(344,964)</b>	<b>(331,176)</b>	<b>(324,647)</b>	<b>(325,865)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(50,115)	(34,880)	(51,870)	(16,555)	(9,792)	(6,805)	(6,859)
Proceeds from sale of non-current assets.....	20	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(50,095)</b>	<b>(34,880)</b>	<b>(51,870)</b>	<b>(16,555)</b>	<b>(9,792)</b>	<b>(6,805)</b>	<b>(6,859)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>30,474</b>	<b>(6,519)</b>	<b>(30,359)</b>	<b>(1,051)</b>	<b>(2,049)</b>	<b>874</b>	<b>877</b>
Cash assets at the beginning of the reporting period .....	27,092	19,374	57,566	27,207	26,156	24,107	24,981
<b>Cash assets at the end of the reporting period .....</b>	<b>57,566</b>	<b>12,855</b>	<b>27,207</b>	<b>26,156</b>	<b>24,107</b>	<b>24,981</b>	<b>25,858</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Regulatory Fees and Fines</b>							
District Court Fees.....	4,771	5,648	5,648	5,434	5,683	5,944	6,217
Family Court Fees.....	5,659	6,223	6,223	6,318	6,691	6,751	7,149
Fines Enforcement Registry Fees.....	32,257	34,704	34,704	39,463	40,451	40,247	41,044
Magistrates Court Fees.....	8,026	7,625	7,625	8,476	8,695	8,921	9,153
Sheriff's Office Fees.....	290	301	301	381	391	401	412
State Administrative Tribunal Fees.....	475	527	527	625	641	658	675
Supreme Court Fees.....	7,086	7,707	7,707	8,278	8,493	8,714	8,941
<b>Grants and Subsidies</b>							
Family Court Commonwealth Grant.....	17,645	13,440	13,440	13,737	13,982	14,209	14,578
Indian Ocean Territories Commonwealth Grant.....	279	237	237	275	281	288	296
Other Grants Received.....	149	-	-	-	103	103	103
<b>Sale of Goods and Services</b>							
Other Receipts.....	77	171	3,546	2,881	746	766	117
Public Trustee Contribution - Estate Fees and Other Revenues.....	15,841	16,536	16,536	17,998	19,876	20,466	20,602
Registry of Births, Deaths and Marriages Fees.....	7,632	8,379	8,379	8,918	9,150	9,388	9,632
State Solicitors Fees.....	5,227	5,380	5,380	5,480	5,480	5,480	5,480
<b>GST Receipts</b>							
GST Receipts from the Australian Taxation Office.....	20,543	21,513	21,513	21,513	21,513	21,513	21,513
GST Receipts on Sales.....	2,614	1,300	1,300	1,300	1,300	1,300	1,300
<b>Other Receipts</b>							
Recoup of Criminal Injury Awards.....	1,744	1,666	1,666	1,688	1,731	1,776	1,823
Recoup of Buildings Disputes Revenue.....	2,635	2,686	2,686	2,686	2,686	2,686	2,686
Recoup of Legal Costs.....	300	300	300	300	300	300	300
Recoup of Other Costs.....	18,887	15,847	16,089	16,981	16,673	16,600	15,899
Recoup of Residential Tenancy Payments....	2,687	2,021	2,021	2,019	2,071	2,125	2,180
Recoup of Salary Costs.....	443	324	324	372	375	379	382
Recoup of Workers Compensation Payments.....	55	155	155	155	155	155	155
Public Trustee Contribution - Common Account Surplus Interest.....	5,511	5,404	5,404	5,100	3,095	2,480	2,380
<b>TOTAL .....</b>	<b>160,833</b>	<b>158,094</b>	<b>161,711</b>	<b>170,378</b>	<b>170,562</b>	<b>171,650</b>	<b>173,017</b>

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

## DETAILS OF ADMINISTERED TRANSACTIONS

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Other</b>							
Confiscation of Assets .....	8,193	7,500	7,500	7,500	7,500	7,500	7,500
Fines and Penalties <sup>(a)</sup> .....	27,748	36,950	34,950	34,950	34,950	34,950	34,950
Speed and Red Light Fines <sup>(b)</sup> .....	16,350	14,323	18,221	18,262	17,755	17,541	15,883
Other Revenue <sup>(c)</sup> .....	8,536	11,580	11,580	11,580	11,580	11,580	11,580
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>60,827</b>	<b>70,353</b>	<b>72,251</b>	<b>72,292</b>	<b>71,785</b>	<b>71,571</b>	<b>69,913</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Grants Paid from the Confiscation Proceeds Account .....	1,904	1,900	3,800	1,900	1,900	1,900	1,900
<b>Other</b>							
Confiscation Expenses Paid from the Confiscation Proceeds Account .....	6,450	5,600	5,600	5,600	5,600	5,600	5,600
Receipts Paid into the Consolidated Account .....	42,554	46,411	44,411	44,411	44,411	44,411	44,411
Payment to Road Trauma Trust Fund .....	13,957	14,323	18,221	18,262	17,755	17,541	15,883
Other Expenses .....	2,626	2,119	2,119	2,119	2,119	2,119	2,119
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>67,491</b>	<b>70,353</b>	<b>74,151</b>	<b>72,292</b>	<b>71,785</b>	<b>71,571</b>	<b>69,913</b>

(a) Fines and Penalties imposed by the Courts.

(b) Relates to collection 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.

## Division 38 Corruption and Crime Commission

### Part 9 Attorney General; Minister for Commerce

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual <sup>(a)</sup> \$'000	2014-15 Budget <sup>(a)</sup> \$'000	2014-15 Estimated Actual <sup>(a)</sup> \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 50 Net amount appropriated to deliver services .....	29,674	33,308	33,161	<b>31,501</b>	30,816	30,739	31,192
<b>Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003</b> .....	472	486	486	<b>502</b>	502	502	502
Total appropriations provided to deliver services .....	30,146	33,794	33,647	<b>32,003</b>	31,318	31,241	31,694
<b>CAPITAL</b>							
Capital Appropriation .....	514	-	-	-	-	-	-
<b>TOTAL APPROPRIATIONS</b> .....	30,660	33,794	33,647	<b>32,003</b>	31,318	31,241	31,694
<b>EXPENSES</b>							
Total Cost of Services .....	32,351	33,918	33,771	<b>32,023</b>	31,196	31,381	31,834
Net Cost of Services <sup>(b)</sup> .....	32,176	33,878	33,731	<b>31,983</b>	31,156	31,341	31,794
<b>CASH ASSETS</b> <sup>(c)</sup> .....	8,117	8,332	7,807	<b>7,442</b>	7,498	5,084	4,930

- (a) Figures for 2013-14 Actual, 2014-15 Budget and 2014-15 Estimated Actual have not been adjusted to reflect the transfer of Oversight of Minor Misconduct and Corruption Prevention and Education functions to the Public Sector Commission.
- (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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	-	(300)	(300)	(300)	(300)
15% Procurement Savings .....	-	(284)	(291)	(295)	(295)
2015-16 Streamlined Budget Process Incentive Funding .....	-	612	-	-	-
ICT Savings and Reform .....	(30)	(61)	(63)	(64)	-
Transfer of the Oversight of Minor Misconduct and Corruption Prevention and Education Functions to the Public Sector Commission .....	-	(1,650)	(1,700)	(1,740)	(1,780)
Workforce Renewal Policy .....	(117)	(958)	(1,965)	(2,371)	(2,430)



## Significant Issues Impacting the Agency

- The Commission is working collaboratively with the Public Sector Commission to ensure smooth implementation of the amended *Corruption and Crime Commission Act 2003* (the Act) which will become the *Corruption, Crime and Misconduct Act 2003* (the amended Act). This includes:
  - the development of administrative arrangements to support implementation of the amended Act;
  - the resolution of core jurisdictional issues arising from the amended Act, namely the concept of ‘serious misconduct’ and ‘minor misconduct’; and
  - the transfer of the ‘minor misconduct’ and other functions and associated resources to the Public Sector Commission while retaining jurisdiction over all matters of police misconduct and serious misconduct across the Western Australian public sector.
- The Commission is undergoing a ‘root and branch review’ which aims to better align the Commission’s functions, processes, systems, operations and organisational design to its legislative purposes and operating environment. This process has culminated in the adoption of and transition to a more strategic, intelligence led business model that facilitates the identification of higher value operational opportunities. Consequently operations undertaken by the Commission are of a strategic nature, target areas of high corruption and misconduct risk within the public sector and will deliver outcomes of maximum public value. This approach will ensure that the Commission is better placed to reveal, disrupt and reduce systemic corruption and serious misconduct.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Building Public Sector Agency Integrity and Capacity to Deal with Misconduct.....	32,351	33,918	33,771	32,023	31,196	31,381	31,834
2. Organised Crime Function.....	-	-	-	-	-	-	-
<b>Total Cost of Services .....</b>	<b>32,351</b>	<b>33,918</b>	<b>33,771</b>	<b>32,023</b>	<b>31,196</b>	<b>31,381</b>	<b>31,834</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced:</b>					
Number of allegations received .....	7,260	7,000	5,455	3,700	1
Number of reports published in accordance with the Act.....	4	4	4	4	
<b>Outcome: Reduced incidence of organised crime:</b>					
Number of applications for exceptional powers findings or fortification warning notices received within the financial year .....	1	0	0	0	2
Number of applications for exceptional powers findings or fortification warning notices dealt with within the financial year .....	1	0	0	0	2
Average lapsed time taken to deal with applications for exceptional powers findings or fortification warning notices .....	4 days	0 days	0 days	0 days	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. There is a declining trend in allegations reported in 2014-15 Estimated Actual, primarily due to a decline in one-off reports from public authorities. This is where reports or notifications containing multiple allegations of misconduct concerning specific issues are made to the Commission by a public authority. The significant reduction in allegations in the 2015-16 Budget Target reflects the transfer of minor misconduct to the Public Sector Commission following changes to the Act. The Commission retains jurisdiction over all matters of police misconduct and serious misconduct across the Western Australian Public Sector.
2. Pursuant to section 46 of the Act the Commissioner of Police can apply to the Commission for authority to use exceptional powers to facilitate a police investigation into organised crime. If the application is granted, the Commission monitors the use of those powers but does not itself have any role in the investigation. The Commission cannot initiate an exceptional powers finding. The Commission does not expect to receive any exceptional powers applications during the 2014-15 Estimated Actual or the 2015-16 Budget Target periods for two primary reasons. Firstly, due to legislative impediments with the Act acknowledged by the Joint Standing Committee on the Corruption and Crime Commission's report, 'WA Police's use of Part 4 exceptional powers in the Act'. Secondly, similar powers can be accessed in certain limited circumstances through the Australian Crime Commission.

## 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.

	2013-14 Actual <sup>(a)</sup>	2014-15 Budget <sup>(a)</sup>	2014-15 Estimated Actual <sup>(a)</sup>	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 32,351	\$'000 33,918	\$'000 33,771	\$'000 32,023	
Less Income .....	175	40	40	40	
Net Cost of Service .....	32,176	33,878	33,731	31,983	
<b>Employees (Full Time Equivalents).....</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>129</b>	
<b>Efficiency Indicators</b>					
Average cost of service per FTE employed within public authorities under the Commission's jurisdiction.....	\$211	\$225	\$219	\$219	

(a) Figures for 2013-14 Actual, 2014-15 Budget and 2014-15 Estimated Actual have not been adjusted to reflect the transfer of Oversight of Minor Misconduct and Corruption Prevention and Education functions to the Public Sector Commission.

### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 -	\$'000 -	\$'000 -	\$'000 -	
Less Income .....	-	-	-	-	
Net Cost of Service .....	-	-	-	-	
<b>Efficiency Indicators</b>					
Average cost per matter involving the use of exceptional power and fortification warning notices over the financial year.....	-	-	-	-	1

### Explanation of Significant Movements

(Notes)

- Although there was one fortification warning notice issued during the 2013-14 reporting year, the cost to the Commission was not material and is therefore recorded as nil.

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Buildings and Operational Security - 2014-15 Program.....	3,140	3,140	3,140	-	-	-	-
Business Support Systems - 2014-15 Program .....	100	100	100	-	-	-	-
Information Technology (IT) Systems - 2014-15 Program .....	550	550	550	-	-	-	-
Office Equipment and Replacement - 2014-15 Program .....	50	50	50	-	-	-	-
Operations Support Equipment - 2014-15 Program .....	1,586	1,586	1,586	-	-	-	-
<b>NEW WORKS</b>							
Buildings and Operational Security							
2015-16 Program .....	906	-	-	906	-	-	-
2017-18 Program .....	430	-	-	-	-	430	-
2018-19 Program .....	250	-	-	-	-	-	250
Business Support Systems							
2016-17 Program .....	100	-	-	-	100	-	-
2017-18 Program .....	180	-	-	-	-	180	-
2018-19 Program .....	400	-	-	-	-	-	400
IT Systems							
2015-16 Program .....	275	-	-	275	-	-	-
2016-17 Program .....	250	-	-	-	250	-	-
2017-18 Program .....	400	-	-	-	-	400	-
2018-19 Program .....	300	-	-	-	-	-	300
Office Equipment and Replacement							
2015-16 Program .....	50	-	-	50	-	-	-
2016-17 Program .....	50	-	-	-	50	-	-
2017-18 Program .....	50	-	-	-	-	50	-
2018-19 Program .....	50	-	-	-	-	-	50
Operations Support Equipment							
2015-16 Program .....	1,196	-	-	1,196	-	-	-
2016-17 Program .....	1,121	-	-	-	1,121	-	-
2017-18 Program .....	1,200	-	-	-	-	1,200	-
2018-19 Program .....	1,200	-	-	-	-	-	1,200
<b>Total Cost of Asset Investment Program .....</b>	<b>13,834</b>	<b>5,426</b>	<b>5,426</b>	<b>2,427</b>	<b>1,521</b>	<b>2,260</b>	<b>2,200</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account.....			5,211	2,427	1,470	-	2,200
Internal Funds and Balances.....			215	-	51	2,260	-
<b>Total Funding .....</b>			<b>5,426</b>	<b>2,427</b>	<b>1,521</b>	<b>2,260</b>	<b>2,200</b>

## Financial Statements

### Income Statement

#### *Expenses*

The increase in the Total Cost of Services from the 2013-14 Actual to the 2014-15 Estimated Actual is reflective of lower vacancies and general cost escalation associated with salary and CPI.

The decreasing expenses over the forward estimates reflects the transfer of the Oversight of Minor Misconduct and Corruption Prevention and Education functions to the Public Sector Commission and the reduction in funding associated with the government's Workforce Renewal Policy.

#### *Income*

The 2013-14 Actual includes revenue derived from the sale of assets as well as an insurance adjustment.

### Statement of Financial Position

The re-classification of restricted cash from non-current to current in the 2014-15 Budget and the 2014-15 Estimated Actuals facilitates the drawdown of these funds in the 2015-16 Budget Estimate year to fund the 27<sup>th</sup> Pay. The reduction in other current liabilities during the 2015-16 Budget Estimate year is a result of this extra pay reducing the proportion of unpaid salaries at the end of the year.

### Statement of Cashflows

The decreasing cash balance in the 2017-18 Forward Estimate reflects the funding of the Asset Investment Program from internal funds.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	21,472	23,197	23,080	21,484	20,836	21,000	21,523
Supplies and services .....	3,340	2,914	2,868	2,520	2,101	2,047	1,842
Accommodation .....	4,393	4,030	4,215	4,332	4,487	4,644	4,761
Depreciation and amortisation .....	2,103	2,786	2,786	2,897	2,963	2,865	2,865
Other expenses .....	1,043	991	822	790	809	825	843
<b>TOTAL COST OF SERVICES .....</b>	<b>32,351</b>	<b>33,918</b>	<b>33,771</b>	<b>32,023</b>	<b>31,196</b>	<b>31,381</b>	<b>31,834</b>
<b>Income</b>							
Other revenue .....	175	40	40	40	40	40	40
<b>Total Income .....</b>	<b>175</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>
<b>NET COST OF SERVICES .....</b>	<b>32,176</b>	<b>33,878</b>	<b>33,731</b>	<b>31,983</b>	<b>31,156</b>	<b>31,341</b>	<b>31,794</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	30,146	33,794	33,647	32,003	31,318	31,241	31,694
Resources received free of charge .....	8	8	8	8	8	8	8
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>30,154</b>	<b>33,802</b>	<b>33,655</b>	<b>32,011</b>	<b>31,326</b>	<b>31,249</b>	<b>31,702</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(2,022)</b>	<b>(76)</b>	<b>(76)</b>	<b>28</b>	<b>170</b>	<b>(92)</b>	<b>(92)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 156, 156 and 129 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	7,397	7,547	6,979	7,442	7,418	4,919	4,765
Restricted cash .....	-	785	828	-	-	-	-
Holding account receivables .....	5,211	2,427	2,427	1,470	-	2,200	-
Receivables .....	259	416	278	252	245	242	239
Other .....	816	498	816	816	816	816	731
<b>Total current assets .....</b>	<b>13,683</b>	<b>11,673</b>	<b>11,328</b>	<b>9,980</b>	<b>8,479</b>	<b>8,177</b>	<b>5,735</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	12,573	12,932	12,932	14,359	17,472	18,287	21,302
Property, plant and equipment .....	3,413	7,400	6,060	5,694	4,229	3,549	2,589
Intangibles .....	193	298	186	82	105	180	475
Restricted cash .....	720	-	-	-	80	165	165
<b>Total non-current assets .....</b>	<b>16,899</b>	<b>20,630</b>	<b>19,178</b>	<b>20,135</b>	<b>21,886</b>	<b>22,181</b>	<b>24,531</b>
<b>TOTAL ASSETS .....</b>	<b>30,582</b>	<b>32,303</b>	<b>30,506</b>	<b>30,115</b>	<b>30,365</b>	<b>30,358</b>	<b>30,266</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	4,399	4,247	4,399	4,399	4,399	4,399	4,399
Payables .....	112	344	112	112	112	112	112
Other .....	670	419	670	251	331	416	416
<b>Total current liabilities .....</b>	<b>5,181</b>	<b>5,010</b>	<b>5,181</b>	<b>4,762</b>	<b>4,842</b>	<b>4,927</b>	<b>4,927</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	819	812	819	819	819	819	819
<b>Total non-current liabilities .....</b>	<b>819</b>	<b>812</b>	<b>819</b>	<b>819</b>	<b>819</b>	<b>819</b>	<b>819</b>
<b>TOTAL LIABILITIES .....</b>	<b>6,000</b>	<b>5,822</b>	<b>6,000</b>	<b>5,581</b>	<b>5,661</b>	<b>5,746</b>	<b>5,746</b>
<b>EQUITY</b>							
Contributed equity .....	19,483	19,483	19,483	19,483	19,483	19,483	19,483
Accumulated surplus/(deficit) .....	5,099	6,998	5,023	5,051	5,221	5,129	5,037
<b>Total equity .....</b>	<b>24,582</b>	<b>26,481</b>	<b>24,506</b>	<b>24,534</b>	<b>24,704</b>	<b>24,612</b>	<b>24,520</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>30,582</b>	<b>32,303</b>	<b>30,506</b>	<b>30,115</b>	<b>30,365</b>	<b>30,358</b>	<b>30,266</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	27,802	31,008	30,861	29,106	28,205	28,226	28,679
Capital appropriation .....	514	-	-	-	-	-	-
Holding account drawdowns.....	1,415	5,211	5,211	2,427	1,470	-	2,200
<b>Net cash provided by State Government.....</b>	<b>29,731</b>	<b>36,219</b>	<b>36,072</b>	<b>31,533</b>	<b>29,675</b>	<b>28,226</b>	<b>30,879</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(21,937)	(23,197)	(23,080)	(21,903)	(20,756)	(20,915)	(21,438)
Supplies and services .....	(3,338)	(2,914)	(2,868)	(2,520)	(2,101)	(2,047)	(1,842)
Accommodation .....	(4,951)	(4,024)	(4,209)	(4,326)	(4,481)	(4,638)	(4,755)
Other payments.....	(2,218)	(2,214)	(2,045)	(1,738)	(1,705)	(1,795)	(1,813)
<b>Receipts</b>							
GST receipts.....	1,289	1,206	1,206	976	905	975	975
Other receipts .....	98	40	40	40	40	40	40
<b>Net cash from operating activities .....</b>	<b>(31,057)</b>	<b>(31,103)</b>	<b>(30,956)</b>	<b>(29,471)</b>	<b>(28,098)</b>	<b>(28,380)</b>	<b>(28,833)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(610)	(5,426)	(5,426)	(2,427)	(1,521)	(2,260)	(2,200)
Proceeds from sale of non-current assets.....	172	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(438)</b>	<b>(5,426)</b>	<b>(5,426)</b>	<b>(2,427)</b>	<b>(1,521)</b>	<b>(2,260)</b>	<b>(2,200)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(1,764)</b>	<b>(310)</b>	<b>(310)</b>	<b>(365)</b>	<b>56</b>	<b>(2,414)</b>	<b>(154)</b>
Cash assets at the beginning of the reporting period .....	9,882	8,642	8,117	7,807	7,442	7,498	5,084
Net cash transferred to/from other agencies....	(1)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>8,117</b>	<b>8,332</b>	<b>7,807</b>	<b>7,442</b>	<b>7,498</b>	<b>5,084</b>	<b>4,930</b>

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



## Division 39 Commissioner for Equal Opportunity

### Part 9 Attorney General; Minister for Commerce

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 51 Net amount appropriated to deliver services .....	4,853	3,248	3,248	3,094	3,249	3,605	3,693
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	319	277	277	285	293	293	293
Total appropriations provided to deliver services.....	5,172	3,525	3,525	3,379	3,542	3,898	3,986
<b>CAPITAL</b>							
Capital Appropriation .....	86	-	-	-	-	-	-
<b>TOTAL APPROPRIATIONS</b> .....	5,258	3,525	3,525	3,379	3,542	3,898	3,986
<b>EXPENSES</b>							
Total Cost of Services .....	5,123	3,918	3,918	3,777	3,940	4,296	4,384
Net Cost of Services <sup>(a)</sup> .....	4,870	3,533	3,533	3,387	3,550	3,906	3,994
<b>CASH ASSETS <sup>(b)</sup></b> .....	507	317	507	421	421	421	421

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Education and Training .....	-	5	5	5	5

#### Significant Issues Impacting the Agency

- The Public Sector Commission's Review of Organisational Structures (the Review) under the *Equal Opportunity Act 1984* (the Act) was released in March 2015. The Review's confirmation that the Commission remains as an autonomous, State-based entity comprising the Commissioner and appointed staff has provided a clear platform to pursue the recommendations of the Review.
- The Commission has commenced planning to reshape its operations to address the recommendations of the Review.
- In particular, the Review calls for the Commission to focus on addressing systemic discrimination. Furthermore, by exploring greater use of technology, dissemination of information and seeking appropriate collaborations with other agencies, the Commission is encouraged to raise its profile and promote access to its services throughout Western Australia.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Provision of Information and Advice Regarding Equal Opportunity and Human Rights .....	2,998	2,058	2,055	1,981	2,065	2,345	2,393
2. Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment .....	2,125	1,860	1,863	1,796	1,875	1,951	1,991
<b>Total Cost of Services .....</b>	<b>5,123</b>	<b>3,918</b>	<b>3,918</b>	<b>3,777</b>	<b>3,940</b>	<b>4,296</b>	<b>4,384</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>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:</b>					
Community awareness of the Act and belief it is of benefit.....	82.1%	82%	82%	82%	
Percentage of complaints finalised within:					
6 months .....	90%	90%	98%	95%	
12 months .....	100%	100%	100%	99%	

(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 Act, other relevant laws and human rights issues generally, provision of accurate advice on equal opportunity matters and the identification of discriminatory policies and practices.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 2,998	\$'000 2,058	\$'000 2,055	\$'000 1,981	
Less Income .....	133	202	202	204	
Net Cost of Service .....	2,865	1,856	1,853	1,777	
<b>Employees (Full Time Equivalents).....</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	
<b>Efficiency Indicators</b>					
Average Hourly Cost of Development and Delivery of Training Courses .....	\$1,270	\$962	\$991	\$935	

### 2. Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 2,125	\$'000 1,860	\$'000 1,863	\$'000 1,796	
Less Income .....	120	183	183	186	
Net Cost of Service .....	2,005	1,677	1,680	1,610	
<b>Employees (Full Time Equivalents).....</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	
<b>Efficiency Indicators</b>					
Average Cost per Complaint .....	\$2,466	\$1,776	\$1,886	\$1,832	

## Asset Investment Program

The Commission's Asset Investment Program of \$79,000 provides for the replacement of office equipment and minor works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Office Equipment and Minor Works - 2014-15 Program .....	79	79	79	-	-	-	-
<b>NEW WORKS</b>							
Office Equipment and Minor Works							
2015-16 Program .....	79	-	-	79	-	-	-
2016-17 Program .....	79	-	-	-	79	-	-
2017-18 Program .....	79	-	-	-	-	79	-
2018-19 Program .....	79	-	-	-	-	-	79
<b>Total Cost of Asset Investment Program .....</b>	<b>395</b>	<b>79</b>	<b>79</b>	<b>79</b>	<b>79</b>	<b>79</b>	<b>79</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account .....			79	79	79	79	79
<b>Total Funding .....</b>			<b>79</b>	<b>79</b>	<b>79</b>	<b>79</b>	<b>79</b>

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	3,610	2,313	2,313	2,414	2,535	2,886	2,946
Supplies and services .....	588	446	446	208	207	207	207
Accommodation .....	744	923	923	934	962	971	980
Depreciation and amortisation .....	64	102	102	102	102	79	79
Other expenses .....	117	134	134	119	134	153	172
<b>TOTAL COST OF SERVICES .....</b>	<b>5,123</b>	<b>3,918</b>	<b>3,918</b>	<b>3,777</b>	<b>3,940</b>	<b>4,296</b>	<b>4,384</b>
<b>Income</b>							
Sale of goods and services .....	216	350	350	355	355	355	355
Grants and subsidies .....	-	35	35	35	35	35	35
Other revenue .....	37	-	-	-	-	-	-
<b>Total Income .....</b>	<b>253</b>	<b>385</b>	<b>385</b>	<b>390</b>	<b>390</b>	<b>390</b>	<b>390</b>
<b>NET COST OF SERVICES .....</b>	<b>4,870</b>	<b>3,533</b>	<b>3,533</b>	<b>3,387</b>	<b>3,550</b>	<b>3,906</b>	<b>3,994</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	5,172	3,525	3,525	3,379	3,542	3,898	3,986
Resources received free of charge .....	99	8	8	8	8	8	8
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>5,271</b>	<b>3,533</b>	<b>3,533</b>	<b>3,387</b>	<b>3,550</b>	<b>3,906</b>	<b>3,994</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>401</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 24, 24 and 24 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	421	232	421	421	421	421	421
Restricted cash .....	-	-	86	-	-	-	-
Holding account receivables.....	79	79	79	79	79	79	79
Receivables .....	151	89	151	151	151	151	151
Other.....	20	20	20	20	20	20	20
Total current assets .....	671	420	757	671	671	671	671
<b>NON-CURRENT ASSETS</b>							
Holding account receivables.....	225	253	248	271	294	294	294
Property, plant and equipment.....	174	199	188	188	165	165	165
Intangibles .....	28	91	28	5	5	5	5
Restricted cash .....	86	85	-	-	-	-	-
Total non-current assets .....	513	628	464	464	464	464	464
<b>TOTAL ASSETS .....</b>	<b>1,184</b>	<b>1,048</b>	<b>1,221</b>	<b>1,135</b>	<b>1,135</b>	<b>1,135</b>	<b>1,135</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	631	565	631	631	631	631	631
Payables .....	4	199	41	41	41	41	41
Other.....	264	291	264	178	178	178	178
Total current liabilities .....	899	1,055	936	850	850	850	850
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	137	139	137	137	137	137	137
Other.....	1	1	1	1	1	1	1
Total non-current liabilities .....	138	140	138	138	138	138	138
<b>TOTAL LIABILITIES.....</b>	<b>1,037</b>	<b>1,195</b>	<b>1,074</b>	<b>988</b>	<b>988</b>	<b>988</b>	<b>988</b>
<b>EQUITY</b>							
Contributed equity .....	604	604	604	604	604	604	604
Accumulated surplus/(deficit).....	(644)	(909)	(644)	(644)	(644)	(644)	(644)
Reserves.....	187	158	187	187	187	187	187
Total equity .....	147	(147)	147	147	147	147	147
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,184</b>	<b>1,048</b>	<b>1,221</b>	<b>1,135</b>	<b>1,135</b>	<b>1,135</b>	<b>1,135</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	5,083	3,423	3,423	3,277	3,440	3,819	3,907
Capital appropriation .....	86	-	-	-	-	-	-
Holding account drawdowns.....	79	79	79	79	79	79	79
<b>Net cash provided by State Government.....</b>	<b>5,248</b>	<b>3,502</b>	<b>3,502</b>	<b>3,356</b>	<b>3,519</b>	<b>3,898</b>	<b>3,986</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(3,642)	(2,348)	(2,348)	(2,535)	(2,570)	(2,921)	(2,981)
Supplies and services .....	(586)	(409)	(409)	(171)	(170)	(170)	(170)
Accommodation .....	(781)	(923)	(923)	(934)	(962)	(971)	(980)
Other payments.....	(348)	(227)	(227)	(212)	(227)	(246)	(265)
<b>Receipts <sup>(b)</sup></b>							
Grants and subsidies.....	-	35	35	35	35	35	35
Sale of goods and services.....	165	350	350	355	355	355	355
GST receipts.....	160	78	78	78	78	78	78
Other receipts .....	37	21	21	21	21	21	21
<b>Net cash from operating activities .....</b>	<b>(4,995)</b>	<b>(3,423)</b>	<b>(3,423)</b>	<b>(3,363)</b>	<b>(3,440)</b>	<b>(3,819)</b>	<b>(3,907)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(63)	(79)	(79)	(79)	(79)	(79)	(79)
<b>Net cash from investing activities.....</b>	<b>(63)</b>	<b>(79)</b>	<b>(79)</b>	<b>(79)</b>	<b>(79)</b>	<b>(79)</b>	<b>(79)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>190</b>	<b>-</b>	<b>-</b>	<b>(86)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	317	317	507	507	421	421	421
<b>Cash assets at the end of the reporting period .....</b>	<b>507</b>	<b>317</b>	<b>507</b>	<b>421</b>	<b>421</b>	<b>421</b>	<b>421</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Commission. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Grants and Subsidies</b>							
Proceeds from the Provision of Services to the Indian Ocean Territories.....	-	35	35	35	35	35	35
<b>Sale of Goods and Services</b>							
Services Rendered.....	165	350	350	355	355	355	355
<b>GST Receipts</b>							
GST Input Credits .....	136	61	61	61	61	61	61
GST Receipts on Sale.....	24	17	17	17	17	17	17
<b>Other Receipts</b>							
Other Receipts .....	37	21	21	21	21	21	21
<b>TOTAL .....</b>	<b>362</b>	<b>484</b>	<b>484</b>	<b>489</b>	<b>489</b>	<b>489</b>	<b>489</b>

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

# Division 40 Office of the Director of Public Prosecutions

## Part 9 Attorney General; Minister for Commerce

### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 52 Net amount appropriated to deliver services .....	31,668	31,382	31,279	31,478	31,053	29,963	30,123
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	3,231	3,341	3,459	3,585	3,715	3,316	3,321
Total appropriations provided to deliver services.....	34,899	34,723	34,738	35,063	34,768	33,279	33,444
<b>TOTAL APPROPRIATIONS .....</b>	34,899	34,723	34,738	35,063	34,768	33,279	33,444
<b>EXPENSES</b>							
Total Cost of Services .....	39,819	38,817	38,832	39,157	38,862	37,373	37,538
Net Cost of Services <sup>(a)</sup> .....	35,542	35,167	35,182	35,507	35,212	33,723	33,888
<b>CASH ASSETS <sup>(b)</sup> .....</b>	3,202	2,627	3,208	2,227	2,308	2,389	2,470

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	-	(300)	(300)	(300)	(300)
2015-16 Streamlined Budget Process Incentive Funding .....	-	617	-	-	-
Salaries and Allowances Tribunal Determination .....	118	122	126	130	135
Workforce Renewal Policy .....	(103)	(842)	(1,727)	(2,657)	(2,968)

## Significant Issues Impacting the Agency

- The Office continues to prosecute the most serious offences committed against the State's criminal laws. During 2014-15, the Office conducted an extensive legal practice that included a significant number of high profile and resource intensive murder and drug-related prosecutions. The number of new committal cases increased by 2.9% last financial year and a further increase of around 10% is projected in 2014-15. Current trends also indicate a significant increase in the number of criminal trials proceeding in the Supreme and District Courts. In 2013-14, 399 cases prosecuted by the Office proceeded to trial, with this figure projected to be over 450 in 2014-15.
- The Office continues to manage a busy appellate practice, with over 200 new High Court, Court of Appeal and Single Judge Appeals likely to be managed in 2015-16.
- In 2015-16 the Office will undertake a comprehensive review of the prosecution services it currently provides to the community of Western Australia.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Criminal Prosecutions .....	36,571	35,817	35,582	35,957	35,762	34,273	34,438
2. Confiscation of Assets.....	3,248	3,000	3,250	3,200	3,100	3,100	3,100
<b>Total Cost of Services .....</b>	<b>39,819</b>	<b>38,817</b>	<b>38,832</b>	<b>39,157</b>	<b>38,862</b>	<b>37,373</b>	<b>37,538</b>



**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: That the people of Western Australia are provided with a fair and just criminal prosecution service:</b>					
Early advice to Court on charges: Indictment filed within three months of committal .....	81%	85%	85%	85%	
Establishing a case to answer .....	100%	98%	99%	98%	
Convictions after trial .....	69%	50%	65%	50%	1
Application for a Declaration of Confiscations filed within four months of the Drug Trafficker Declaration .....	45%	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 2013-14 Actual was below target due to a range of factors including the progress of Police investigations to establish the ownership of property, the tracking of associated criminal charges and assets and the resolution of issues with third parties who may claim an interest in seized property.

**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 at 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 36,571	\$'000 35,817	\$'000 35,582	\$'000 35,957	
Less Income .....	1,077	1,050	1,050	1,050	
Net Cost of Service.....	35,494	34,767	34,532	34,907	
<b>Employees (Full Time Equivalents).....</b>	<b>216</b>	<b>218</b>	<b>217</b>	<b>211</b>	
<b>Efficiency Indicators</b>					
Cost per Prosecution .....	\$15,168	\$16,400	\$16,500	\$16,500	

## 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*.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 3,248	\$'000 3,000	\$'000 3,250	\$'000 3,200	
Less Income .....	3,200	2,600	2,600	2,600	1
Net Cost of Service.....	48	400	650	600	
Employees (Full Time Equivalents).....	17	18	18	17	
<b>Efficiency Indicators</b>					
Ratio of Cost to Return.....	40%	25%	25%	25%	2

### Explanation of Significant Movements

(Notes)

- The decrease in Income between the 2013-14 Actual and the 2014-15 Budget and Estimated Actual of \$0.6 million is due to an additional contribution of that amount made from the Confiscation Proceeds Account in 2013-14. At the time of finalising these Budget Statements a decision had not yet been made on the amounts to be paid to the Office from the Confiscation Proceeds Account in 2014-15, nor across the forward estimates. The 2014-15 Estimated Actual and the 2015-16 Budget Target represent the base level of funding approved under the expired agreement.
- This indicator is most significantly influenced by the quantum of funds paid into the Confiscation Proceeds Account by the Office. While the costs to maintain the Office's confiscation of assets service are relatively stable, the proceeds paid to the Account annually can vary due to a range of factors outside the control of the Office.

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Asset Replacement Program.....	494	294	50	50	50	50	50
Computer and Office Equipment Replacement Replacement of Computers, Servers, Telephony and Photocopiers .....	2,601	696	565	255	550	550	550
<b>Total Cost of Asset Investment Program.....</b>	<b>3,095</b>	<b>990</b>	<b>615</b>	<b>305</b>	<b>600</b>	<b>600</b>	<b>600</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account.....			540	305	600	600	600
Internal Funds and Balances.....			75	-	-	-	-
<b>Total Funding.....</b>			<b>615</b>	<b>305</b>	<b>600</b>	<b>600</b>	<b>600</b>

## Financial Statements

### Income Statement

#### Expenses

Implementation of the Workforce Renewal Policy will decrease payroll costs by \$8.3 million across the forward estimates period.

#### Income

Incentive funding of \$0.6 million in Service Appropriations provided in 2015-16 under the Streamlined Budget Process was offset by the Workforce Renewal Policy and efficiency dividend of \$0.8 million and \$0.3 million respectively. However, the baseline funding over the forward estimates was such that the total income from Government of \$35.6 million in the 2015-16 Budget Estimate increased marginally from the 2014-15 Estimated Actual of \$34.7 million.

Service Appropriations have reduced across the forward estimates period due to the Workforce Renewal Policy.

### Statement of Cashflows

A decrease of \$1 million in cash assets in the 2015-16 Budget Estimate is due to the payment of the 27<sup>th</sup> Pay.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	29,277	29,205	29,203	29,583	29,022	27,487	27,589
Supplies and services .....	4,296	3,650	3,435	3,298	3,500	3,457	3,456
Accommodation .....	2,939	2,850	3,051	3,056	3,061	3,066	3,072
Depreciation and amortisation .....	643	869	753	785	811	869	889
Other expenses .....	2,664	2,243	2,390	2,435	2,468	2,494	2,532
<b>TOTAL COST OF SERVICES .....</b>	<b>39,819</b>	<b>38,817</b>	<b>38,832</b>	<b>39,157</b>	<b>38,862</b>	<b>37,373</b>	<b>37,538</b>
<b>Income</b>							
Grants and subsidies .....	4,200	3,600	3,600	3,600	3,600	3,600	3,600
Other revenue .....	77	50	50	50	50	50	50
<b>Total Income .....</b>	<b>4,277</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>
<b>NET COST OF SERVICES .....</b>	<b>35,542</b>	<b>35,167</b>	<b>35,182</b>	<b>35,507</b>	<b>35,212</b>	<b>33,723</b>	<b>33,888</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	34,899	34,723	34,738	35,063	34,768	33,279	33,444
Resources received free of charge .....	1,138	525	525	525	525	525	525
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>36,037</b>	<b>35,248</b>	<b>35,263</b>	<b>35,588</b>	<b>35,293</b>	<b>33,804</b>	<b>33,969</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>495</b>	<b>81</b>	<b>81</b>	<b>81</b>	<b>81</b>	<b>81</b>	<b>81</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 233, 235 and 228 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	2,272	1,699	2,212	2,227	2,242	2,323	2,404
Holding account receivables .....	-	305	305	600	600	600	600
Receivables .....	102	159	102	102	102	102	102
Other .....	-	18	-	-	-	-	-
<b>Total current assets .....</b>	<b>2,374</b>	<b>2,181</b>	<b>2,619</b>	<b>2,929</b>	<b>2,944</b>	<b>3,025</b>	<b>3,106</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	3,862	3,811	3,886	4,133	4,490	4,847	5,204
Property, plant and equipment .....	213	257	214	177	145	113	348
Intangibles .....	218	100	74	41	8	(25)	(25)
Restricted cash .....	930	928	996	-	66	66	66
Other .....	2,285	2,224	2,174	1,702	1,410	1,118	526
<b>Total non-current assets .....</b>	<b>7,508</b>	<b>7,320</b>	<b>7,344</b>	<b>6,053</b>	<b>6,119</b>	<b>6,119</b>	<b>6,119</b>
<b>TOTAL ASSETS .....</b>	<b>9,882</b>	<b>9,501</b>	<b>9,963</b>	<b>8,982</b>	<b>9,063</b>	<b>9,144</b>	<b>9,225</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	5,718	5,977	5,718	5,299	5,299	5,299	5,299
Payables .....	374	214	374	374	374	374	374
Other .....	999	1,048	999	356	356	356	356
<b>Total current liabilities .....</b>	<b>7,091</b>	<b>7,239</b>	<b>7,091</b>	<b>6,029</b>	<b>6,029</b>	<b>6,029</b>	<b>6,029</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,863	1,665	1,863	1,863	1,863	1,863	1,863
Other .....	2	2	2	2	2	2	2
<b>Total non-current liabilities .....</b>	<b>1,865</b>	<b>1,667</b>	<b>1,865</b>	<b>1,865</b>	<b>1,865</b>	<b>1,865</b>	<b>1,865</b>
<b>TOTAL LIABILITIES .....</b>	<b>8,956</b>	<b>8,906</b>	<b>8,956</b>	<b>7,894</b>	<b>7,894</b>	<b>7,894</b>	<b>7,894</b>
<b>EQUITY</b>							
Contributed equity .....	7,136	7,138	7,136	7,136	7,136	7,136	7,136
Accumulated surplus/(deficit) .....	(6,210)	(6,543)	(6,129)	(6,048)	(5,967)	(5,886)	(5,805)
<b>Total equity .....</b>	<b>926</b>	<b>595</b>	<b>1,007</b>	<b>1,088</b>	<b>1,169</b>	<b>1,250</b>	<b>1,331</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>9,882</b>	<b>9,501</b>	<b>9,963</b>	<b>8,982</b>	<b>9,063</b>	<b>9,144</b>	<b>9,225</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	34,094	33,854	33,869	34,216	33,811	32,322	32,487
Holding account drawdowns.....	440	540	540	305	600	600	600
<b>Net cash provided by State Government.....</b>	<b>34,534</b>	<b>34,394</b>	<b>34,409</b>	<b>34,521</b>	<b>34,411</b>	<b>32,922</b>	<b>33,087</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(29,291)	(29,098)	(29,203)	(30,645)	(29,022)	(27,487)	(27,589)
Supplies and services .....	(2,862)	(3,307)	(2,447)	(2,346)	(2,423)	(2,428)	(2,439)
Accommodation .....	(2,889)	(2,782)	(3,048)	(3,056)	(3,061)	(3,065)	(3,072)
Other payments.....	(3,771)	(2,865)	(3,369)	(3,429)	(3,503)	(3,545)	(3,590)
<b>Receipts <sup>(b)</sup></b>							
Grants and subsidies.....	4,200	3,600	3,600	3,600	3,600	3,600	3,600
GST receipts.....	911	629	629	629	629	634	634
Other receipts .....	65	50	50	50	50	50	50
<b>Net cash from operating activities .....</b>	<b>(33,637)</b>	<b>(33,773)</b>	<b>(33,788)</b>	<b>(35,197)</b>	<b>(33,730)</b>	<b>(32,241)</b>	<b>(32,406)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(325)	(540)	(615)	(305)	(600)	(600)	(600)
<b>Net cash from investing activities.....</b>	<b>(325)</b>	<b>(540)</b>	<b>(615)</b>	<b>(305)</b>	<b>(600)</b>	<b>(600)</b>	<b>(600)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>572</b>	<b>81</b>	<b>6</b>	<b>(981)</b>	<b>81</b>	<b>81</b>	<b>81</b>
Cash assets at the beginning of the reporting period .....	2,630	2,546	3,202	3,208	2,227	2,308	2,389
<b>Cash assets at the end of the reporting period .....</b>	<b>3,202</b>	<b>2,627</b>	<b>3,208</b>	<b>2,227</b>	<b>2,308</b>	<b>2,389</b>	<b>2,470</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Grants and Subsidies</b>							
Contribution from the Confiscation Proceeds Account.....	4,200	3,600	3,600	3,600	3,600	3,600	3,600
<b>GST Receipts</b>							
GST Input Credits .....	904	629	629	629	629	634	634
GST Receipts on Sales .....	7	-	-	-	-	-	-
<b>Other Receipts</b>							
Employee Contributions to Employee Vehicle Scheme.....	50	50	50	50	50	50	50
Other Receipts .....	15	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>5,176</b>	<b>4,279</b>	<b>4,279</b>	<b>4,279</b>	<b>4,279</b>	<b>4,284</b>	<b>4,284</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Other</b>							
Proceeds of Crime (Misuse of Drugs Act 1981).....	-	100	100	100	100	100	100
<b>TOTAL ADMINISTERED INCOME .....</b>	-	100	100	100	100	100	100
<b>EXPENSES</b>							
<b>Other</b>							
Receipts Paid to the Consolidated Account.....	-	100	100	100	100	100	100
<b>TOTAL ADMINISTERED EXPENSES .....</b>	-	100	100	100	100	100	100

**Division 41**      **Commissioner for Children and Young People**

**Part 9**            **Attorney General; Minister for Commerce**

**Appropriations, Expenses and Cash Assets**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 53 Net amount appropriated to deliver services .....	2,630	2,700	2,700	<b>2,827</b>	2,850	2,921	2,994
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	261	262	262	<b>255</b>	255	255	255
Total appropriations provided to deliver services.....	2,891	2,962	2,962	<b>3,082</b>	3,105	3,176	3,249
<b>TOTAL APPROPRIATIONS .....</b>	<b>2,891</b>	<b>2,962</b>	<b>2,962</b>	<b>3,082</b>	<b>3,105</b>	<b>3,176</b>	<b>3,249</b>
<b>EXPENSES</b>							
Total Cost of Services .....	3,094	3,103	3,181	<b>3,262</b>	3,285	3,356	3,429
Net Cost of Services <sup>(a)</sup> .....	3,019	3,103	3,181	<b>3,262</b>	3,285	3,356	3,429
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>725</b>	<b>628</b>	<b>686</b>	<b>686</b>	<b>686</b>	<b>686</b>	<b>686</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding .....	-	55	-	-	-

**Significant Issues Impacting the Agency**

- Generally children and young people in Western Australia fare well. However, there continues to be disparities in outcomes between Aboriginal children and young people and their non-Aboriginal counterparts. The Commissioner's Wellbeing Monitoring Framework and policy briefs bring together information on a range of wellbeing indicators and best practice examples to support the work of government and non-government agencies in the delivery of evidence-based programs and policies that support and strengthen children and young people's wellbeing.
- Children and young people are entitled to live in a caring and nurturing environment, protected from harm and exploitation. The Commissioner will continue to develop and promote resources to support the implementation of child friendly complaints systems and child safe organisations.

- Participation in education is a key factor affecting the life chances of all children and young people. Most Western Australian children are successfully engaged in their education, however, a small number of young people are at risk of disengaging, or have disengaged, from education. The Commissioner will consult with children and young people at risk of disengaging from school to seek their views and to learn what is needed to better support their engagement with education.
- The mental health of children and young people, and their families remains a priority. The Commissioner's 'Report of the Inquiry into the mental health and wellbeing of children and young people in Western Australia' (the Inquiry) in 2011 made 54 recommendations. The Commissioner is reviewing the current status of the Inquiry's recommendations to determine progress and to identify what remains to be done to further improve the mental health and wellbeing of children and young people.
- The contributions made by children and young people to the community should be recognised, and their views on matters affecting them should be given serious consideration. The Commissioner's Participation Guidelines and consultation 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 to deliver better outcomes. Priorities for 2015-16 include reporting back to the community on the outcomes from consultations with over 1,200 Aboriginal and Torres Strait Islander children and young people from across the State, and undertaking consultation with children and young people from culturally and linguistically diverse backgrounds on what is important to them, and what support they need to do well.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Consultation, Research and Promotion of the Wellbeing of Children and Young People .....	3,094	3,103	3,181	3,262	3,285	3,356	3,429
<b>Total Cost of Services .....</b>	<b>3,094</b>	<b>3,103</b>	<b>3,181</b>	<b>3,262</b>	<b>3,285</b>	<b>3,356</b>	<b>3,429</b>



**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: The views and issues of children and young people are heard and acted upon:</b>					
The extent to which children and young people in various regions of the State are consulted .....	43	25	45	25	1
The extent to which issues impacting upon children and young people are identified through consultation and research .....	97	90	88	90	

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

**Explanation of Significant Movements**

(Notes)

1. The estimated increase in the number of consultations conducted with children and young people in 2014-15 Estimated Actual (45) compared with the 2014-15 Budget (25) is due to the larger than anticipated participation rate of children and young people in two major consultation projects occurring during the financial year.

**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*.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 3,094	\$'000 3,103	\$'000 3,181	\$'000 3,262	
Less Income .....	75	-	-	-	
Net Cost of Service.....	3,019	3,103	3,181	3,262	
<b>Employees (Full Time Equivalents).....</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	
<b>Efficiency Indicators <sup>(a)</sup></b>					
Average Cost per Consultation Exercise with Children and Young People....	\$17,831	\$39,718	\$21,116	\$39,190	1
Average Cost of Conducting Research and Consultation.....	\$23,985	\$23,445	\$25,153	\$25,358	

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

**Explanation of Significant Movements**

(Notes)

1. The estimated decrease in Average Cost per Consultation Exercise with Children and Young People in the 2014-15 Budget compared to the 2014-15 Estimated Actual is due to the larger than anticipated participation rate of children and young people in two major consultation projects occurring during the financial year.

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	1,731	1,877	1,877	2,291	2,345	2,404	2,460
Grants and subsidies <sup>(c)</sup> .....	6	-	-	-	-	-	-
Supplies and services .....	599	654	731	520	483	482	492
Accommodation .....	495	417	417	305	311	320	327
Depreciation and amortisation .....	61	34	34	22	22	22	22
Other expenses .....	202	121	122	124	124	128	128
<b>TOTAL COST OF SERVICES .....</b>	<b>3,094</b>	<b>3,103</b>	<b>3,181</b>	<b>3,262</b>	<b>3,285</b>	<b>3,356</b>	<b>3,429</b>
<b>Income</b>							
Other revenue .....	75	-	-	-	-	-	-
<b>Total Income .....</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET COST OF SERVICES .....</b>	<b>3,019</b>	<b>3,103</b>	<b>3,181</b>	<b>3,262</b>	<b>3,285</b>	<b>3,356</b>	<b>3,429</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	2,891	2,962	2,962	3,082	3,105	3,176	3,249
Resources received free of charge .....	172	102	180	180	180	180	180
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>3,063</b>	<b>3,064</b>	<b>3,142</b>	<b>3,262</b>	<b>3,285</b>	<b>3,356</b>	<b>3,429</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>44</b>	<b>(39)</b>	<b>(39)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 16, 16 and 16 respectively. In some cases the figures for 2013-14 and 2014-15 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

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Grants to Communities .....	6	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	678	575	639	639	639	639	639
Receivables .....	37	43	37	37	37	37	37
Total current assets .....	715	618	676	676	676	676	676
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	400	434	434	434	434	434	434
Property, plant and equipment .....	103	10	69	69	69	69	69
Restricted cash .....	47	53	47	47	47	47	47
Total non-current assets .....	550	497	550	550	550	550	550
<b>TOTAL ASSETS</b> .....	1,265	1,115	1,226	1,226	1,226	1,226	1,226
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	140	223	140	140	140	140	140
Payables .....	18	12	18	18	18	18	18
Other .....	126	97	126	126	126	126	126
Total current liabilities .....	284	332	284	284	284	284	284
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	94	106	94	94	94	94	94
Other .....	-	1	-	-	-	-	-
Total non-current liabilities .....	94	107	94	94	94	94	94
<b>TOTAL LIABILITIES</b> .....	378	439	378	378	378	378	378
<b>EQUITY</b>							
Contributed equity .....	407	420	407	407	407	407	407
Accumulated surplus/(deficit) .....	480	256	441	441	441	441	441
<b>Total equity</b> .....	887	676	848	848	848	848	848
<b>TOTAL LIABILITIES AND EQUITY</b> .....	1,265	1,115	1,226	1,226	1,226	1,226	1,226

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	2,776	2,928	2,928	3,082	3,105	3,176	3,249
<b>Net cash provided by State Government.....</b>	<b>2,776</b>	<b>2,928</b>	<b>2,928</b>	<b>3,082</b>	<b>3,105</b>	<b>3,176</b>	<b>3,249</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(1,812)	(1,877)	(1,877)	(2,291)	(2,345)	(2,404)	(2,460)
Grants and subsidies.....	(6)	-	-	-	-	-	-
Supplies and services .....	(400)	(552)	(551)	(394)	(317)	(316)	(326)
Accommodation .....	(495)	(417)	(417)	(305)	(341)	(350)	(357)
Other payments.....	(310)	(251)	(252)	(222)	(232)	(236)	(236)
<b>Receipts <sup>(b)</sup></b>							
GST receipts .....	93	130	130	130	130	130	130
Other receipts .....	92	-	-	-	-	-	-
<b>Net cash from operating activities .....</b>	<b>(2,838)</b>	<b>(2,967)</b>	<b>(2,967)</b>	<b>(3,082)</b>	<b>(3,105)</b>	<b>(3,176)</b>	<b>(3,249)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(62)</b>	<b>(39)</b>	<b>(39)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	787	667	725	686	686	686	686
<b>Cash assets at the end of the reporting period .....</b>	<b>725</b>	<b>628</b>	<b>686</b>	<b>686</b>	<b>686</b>	<b>686</b>	<b>686</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Commission. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>GST Receipts</b>							
Receipts on Sales .....	93	130	130	130	130	130	130
<b>Other Receipts</b>							
Thinker in Residence Program .....	92	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>185</b>	<b>130</b>	<b>130</b>	<b>130</b>	<b>130</b>	<b>130</b>	<b>130</b>

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

## Division 42 Office of the Information Commissioner

### Part 9 Attorney General; Minister for Commerce

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 54 Net amount appropriated to deliver services .....	1,864	2,039	2,039	2,113	1,929	1,977	2,027
Amount Authorised by Other Statutes - Freedom of Information Act 1992.....	278	278	278	278	278	278	278
Total appropriations provided to deliver services.....	2,142	2,317	2,317	2,391	2,207	2,255	2,305
<b>TOTAL APPROPRIATIONS .....</b>	<b>2,142</b>	<b>2,317</b>	<b>2,317</b>	<b>2,391</b>	<b>2,207</b>	<b>2,255</b>	<b>2,305</b>
<b>EXPENSES</b>							
Total Cost of Services .....	2,107	2,304	2,409	2,513	2,329	2,377	2,427
Net Cost of Services <sup>(a)</sup> .....	2,107	2,300	2,405	2,509	2,325	2,373	2,423
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>127</b>	<b>81</b>	<b>119</b>	<b>111</b>	<b>103</b>	<b>95</b>	<b>87</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding .....	-	41	-	-	-

#### Significant Issues Impacting the Agency

- The number of applications for external review received by the Office during 2014-15 is expected to be significantly higher than the number received in previous years. Operational improvements implemented during the reporting year and the previous year are unlikely to keep pace with this increase.

## 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.	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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Resolution of Complaints .....	1,475	1,613	1,686	1,759	1,630	1,664	1,699
2. Advice and Awareness.....	632	691	723	754	699	713	728
<b>Total Cost of Services .....</b>	<b>2,107</b>	<b>2,304</b>	<b>2,409</b>	<b>2,513</b>	<b>2,329</b>	<b>2,377</b>	<b>2,427</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Access to documents and observance of processes in accordance with the Freedom of Information Act 1992:</b>					
Participants satisfied with complaint resolution and external review processes adopted by the Information Commissioner .....	85%	80%	80%	80%	
Agencies satisfied with the advice and guidance provided by the Information Commissioner.....	98%	98%	98%	98%	
Applications for external review resolved by conciliation .....	70%	60%	55%	60%	

(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*.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 1,475	\$'000 1,613	\$'000 1,686	\$'000 1,759	
Less Income .....	-	3	3	3	
Net Cost of Service.....	1,475	1,610	1,683	1,756	
Employees (Full Time Equivalents).....	9	10	10	10	
<b>Efficiency Indicators</b>					
Average Cost per Complaint and External Review Finalised.....	\$8,094	\$7,946	\$11,315	\$11,133	1

### Explanation of Significant Movements

(Notes)

- The increase in the 2014-15 Estimated Actual compared to the 2014-15 Budget is mainly attributable to the higher than expected level of complexity of a number of external reviews that affected the total number of reviews expected to be completed in 2014-15.

### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 632	\$'000 691	\$'000 723	\$'000 754	
Less Income .....	-	1	1	1	
Net Cost of Service.....	632	690	722	753	
Employees (Full Time Equivalents).....	2	2	3	2	
<b>Efficiency Indicators</b>					
Average Cost of Service per Application Lodged <sup>(a)</sup> .....	\$236	\$312	\$200	\$208	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)

- The decrease in the 2014-15 Estimated Actual compared to the 2014-15 Budget is due to a higher than expected number of advice units being finalised during the year.

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	1,462	1,635	1,635	1,710	1,729	1,766	1,804
Supplies and services .....	321	308	408	431	322	327	333
Accommodation .....	267	306	306	312	215	221	227
Depreciation and amortisation .....	4	-	-	-	-	-	-
Other expenses .....	53	55	60	60	63	63	63
<b>TOTAL COST OF SERVICES .....</b>	<b>2,107</b>	<b>2,304</b>	<b>2,409</b>	<b>2,513</b>	<b>2,329</b>	<b>2,377</b>	<b>2,427</b>
<b>Income</b>							
Other revenue .....	-	4	4	4	4	4	4
<b>Total Income .....</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>NET COST OF SERVICES .....</b>	<b>2,107</b>	<b>2,300</b>	<b>2,405</b>	<b>2,509</b>	<b>2,325</b>	<b>2,373</b>	<b>2,423</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	2,142	2,317	2,317	2,391	2,207	2,255	2,305
Resources received free of charge .....	110	5	110	110	110	110	110
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>2,252</b>	<b>2,322</b>	<b>2,427</b>	<b>2,501</b>	<b>2,317</b>	<b>2,365</b>	<b>2,415</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>145</b>	<b>22</b>	<b>22</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 11, 13 and 12 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.



**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	84	38	76	68	60	52	44
Receivables .....	15	21	15	15	15	15	15
Other.....	36	7	36	36	36	36	36
Total current assets .....	135	66	127	119	111	103	95
<b>NON-CURRENT ASSETS</b>							
Holding account receivables.....	36	36	36	36	36	36	36
Property, plant and equipment.....	5	39	35	35	35	35	35
Restricted cash .....	43	43	43	43	43	43	43
Total non-current assets .....	84	118	114	114	114	114	114
<b>TOTAL ASSETS .....</b>	<b>219</b>	<b>184</b>	<b>241</b>	<b>233</b>	<b>225</b>	<b>217</b>	<b>209</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	130	233	130	130	130	130	130
Payables .....	-	4	-	-	-	-	-
Other.....	54	47	54	54	54	54	54
Total current liabilities .....	184	284	184	184	184	184	184
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	68	64	68	68	68	68	68
Total non-current liabilities .....	68	64	68	68	68	68	68
<b>TOTAL LIABILITIES.....</b>	<b>252</b>	<b>348</b>	<b>252</b>	<b>252</b>	<b>252</b>	<b>252</b>	<b>252</b>
<b>EQUITY</b>							
Contributed equity .....	37	37	37	37	37	37	37
Accumulated surplus/(deficit).....	(70)	(201)	(48)	(56)	(64)	(72)	(80)
<b>Total equity .....</b>	<b>(33)</b>	<b>(164)</b>	<b>(11)</b>	<b>(19)</b>	<b>(27)</b>	<b>(35)</b>	<b>(43)</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>219</b>	<b>184</b>	<b>241</b>	<b>233</b>	<b>225</b>	<b>217</b>	<b>209</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	2,142	2,317	2,317	2,391	2,207	2,255	2,305
<b>Net cash provided by State Government.....</b>	<b>2,142</b>	<b>2,317</b>	<b>2,317</b>	<b>2,391</b>	<b>2,207</b>	<b>2,255</b>	<b>2,305</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(1,532)	(1,665)	(1,665)	(1,710)	(1,729)	(1,766)	(1,804)
Supplies and services .....	(208)	(294)	(299)	(322)	(213)	(218)	(224)
Accommodation .....	(267)	(224)	(317)	(323)	(226)	(232)	(238)
Other payments.....	(166)	(194)	(96)	(96)	(99)	(99)	(99)
<b>Receipts <sup>(b)</sup></b>							
GST receipts .....	61	48	48	48	48	48	48
Other receipts .....	-	4	4	4	4	4	4
<b>Net cash from operating activities .....</b>	<b>(2,112)</b>	<b>(2,325)</b>	<b>(2,325)</b>	<b>(2,399)</b>	<b>(2,215)</b>	<b>(2,263)</b>	<b>(2,313)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>30</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>
Cash assets at the beginning of the reporting period .....	97	89	127	119	111	103	95
<b>Cash assets at the end of the reporting period .....</b>	<b>127</b>	<b>81</b>	<b>119</b>	<b>111</b>	<b>103</b>	<b>95</b>	<b>87</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>GST Receipts</b>							
GST Input Credits .....	61	48	48	48	48	48	48
<b>Other Receipts</b>							
Other Receipts .....	-	4	4	4	4	4	4
<b>TOTAL .....</b>	<b>61</b>	<b>52</b>	<b>52</b>	<b>52</b>	<b>52</b>	<b>52</b>	<b>52</b>

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

## Division 43 Parliamentary Inspector of the Corruption and Crime Commission

### Part 9 Attorney General; Minister for Commerce

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 55 Net amount appropriated to deliver services .....	360	369	415	538	547	551	550
<b>Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003 .....</b>	167	171	171	175	179	179	179
Total appropriations provided to deliver services.....	527	540	586	713	726	730	729
<b>TOTAL APPROPRIATIONS .....</b>	527	540	586	713	726	730	729
<b>EXPENSES</b>							
Total Cost of Services .....	699	633	718	848	864	870	871
Net Cost of Services <sup>(a)</sup> .....	698	633	718	848	864	870	871
<b>CASH ASSETS <sup>(b)</sup> .....</b>	493	481	164	164	164	164	164

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding .....	-	9	-	-	-
Office Accommodation .....	46	149	155	149	138

#### Significant Issues Impacting the Agency

- An appointment process will commence in 2015-16 for two Acting Parliamentary Inspectors because the terms of the current two appointments expire during 2015-16.
- The number of matters undertaken by the Parliamentary Inspector in 2013-14 has been maintained in 2014-15, and is expected to remain constant in 2015-16.
- The Office of the Parliamentary Inspector of the Corruption and Crime Commission is relocating to new premises to enhance its independence and to secure appropriate space for its operations.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations.....	699	633	718	848	864	870	871
<b>Total Cost of Services .....</b>	<b>699</b>	<b>633</b>	<b>718</b>	<b>848</b>	<b>864</b>	<b>870</b>	<b>871</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: An informed Parliament on the integrity of the Corruption and Crime Commission:</b>					
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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 699	\$'000 633	\$'000 718	\$'000 848	1
Less Income .....	1	-	-	-	
Net Cost of Service.....	698	633	718	848	
Employees (Full Time Equivalents).....	2	2	2	2	
<b>Efficiency Indicators</b>					
Average Cost per Investigation/Case .....	\$8,110	\$7,900	\$7,898	\$11,660	
Cost of Audit Function as a Percentage of Total Cost of Operations .....	49%	50%	45%	45%	

### Explanation of Significant Movements

(Notes)

- The higher Total Cost of Services for the 2015-16 Budget Target is mainly due to the increased office accommodation costs related to the move to a new building in August 2015, the Streamlined Budget Process incentive funding and increased resources received free of charge. This will result in an increase in the Average Cost per Investigation/Case.

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Office Fit-out - BGC Centre .....	329	329	329	-	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			329	-	-	-	-
<b>Total Funding .....</b>			<b>329</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Financial Statements

INCOME STATEMENT <sup>(a)</sup>  
(Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	471	446	443	457	471	479	487
Supplies and services .....	146	122	158	170	165	168	171
Accommodation .....	56	39	88	137	144	138	127
Depreciation and amortisation .....	-	-	-	55	55	55	55
Other expenses .....	26	26	29	29	29	30	31
<b>TOTAL COST OF SERVICES .....</b>	<b>699</b>	<b>633</b>	<b>718</b>	<b>848</b>	<b>864</b>	<b>870</b>	<b>871</b>
<b>Income</b>							
Other revenue .....	1	-	-	-	-	-	-
<b>Total Income .....</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET COST OF SERVICES .....</b>	<b>698</b>	<b>633</b>	<b>718</b>	<b>848</b>	<b>864</b>	<b>870</b>	<b>871</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	527	540	586	713	726	730	729
Resources received free of charge .....	132	93	132	135	138	140	142
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>659</b>	<b>633</b>	<b>718</b>	<b>848</b>	<b>864</b>	<b>870</b>	<b>871</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(39)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 2, 2 and 2 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	493	481	164	164	164	164	164
Receivables .....	1	-	1	1	1	1	1
Total current assets .....	494	481	165	165	165	165	165
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	53	53	53	108	163	218	273
Other .....	-	-	329	274	219	164	109
Total non-current assets .....	53	53	382	382	382	382	382
<b>TOTAL ASSETS .....</b>	<b>547</b>	<b>534</b>	<b>547</b>	<b>547</b>	<b>547</b>	<b>547</b>	<b>547</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	145	79	145	145	145	145	145
Payables .....	-	1	-	-	-	-	-
Other .....	26	9	26	26	26	26	26
Total current liabilities .....	171	89	171	171	171	171	171
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	4	34	4	4	4	4	4
Total non-current liabilities .....	4	34	4	4	4	4	4
<b>TOTAL LIABILITIES .....</b>	<b>175</b>	<b>123</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>
<b>EQUITY</b>							
Contributed equity .....	160	160	160	160	160	160	160
Accumulated surplus/(deficit) .....	212	251	212	212	212	212	212
<b>Total equity .....</b>	<b>372</b>	<b>411</b>	<b>372</b>	<b>372</b>	<b>372</b>	<b>372</b>	<b>372</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>547</b>	<b>534</b>	<b>547</b>	<b>547</b>	<b>547</b>	<b>547</b>	<b>547</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	527	540	586	658	671	675	674
<b>Net cash provided by State Government.....</b>	<b>527</b>	<b>540</b>	<b>586</b>	<b>658</b>	<b>671</b>	<b>675</b>	<b>674</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(417)	(446)	(443)	(457)	(471)	(479)	(487)
Supplies and services .....	(14)	(29)	(26)	(35)	(27)	(28)	(29)
Accommodation .....	(56)	(39)	(88)	(137)	(144)	(138)	(127)
Other payments.....	(32)	(26)	(29)	(29)	(29)	(30)	(31)
<b>Receipts</b>							
GST receipts.....	4	-	-	-	-	-	-
<b>Net cash from operating activities .....</b>	<b>(515)</b>	<b>(540)</b>	<b>(586)</b>	<b>(658)</b>	<b>(671)</b>	<b>(675)</b>	<b>(674)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	-	-	(329)	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>-</b>	<b>-</b>	<b>(329)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>12</b>	<b>-</b>	<b>(329)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	481	481	493	164	164	164	164
<b>Cash assets at the end of the reporting period .....</b>	<b>493</b>	<b>481</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>

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



# Legal Aid Commission of Western Australia

## Part 9

## Attorney General; Minister for Commerce

### Asset Investment Program

The Commission's Asset Investment Program (AIP) for 2015-16 is estimated to total \$1.2 million. This is comprised of a computer hardware and software program (\$1 million), and office refurbishment and fit-outs (\$0.2 million). The AIP will be funded from internal cash balances.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Computer Hardware and Software Replacement Program .....	8,531	4,531	1,000	1,000	1,000	1,000	1,000
Office Refurbishment and Fit-Outs .....	2,873	1,877	786	249	249	249	249
<b>Total Cost of Asset Investment Program.....</b>	<b>11,404</b>	<b>6,408</b>	<b>1,786</b>	<b>1,249</b>	<b>1,249</b>	<b>1,249</b>	<b>1,249</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			1,786	1,249	1,249	1,249	1,249
<b>Total Funding .....</b>			<b>1,786</b>	<b>1,249</b>	<b>1,249</b>	<b>1,249</b>	<b>1,249</b>

## Division 44 Commerce

### Part 9 Attorney General; Minister for Commerce

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 56 Net amount appropriated to deliver services .....	88,558	79,427	70,727	<b>65,387</b>	64,953	65,213	65,442
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	1,157	1,189	1,189	<b>1,219</b>	1,249	1,280	1,280
Total appropriations provided to deliver services.....	89,715	80,616	71,916	<b>66,606</b>	66,202	66,493	66,722
<b>ADMINISTERED TRANSACTIONS</b>							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments .....	-	556	206	-	-	-	-
<b>CAPITAL</b>							
Capital Appropriation .....	3,000	-	-	-	-	-	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>92,715</b>	<b>81,172</b>	<b>72,122</b>	<b>66,606</b>	<b>66,202</b>	<b>66,493</b>	<b>66,722</b>
<b>EXPENSES</b>							
Total Cost of Services .....	174,168	163,092	164,784	<b>165,801</b>	165,754	177,691	158,096
Net Cost of Services <sup>(a)</sup> .....	100,144	80,483	87,691	<b>78,862</b>	77,959	87,688	66,274
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>207,428</b>	<b>199,129</b>	<b>189,967</b>	<b>186,164</b>	<b>179,907</b>	<b>180,066</b>	<b>181,455</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(600)	(700)	(700)	(800)	(800)
15% Procurement Savings .....	-	(1,269)	(1,267)	(1,281)	(1,302)
2015-16 Tariffs, Fees and Charges .....	-	3,882	4,206	4,540	5,435
Accommodation Expense .....	935	732	876	1,990	2,370
Agency Expenditure Review Savings Measure					
Building Commission .....	-	(1,560)	(1,590)	(1,689)	(1,512)
Consumer Protection .....	-	(1,321)	(1,347)	(1,430)	(1,281)
EnergySafety .....	-	(578)	(590)	(626)	(561)
Industry and Technology .....	-	(1,173)	(1,196)	(1,271)	(1,138)
Labour Relations .....	-	(91)	(93)	(99)	(88)
WorkSafe .....	-	(1,008)	(1,028)	(1,092)	(977)
Alzheimers Australia Loan Extension .....	262	-	-	-	-
Building Commission - Operating Expense .....	-	2,500	2,660	2,330	2,100
Consumer Protection - Grants Expense .....	(5,479)	(5,436)	(5,580)	(5,457)	(5,581)
EnergySafety - Business Plan .....	512	759	1,811	2,175	2,447
ICT Savings and Reform .....	(196)	(403)	(413)	(423)	-
Industry and Innovation - Grants Expense .....	240	-	-	-	-

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Operating Expense .....	-	4,857	4,857	4,857	4,857
Strategic Information Plan .....	-	918	1,172	1,086	1,056
Targeted Voluntary Separation Scheme <sup>(a)</sup> .....	1,740	-	-	-	-
Workforce Renewal Policy .....	(236)	(1,933)	(3,969)	(6,108)	(8,355)
WorkSafe - Operating Expenditure .....	1,750	1,800	1,851	1,904	1,958

- (a) Preliminary cost required to make payments to staff departing prior to the closure of the Targeted Voluntary Separation Scheme at 30 April 2015. The final cost of the Scheme will be known once staff leave the public sector and will be published in the 2014-15 Annual Report on State Finances. Agency savings flowing from the Scheme will be dependent on the final costs and will be allocated to agency budgets as part of the 2015-16 Mid-year Review.

## Significant Issues Impacting the Agency

### Reducing Costs without Compromising Standards

- Consistent with the Government's focus on reducing red tape, the Consumer Protection Division will be responsible for implementing a number of policy decisions that seek to reduce costs for businesses and government, without compromising existing standards. The Government is proposing to abolish the licensing of employment agents and replace it with a negative licensing scheme that will retain the existing level of protection for job seekers.

### Electronic Bonds Transactions

- The Consumer Protection Division will be moving to an electronic system of rental bond lodgement and disbursement during 2015-16. A pilot of this system commenced in March 2015 with the cooperation of a small group of real estate agents. Tenants will benefit from the implementation of this system through improved timeliness of bond disposals, while property managers, private landlords and the Government will benefit from reduced transaction costs.

### Modernising Corporate and Business Structures

- The Consumer Protection Division will be engaged in the implementation of proposed new legislation affecting different corporate and business structures. The Associations Incorporation Bill 2014 was introduced into Parliament in September 2014 and is expected to be enacted and implemented during 2015-16, which will introduce new governance arrangements for over 17,000 incorporated associations. The Government proposes to introduce a new Limited Partnership Bill into Parliament in 2015, which will enable Western Australian investors to access Commonwealth Government incentives for venture capital investment through incorporated limited partnerships. The Government also proposes to introduce amendments to the *Co-operatives Act 2009* to facilitate inter-state trading by Western Australian co-operatives and provide for a modern, nationally consistent regulatory regime for Western Australian co-operatives.

### Continued Enhancement of Housing and Tenancy Laws

- Housing and tenancy will continue to be an area of focus for the Consumer Protection Division, with the first stage of the Government's retirement villages reforms completed in April 2015. In 2015-16, work will continue on the second stage reforms to implement the balance of recommendations of the statutory review of retirement villages legislation. Work will continue on the review of the *Residential Parks (Long-stay Tenants) Act 2006*, with the focus being on the drafting of amendments to that Act to implement the review. The Department will also work with the Department of the Attorney General to implement the recommendations of the Western Australian Law Reform Commission to amend the *Residential Tenancies Act 1987* to address difficulties faced by tenants who are affected by family or domestic violence. Consultation on the need to regulate boarding and lodging arrangements will continue during 2015-16.

### **Building Services Levy**

- The Building Commission is funded through regulatory fees and the Building Services Levy (BSL). The BSL will be applied at a rate of 0.137% of the value of building work at the time of granting a building or demolition permit for work subject to a minimum levy of \$61.65. The Building Commission will also deliver a number of key projects and reforms, including:
  - the design and implementation of electronic reporting by permit authorities;
  - providing the National Construction Code free and online;
  - the ‘Instant Start’ red tape reduction measures;
  - the tiering of registration requirements for builders and painters; and
  - uniform coverage of building and painting regulation across the State.

### **Review of Plumbing Regulation**

- The Department is developing a suite of reforms to Western Australia’s plumbing legislation in line with the recommendations of an independent review commissioned by the Government in 2013-14. New legislation and supporting regulations are expected to be ready in 2016, which seek to modernise plumbing regulation in Western Australia by introducing greater flexibility, removing unnecessary red tape, and improving national consistency in the application of modern technical plumbing standards.

### **Energy Safety Act**

- The *EnergySafety Act 2006* is being re-written 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;
  - updating the systems for approval of electrical equipment as part of a new national scheme; and
  - merging the *Electricity Act 1945*, *Gas Standards Act 1972*, parts of the *Energy Coordination Act 1994* and the *Energy Safety Act 2006* into a consolidated and simpler Act.

### **High-Voltage Switch Maintenance**

- The electrically caused explosion of a high voltage switch at the Morley Galleria Shopping Centre has revealed an important safety hazard for maintenance electricians. The EnergySafety Division has issued an order stipulating that such switches must not be opened until completely isolated and electrically dead. Electrical contractors and property owners likely to be affected will be alerted and their compliance monitored.

### **Work Health and Safety Bill**

- A Western Australian version of the model Work Health and Safety Bill developed by Safe Work Australia for implementation by Australian States and Territories was released for public comment. Following closure of the public comment period on 30 January 2015, the State Government is reviewing the comments made to consider the best legislation for Western Australian workplaces.

### **Coordination and Governance of Public Sector Labour Relations**

- The Department is responsible for the central coordination of public sector labour relations. The Public Sector Directorate of the Labour Relations Division continues to coordinate negotiations for public sector industrial agreements within the parameters prescribed under the Public Sector Wages Policy Statement 2014. To date, 21 industrial agreements covering almost 50,000 public sector employees (including police officers, firefighters, doctors, public servants and government officers) have been registered in the 2014-15 reporting period.

### **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. The Department has provided advice to 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

- Whilst a number of factors continue to work against local manufacturers, the Industry and Innovation Division continues to implement the Local Industry Participation Framework. The Department plays an active role in chairing both the Chevron Wheatstone and Woodside Browse Local Content Steering Committees. Departmental officers also attend the Chevron Gorgon and Shell Round Tables to ensure local content activity is high on the agenda with major project proponents. Such relationships continue to ensure an open and equitable market for local suppliers whilst also assisting to increase their international competitiveness. Government infrastructure projects also provide opportunities across the State.

## Defence Industry and the Australian Marine Complex (AMC)

- The Industry and Innovation Division continues to work together with Western Australian industry to pursue opportunities to supply components, defence systems and maintenance to the existing and future submarine fleet, and to increase its role in construction and maintenance of the naval surface fleet. The ability of Western Australian industry to provide defence contracting services to the full range of vessels relies on access to the required capacity through the AMC Common User Facilities. The Industry and Innovation Division will continue to implement recommendations contained in the State's response to the Defence White Paper 2015, and in the State's response to the 2015 Senate Inquiry into the Future of Australia's Naval Shipbuilding Industry.

## Resource Agreement

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

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
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
	Community in which the use of electricity and gas is regulated and safe.	3. Energy Safety
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 Australian industry is competitive in targeted priority and emerging sectors.	2. Industry and Technology
	Buildings and plumbing installations that are safe, sustainable and respond to community needs.	6. Building Commission
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.	Shape and influence industrial relations systems in Western Australia.	4. Labour Relations
	A workplace operated in a safe and healthy manner.	5. WorkSafe

## Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Consumer Protection .....	58,315	67,942	61,963	61,850	60,554	60,855	61,426
2. Industry and Technology .....	33,137	14,328	23,166	21,339	29,967	40,220	18,959
3. Energy Safety .....	14,051	16,206	14,046	15,059	16,302	16,886	17,224
4. Labour Relations .....	13,107	10,819	9,966	9,214	7,974	8,083	8,186
5. WorkSafe .....	30,522	30,468	30,008	31,535	27,461	27,833	28,186
6. Building Commission .....	25,036	23,329	25,635	26,804	23,496	23,814	24,115
<b>Total Cost of Services .....</b>	<b>174,168</b>	<b>163,092</b>	<b>164,784</b>	<b>165,801</b>	<b>165,754</b>	<b>177,691</b>	<b>158,096</b>

## Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual <sup>(b)</sup>	2014-15 Budget <sup>(b)</sup>	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: A fair trading environment that protects consumers and traders in Western Australia:</b>					
The extent to which traders comply with regulatory requirements .....	97%	93%	95%	95%	
The extent of consumer confidence in Western Australia's trading environment .....	74%	75%	75%	75%	
<b>Outcome: Western Australian industry is competitive in targeted priority and emerging sectors:</b>					
The extent to which clients and key stakeholders consider that the division's services contribute to innovative industry development .....	88%	75%	75%	75%	
<b>Outcome: Community in which the use of electricity and gas is regulated and safe:</b>					
The number of electricity-related serious injuries and fatalities per million population .....	8	n/a	12	nil	1
The number of gas-related serious injuries and fatalities per million population .....	11	n/a	4	nil	1
<b>Outcome: Shape and influence industrial relations systems in Western Australia:</b>					
The extent to which employers comply with the requirements of labour relations laws .....	67%	n/a	67%	67%	
<b>Outcome: A workplace operated in a safe and healthy manner:</b>					
The extent to which workplaces meet occupational safety and health criteria in priority areas (to indicate that workplaces are operated in a safe and healthy manner) .....	68%	n/a	69%	72%	
<b>Outcome: Buildings and plumbing installations that are safe, sustainable and respond to community needs:</b>					
The extent of compliance with construction standards .....	99%	n/a	99%	99%	

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

(b) With the implementation of a revised Outcome Based Management (OBM) framework, the 2013-14 Actual results have been recast for comparative purposes. Where the indicator is new, no historic 2014-15 Budget figure is available.

## Explanation of Significant Movements

(Notes)

1. The Budget targets are set at zero for these indicators as the desired outcome to be achieved is to have no serious injuries and fatalities.

## 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.

	2013-14 Actual <sup>(a)</sup>	2014-15 Budget <sup>(b)</sup>	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 58,315	\$'000 67,942	\$'000 61,963	\$'000 61,850	1
Less Income .....	28,671	37,795	29,831	32,216	
Net Cost of Service .....	29,644	30,147	32,132	29,634	
<b>Employees (Full Time Equivalents).....</b>	<b>321</b>	<b>354</b>	<b>326</b>	<b>359</b>	
<b>Efficiency Indicators <sup>(c) (d)</sup></b>					
Average Cost per Client Contact to Provide Information and Advice .....	\$2.66	\$2.72	\$2.89	\$2.95	
Average Cost per Policy Project .....	\$226,759	\$365,529	\$228,017	\$277,655	2
Average Cost per Inspection or Investigation.....	\$549.39	\$781.72	\$638.58	\$793.44	3
Average Cost per Registration or Licence .....	\$17.67	\$21.02	\$18.44	\$19.00	

(a) The 2013-14 Actual results are derived for the agency's Annual Report.

(b) The 2014-15 Budget results have been recast for consistency with the costing basis used for all Services in the new OBM structure for 2015-16.

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

(d) A revised OBM structure has been implemented for 2015-16. The Consumer Protection Service and the above efficiency indicators were included in the previous OBM structure.

### Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service between the 2014-15 Budget and the 2014-15 Estimated Actual of \$5.9 million (8.8%) recognises reduced expenditure on grants relating to the property industries.
2. The Average Cost per Policy Project is expected to increase by \$49,638 (21.7%) from the 2014-15 Estimated Actual to the 2015-16 Budget Target. This is due to the unexpected increase in minor legislative and other policy projects in 2014-15, with the expectation that this will return to a more consistent level of activity in 2015-16.
3. The Average Cost per Inspection or Investigation is expected to increase by \$154.86 (24.3%) from the 2014-15 Estimated Actual to the 2015-16 Budget Target. This is primarily due to an expected decrease in inspections in line with changing regulatory requirements. Minimal changes are expected to the number of investigations undertaken.

## 2. 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.

	2013-14 Actual <sup>(a)</sup>	2014-15 Budget <sup>(b)</sup>	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 33,137	\$'000 14,328	\$'000 23,166	\$'000 21,339	1
Less Income .....	3,166	1,752	3,200	2,927	
Net Cost of Service.....	29,971	12,576	19,966	18,412	
Employees (Full Time Equivalents).....	38	19	30	17	
<b>Efficiency Indicators <sup>(c)</sup></b>					
Average Cost per Industry and Technology Project Managed <sup>(d)</sup> .....	\$310,277	\$223,667	\$326,469	\$347,023	2

(a) The 2013-14 Actual result is derived for the agency's Annual Report.

(b) The 2014-15 Budget results have been recast for consistency with the costing basis used for all Services in the new OBM structure for 2015-16.

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

(d) A revised OBM structure has been implemented for 2015-16. The Industry and Technology Service and the above efficiency indicator was included in the previous OBM structure.

### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Services between the 2014-15 Budget and the 2014-15 Estimated Actual of \$8.8 million (61.7%) is largely due to a change in the timing of Royalties for Regions grant expenditure.
2. The Average Cost per Industry and Technology Project Managed is estimated to increase by \$102,802 (46%) from the 2014-15 Budget to the 2014-15 Estimated Actual. This is due to a reduction in the number of projects managed.

## 3. Energy Safety

The provision of regulatory services to the Western Australian community through licensing and compliance activities in the area of energy safety.

	2013-14 Actual <sup>(a)</sup>	2014-15 Budget <sup>(a)</sup>	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 14,051	\$'000 16,206	\$'000 14,046	\$'000 15,059	
Less Income .....	11,789	14,170	13,231	13,764	
Net Cost of Service.....	2,262	2,036	815	1,295	
Employees (Full Time Equivalents).....	59	77	63	64	
<b>Efficiency Indicators</b>					
Average Cost of Regulatory Services .....	\$3,419	\$4,507	\$3,413	\$4,630	1
Average Cost of Provision of Licensing Services .....	\$120.39	\$148.62	\$156.69	\$188.00	2

(a) With the implementation of a revised OBM structure in 2015-16, this is a newly defined Service which in previous years was incorporated in the 'Safety and Employment Protection and Construction Standards' Service found in the former OBM structure. As such, the 2013-14 Actual and the 2014-15 Budget results have been recast for comparative purposes.

### Explanation of Significant Movements

(Notes)

1. The Average Cost of Regulatory Services is expected to increase by \$1,217 (35.7%) from the 2014-15 Estimated Actual to the 2015-16 Budget Target. This is primarily due to a decrease (21%) in the number of regulatory services expected to be required.
2. The Average Cost of Provision of Licensing Services is expected to increase by \$31.31 (20%) from the 2014-15 Estimated Actual to the 2015-16 Budget Target. This is primarily due to a decrease (11%) in the number of licences expected to be issued as a consequence of the cyclical nature of licence renewals.



#### 4. Labour Relations

To assist private and public sector workplaces to be economically sustainable and fair by providing our stakeholders and clients with expert labour relations advice, education and regulation.

	2013-14 Actual <sup>(a)</sup>	2014-15 Budget <sup>(a)</sup>	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 13,107	\$'000 10,819	\$'000 9,966	\$'000 9,214	
Less Income .....	93	189	-	-	
Net Cost of Service .....	13,014	10,630	9,966	9,214	
Employees (Full Time Equivalents).....	59	52	60	44	
<b>Efficiency Indicators <sup>(b)</sup></b>					
Average Cost per Hour of Policy Advice .....	\$361.09	\$411.56	\$385.44	\$311.83	1
Average Cost per Client Contact to Provide Information and Advice .....	\$2.22	\$2.62	\$1.86	\$2.00	
Average Cost per Inspection or Investigation.....	\$7,910	\$5,975	\$7,379	\$6,645	2

(a) With the implementation of a revised OBM structure in 2015-16, this is a newly defined Service which in previous years was incorporated in the 'Safety and Employment Protection and Construction Standards' Service found in the former OBM structure. As such, the 2013-14 Actual and the 2014-15 Budget results have been recast for comparative purposes.

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

#### Explanation of Significant Movements

(Notes)

1. The Average Cost per Hour of Policy Advice is expected to decrease by \$73.60 (19.1%) from the 2014-15 Estimated Actual to the 2015-16 Budget Target. This is due primarily to the expected increase in policy hours (13%) attributed to the planned Wages Policy Review, coupled with more efficient work practices.
2. The Average Cost per Inspection and Investigation is expected to decrease by \$733.99 (9.9%) from the 2014-15 Estimated Actual to the 2015-16 Budget Target. This is due to the expected small increase in compliance inspections (3%), coupled with more efficient work practices.

#### 5. WorkSafe

The provision of advice, information, education, licencing and enforcement services to the Western Australian community in the area of occupational safety and health.

	2013-14 Actual <sup>(a)</sup>	2014-15 Budget <sup>(a)</sup>	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 30,522	\$'000 30,468	\$'000 30,008	\$'000 31,535	
Less Income .....	8,553	9,331	8,832	11,521	1
Net Cost of Service .....	21,969	21,137	21,176	20,014	
Employees (Full Time Equivalents).....	182	172	179	182	
<b>Efficiency Indicators <sup>(b)</sup></b>					
Average Cost per Client Contact to Provide Information and Advice .....	\$2.72	\$3.02	\$3.29	\$3.20	
Average Cost per Inspection or Investigation.....	\$909.71	\$1,018.84	\$824.87	\$826.01	2
Average Cost per Registration or Licence .....	\$36.71	\$39.69	\$38.18	\$41.28	

(a) With the implementation of a revised OBM structure in 2015-16, this is a newly defined Service which in previous years was incorporated in the 'Safety and Employment Protection and Construction Standards' Service found in the former OBM structure. As such, the 2013-14 Actual and the 2014-15 Budget results have been recast for comparative purposes.

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

#### Explanation of Significant Movements

(Notes)

1. Income is expected to increase by \$2.7 million (30.4%) in the 2015-16 Budget Target compared to the 2014-15 Estimated Actual, due largely to growth in the level of fees and charges collected.
2. The Average Cost per Inspection or Investigation has decreased by \$193.97 (19%) from the 2014-15 Budget to the 2014-15 Estimated Actual. This is primarily due to a decline in costs combined with an increase in the number of inspections or investigations expected to be undertaken.

## 6. Building Commission

The provision of reform, regulatory and dispute resolution services that enable the building and plumbing industries to efficiently deliver buildings that are safe, sustainable and respond to community needs.

	2013-14 Actual <sup>(a)</sup>	2014-15 Budget <sup>(a)</sup>	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 25,036	\$'000 23,329	\$'000 25,635	\$'000 26,804	
Less Income .....	21,752	19,372	21,999	26,511	1
Net Cost of Service.....	3,284	3,957	3,636	293	
<b>Employees (Full Time Equivalents).....</b>	<b>134</b>	<b>141</b>	<b>137</b>	<b>157</b>	<b>2</b>
<b>Efficiency Indicators <sup>(b)</sup></b>					
Average Cost per Audit, Inspection or Investigation.....	\$1,839	\$1,621	\$1,946	\$2,000	3
Average Cost per Registration or Licence Issued .....	\$783.28	\$602.47	\$770.38	\$783.50	4
Average Time to Resolve a Complaint .....	20 weeks	n/a	20 weeks	20 weeks	

(a) With the implementation of a revised OBM structure in 2015-16, this is a newly defined Service which in previous years was incorporated in the 'Safety and Employment Protection and Construction Standards' Service found in the former OBM structure. As such, the 2013-14 Actual and the 2014-15 Budget results have been recast for comparative purposes.

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

### Explanation of Significant Movements

(Notes)

1. Income is expected to increase by \$4.5 million (20.5%) in the 2015-16 Budget Target compared to the 2014-15 Estimated Actual, primarily due to an increase in the Building Services Levy and fees and charges revenues.
2. The expected increase in the number of Full Time Equivalents (FTE) between the 2014-15 Estimated Actual and the 2015-16 Budget reflects a more accurate attribution of overhead costs and FTE for the Building Commission, as well as additional FTE to implement reforms for the building and plumbing industries (funded by an increase in the Building Services Levy).
3. The Average Cost per Audit, Inspection or Investigation is expected to increase by \$325 (20%) from the 2014-15 Budget to the 2014-15 Estimated Actual. This is largely due to an anticipated slowing of building approvals and construction activity, combined with a general increase in Building Commission costs.
4. The Average Cost per Registration or License Issued is expected to increase by \$167.91 (27.9%) from the 2014-15 Budget to the 2014-15 Estimated Actual. This is largely due to changes in service cost allocations across the Department following the implementation of a revised OBM structure, offset by an increase in the number of licences and registrations expected to be issued.

## Asset Investment Program

The 2015-16 Asset Investment Program (AIP) totals \$8 million, including \$5.5 million to deliver the Department's revised Strategic Information Plan.

The Department has a high reliance on information and communications technology (ICT) in the delivery of its regulatory services, with ICT forming a significant component of the Department's overall AIP. The Department is progressing with a range of initiatives to modernise its ICT, and improve online access to services and information.

An amount of \$1.2 million in 2015-16 has been approved to complete the replacement of the Compliance Management System (CMS) for the EnergySafety Division. This system will replace the current electricity and gas inspection data systems, which no longer have technical support, and will deliver greater efficiency through the use of mobile technologies.

A collection of former ICT programs have reached their conclusion and have been replaced by a contemporary definition of the Department's information technology requirements, titled Strategic Information Plan under New Works.

A technology upgrade program relating to the Building Commission Division commences with \$1.3 million in 2015-16 for works to address regulatory reform in the industry, and enable efficiency improvements in collaboration with local governments and other government agencies.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
ICT Infrastructure - EnergySafety CMS .....	2,450	1,250	1,250	1,200	-	-	-
<b>COMPLETED WORKS</b>							
Accommodation Infrastructure - Departmental Facilities .....	2,187	2,187	42	-	-	-	-
Bentley Technology Park - Stage 1 Implementation .....	8,375	8,375	1,883	-	-	-	-
Business Systems Development and Enhancement							
WorkSafe Information System Environment .....	2,744	2,744	181	-	-	-	-
ICT Infrastructure							
Asset Replacement .....	2,199	2,199	838	-	-	-	-
Consumer Protection - Bonds Electronic Transaction							
System .....	550	550	550	-	-	-	-
Customer Focused Service Delivery .....	1,976	1,976	751	-	-	-	-
ICT Works to Facilitate Accommodation Relocation .....	3,015	3,015	2,222	-	-	-	-
Service Improvement .....	911	911	698	-	-	-	-
System Stabilisation .....	5,192	5,192	470	-	-	-	-
Other Works							
The Decommissioning of the Office of Shared Services .....	593	593	42	-	-	-	-
Southern Precinct .....	1,865	1,865	1,423	-	-	-	-
<b>NEW WORKS</b>							
ICT Infrastructure							
Building Commission - Regulation Reform .....	4,850	-	-	1,300	2,100	1,100	350
Strategic Information Plan .....	15,702	-	-	5,465	4,824	3,188	2,225
<b>Total Cost of Asset Investment Program .....</b>	<b>52,609</b>	<b>30,857</b>	<b>10,350</b>	<b>7,965</b>	<b>6,924</b>	<b>4,288</b>	<b>2,575</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account .....			2,800	2,800	399	3,188	2,225
Internal Funds and Balances .....			7,550	5,165	6,525	1,100	350
<b>Total Funding .....</b>			<b>10,350</b>	<b>7,965</b>	<b>6,924</b>	<b>4,288</b>	<b>2,575</b>

## Financial Statements

### Income Statement

#### Income

Income in the 2015-16 Budget Estimate is estimated to be \$87.4 million compared to \$77.5 million in the 2014-15 Estimated Actual. This increase (12.7%) is primarily due to increased regulatory revenues expected from the building and property industries and WorkSafe initiatives. Increased contributions are also expected from property industry special purpose accounts.

Income from State Government in the 2015-16 Estimated Budget (\$80.9 million) is expected to be higher than the 2014-15 Estimated Actual (\$78.6 million), primarily due to new grants initiatives.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	95,946	89,550	91,016	91,799	92,967	91,586	90,443
Grants and subsidies <sup>(c)</sup> .....	26,219	20,017	21,103	20,999	18,998	28,561	6,937
Supplies and services .....	19,158	29,544	30,289	30,874	31,093	31,292	32,894
Accommodation .....	16,636	10,052	10,987	10,924	10,804	13,226	13,791
Depreciation and amortisation .....	5,692	6,740	3,879	3,730	4,419	5,470	6,412
Other expenses .....	10,517	7,189	7,510	7,475	7,473	7,556	7,619
<b>TOTAL COST OF SERVICES .....</b>	<b>174,168</b>	<b>163,092</b>	<b>164,784</b>	<b>165,801</b>	<b>165,754</b>	<b>177,691</b>	<b>158,096</b>
<b>Income</b>							
Sale of goods and services .....	8,426	5,111	5,063	5,146	5,231	5,318	5,318
Regulatory fees and fines .....	60,145	68,847	65,780	75,097	74,861	76,024	77,732
Grants and subsidies .....	292	174	145	145	145	45	45
Other revenue .....	5,161	8,477	6,105	6,551	7,558	8,616	8,727
<b>Total Income .....</b>	<b>74,024</b>	<b>82,609</b>	<b>77,093</b>	<b>86,939</b>	<b>87,795</b>	<b>90,003</b>	<b>91,822</b>
<b>NET COST OF SERVICES .....</b>	<b>100,144</b>	<b>80,483</b>	<b>87,691</b>	<b>78,862</b>	<b>77,959</b>	<b>87,688</b>	<b>66,274</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	89,715	80,616	71,916	66,606	66,202	66,493	66,722
Resources received free of charge .....	1,039	752	752	752	752	752	752
Royalties for Regions Fund:							
Regional Community Services Fund .....	98	1,723	628	1,641	1,644	1,648	151
Regional Infrastructure and Headworks Fund .....	16,839	5,000	5,342	11,857	10,000	20,000	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>107,691</b>	<b>88,091</b>	<b>78,638</b>	<b>80,856</b>	<b>78,598</b>	<b>88,893</b>	<b>67,625</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>7,547</b>	<b>7,608</b>	<b>(9,053)</b>	<b>1,994</b>	<b>639</b>	<b>1,205</b>	<b>1,351</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 793, 795 and 823 respectively. In some cases the figures for 2013-14 and 2014-15 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

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Asbestos Disease Society.....	100	100	100	100	100	98	98
Australian Building Codes Board.....	316	299	299	300	300	300	300
Employment Law Centre Western Australia.....	424	440	440	-	-	-	-
Farmsafe Western Australia Alliance.....	70	70	70	70	70	69	69
Industry and Innovation.....	-	-	240	-	-	-	-
Property Industry .....	7,259	12,308	6,829	6,872	6,728	6,594	6,470
Royalties for Regions.....	18,050	6,500	12,825	13,357	11,500	21,500	-
Seniors Housing Information Service.....	-	300	300	300	300	-	-
<b>TOTAL .....</b>	<b>26,219</b>	<b>20,017</b>	<b>21,103</b>	<b>20,999</b>	<b>18,998</b>	<b>28,561</b>	<b>6,937</b>

STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>  
(Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	26,844	16,693	20,227	16,863	18,073	23,503	24,047
Restricted cash .....	178,135	179,987	167,291	166,852	159,385	154,114	154,959
Holding account receivables.....	2,800	2,800	2,800	399	3,188	2,225	2,663
Receivables .....	1,776	2,782	1,776	1,776	1,776	1,776	1,776
Other.....	17,152	8,167	15,251	15,371	17,422	15,686	15,892
Assets held for sale.....	-	1,750	-	-	-	-	-
<b>Total current assets .....</b>	<b>226,707</b>	<b>212,179</b>	<b>207,345</b>	<b>201,261</b>	<b>199,844</b>	<b>197,304</b>	<b>199,337</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables.....	6,882	7,237	7,961	11,292	12,263	14,828	17,677
Property, plant and equipment.....	42,767	37,697	45,123	44,459	44,668	43,996	43,528
Intangibles .....	8,262	13,567	12,335	17,234	19,530	19,020	15,651
Restricted cash .....	2,449	2,449	2,449	2,449	2,449	2,449	2,449
Other.....	7,748	11,119	9,475	9,390	7,253	6,755	6,029
<b>Total non-current assets .....</b>	<b>68,108</b>	<b>72,069</b>	<b>77,343</b>	<b>84,824</b>	<b>86,163</b>	<b>87,048</b>	<b>85,334</b>
<b>TOTAL ASSETS .....</b>	<b>294,815</b>	<b>284,248</b>	<b>284,688</b>	<b>286,085</b>	<b>286,007</b>	<b>284,352</b>	<b>284,671</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	20,174	20,678	19,652	19,652	19,652	19,652	19,652
Payables .....	1,876	2,515	1,876	1,876	1,876	1,876	1,876
Other.....	12,294	15,041	12,294	12,294	12,294	12,294	12,294
<b>Total current liabilities .....</b>	<b>34,344</b>	<b>38,234</b>	<b>33,822</b>	<b>33,822</b>	<b>33,822</b>	<b>33,822</b>	<b>33,822</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	3,708	4,625	3,654	3,654	3,654	3,654	3,654
Other.....	8,861	7,390	8,861	8,861	8,861	8,861	8,861
<b>Total non-current liabilities .....</b>	<b>12,569</b>	<b>12,015</b>	<b>12,515</b>	<b>12,515</b>	<b>12,515</b>	<b>12,515</b>	<b>12,515</b>
<b>TOTAL LIABILITIES.....</b>	<b>46,913</b>	<b>50,249</b>	<b>46,337</b>	<b>46,337</b>	<b>46,337</b>	<b>46,337</b>	<b>46,337</b>
<b>EQUITY</b>							
Contributed equity .....	79,865	79,949	79,367	78,770	78,053	75,193	74,161
Accumulated surplus/(deficit).....	158,151	148,088	149,098	151,092	151,731	152,936	154,287
Reserves.....	9,886	5,962	9,886	9,886	9,886	9,886	9,886
<b>Total equity .....</b>	<b>247,902</b>	<b>233,999</b>	<b>238,351</b>	<b>239,748</b>	<b>239,670</b>	<b>238,015</b>	<b>238,334</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>294,815</b>	<b>284,248</b>	<b>284,688</b>	<b>286,085</b>	<b>286,007</b>	<b>284,352</b>	<b>284,671</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	85,822	74,811	68,037	62,876	62,043	61,703	61,210
Capital appropriation .....	3,000	-	-	-	-	-	-
Holding account drawdowns.....	2,200	2,800	2,800	2,800	399	3,188	2,225
Royalties for Regions Fund:							
Regional Community Services Fund .....	98	1,723	628	1,641	1,644	1,648	151
Regional Infrastructure and Headworks Fund .....	16,839	5,000	5,342	11,857	10,000	20,000	-
<b>Net cash provided by State Government.....</b>	<b>107,959</b>	<b>84,334</b>	<b>76,807</b>	<b>79,174</b>	<b>74,086</b>	<b>86,539</b>	<b>63,586</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(99,514)	(90,074)	(92,116)	(91,799)	(92,967)	(91,586)	(90,443)
Grants and subsidies.....	(26,219)	(20,017)	(21,103)	(20,999)	(18,998)	(28,561)	(6,937)
Supplies and services .....	(20,490)	(27,047)	(27,792)	(30,357)	(30,577)	(30,773)	(32,370)
Accommodation .....	(16,636)	(9,571)	(9,830)	(9,643)	(9,403)	(10,723)	(10,934)
Other payments.....	(15,043)	(11,944)	(12,679)	(11,091)	(11,208)	(12,396)	(12,818)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines.....	62,852	68,021	64,954	75,097	74,861	76,024	77,732
Grants and subsidies.....	292	174	145	145	145	45	45
Sale of goods and services.....	2,353	6,297	6,249	5,140	5,225	5,312	5,312
GST receipts.....	3,687	2,570	2,570	2,570	2,570	2,570	2,570
Other receipts .....	5,160	8,600	5,684	5,925	6,933	7,996	8,221
<b>Net cash from operating activities .....</b>	<b>(103,558)</b>	<b>(72,991)</b>	<b>(83,918)</b>	<b>(75,012)</b>	<b>(73,419)</b>	<b>(82,092)</b>	<b>(59,622)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(3,995)	(5,298)	(10,350)	(7,965)	(6,924)	(4,288)	(2,575)
Proceeds from sale of non-current assets.....	1,750	-	-	-	-	-	-
Other receipts .....	-	-	498	597	717	2,860	1,032
<b>Net cash from investing activities.....</b>	<b>(2,245)</b>	<b>(5,298)</b>	<b>(9,852)</b>	<b>(7,368)</b>	<b>(6,207)</b>	<b>(1,428)</b>	<b>(1,543)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Other payments.....	-	-	(498)	(597)	(717)	(2,860)	(1,032)
<b>Net cash from financing activities.....</b>	<b>-</b>	<b>-</b>	<b>(498)</b>	<b>(597)</b>	<b>(717)</b>	<b>(2,860)</b>	<b>(1,032)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>2,156</b>	<b>6,045</b>	<b>(17,461)</b>	<b>(3,803)</b>	<b>(6,257)</b>	<b>159</b>	<b>1,389</b>
Cash assets at the beginning of the reporting period .....	208,072	193,084	207,428	189,967	186,164	179,907	180,066
Net cash transferred to/from other agencies.....	(2,800)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>207,428</b>	<b>199,129</b>	<b>189,967</b>	<b>186,164</b>	<b>179,907</b>	<b>180,066</b>	<b>181,455</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Regulatory Fees and Fines</b>							
Regulatory Fees and Fines.....	62,852	68,021	64,954	75,097	74,861	76,024	77,732
<b>Grants and Subsidies</b>							
Grants and Subsidies.....	292	174	145	145	145	45	45
<b>Sale of Goods and Services</b>							
Sale of Goods and Services .....	2,353	6,297	6,249	5,140	5,225	5,312	5,312
<b>GST Receipts</b>							
GST Receipts.....	3,687	2,570	2,570	2,570	2,570	2,570	2,570
<b>Other Receipts</b>							
Other Receipts .....	5,160	8,600	5,684	5,925	6,933	7,996	8,221
<b>TOTAL .....</b>	<b>74,344</b>	<b>85,662</b>	<b>79,602</b>	<b>88,877</b>	<b>89,734</b>	<b>91,947</b>	<b>93,880</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Taxation</b>							
Regulatory Fees .....	1,819	1,626	1,571	-	-	-	-
<b>Fines</b>							
Regulatory Fines .....	139	250	250	250	250	250	250
<b>Other</b>							
Home Indemnity Insurance							
Appropriation .....	-	350	-	-	-	-	-
Miscellaneous .....	-	888	-	-	-	-	-
Premiums .....	20,095	7,000	19,715	42,041	18,784	14,804	13,120
Interest .....	-	-	346	1,027	1,545	1,520	1,047
Rental Accommodation Account Interest....	10,667	6,615	11,376	16,211	17,127	20,164	21,141
Other Interest .....	-	-	168	164	158	147	136
Travel Agents Appropriation.....	-	206	206	-	-	-	-
Other Revenues .....	402	-	520	533	546	530	509
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>33,122</b>	<b>16,935</b>	<b>34,152</b>	<b>60,226</b>	<b>38,410</b>	<b>37,415</b>	<b>36,203</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Rental Accommodation Account Grants.....	4,934	2,946	3,608	3,666	3,806	3,958	4,057
<b>Other</b>							
Home Indemnity Insurance							
Administration.....	-	2,100	-	-	-	-	-
Claims .....	-	5,250	23,236	28,880	23,514	20,677	16,495
Interest Expense.....	-	106	-	-	-	-	-
Payments to the Consolidated Account.....	11,014	1,876	13,593	414	408	397	386
Rental Accommodation Account .....	8,761	5,351	9,590	9,819	10,054	10,167	10,319
Travel Agents Refund .....	-	206	206	-	-	-	-
Other Expenses.....	6,193	-	-	-	-	-	-
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>30,902</b>	<b>17,835</b>	<b>50,233</b>	<b>42,779</b>	<b>37,782</b>	<b>35,199</b>	<b>31,257</b>

# Division 45 Registrar, Western Australian Industrial Relations Commission

## Part 9 Attorney General; Minister for Commerce

### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 57 Net amount appropriated to deliver services .....	9,104	9,534	7,731	<b>10,377</b>	10,236	10,269	10,352
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	2,239	2,311	2,311	<b>2,377</b>	2,441	2,441	2,441
Total appropriations provided to deliver services.....	11,343	11,845	10,042	<b>12,754</b>	12,677	12,710	12,793
<b>TOTAL APPROPRIATIONS .....</b>	<b>11,343</b>	<b>11,845</b>	<b>10,042</b>	<b>12,754</b>	<b>12,677</b>	<b>12,710</b>	<b>12,793</b>
<b>EXPENSES</b>							
Total Cost of Services .....	11,220	12,442	12,778	<b>13,121</b>	13,044	13,077	13,160
Net Cost of Services <sup>(a)</sup> .....	10,616	12,362	12,698	<b>13,041</b>	12,964	12,997	13,080
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>6,671</b>	<b>4,662</b>	<b>3,400</b>	<b>3,283</b>	<b>3,166</b>	<b>3,049</b>	<b>2,932</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding .....	-	201	-	-	-
ICT Savings and Reform .....	(30)	(62)	(63)	(65)	-
Revised Services and Contracts Expenditure .....	200	-	-	-	-
Targeted Voluntary Separation Scheme <sup>(a)</sup> .....	86	-	-	-	-
Workforce Renewal Policy .....	(20)	(168)	(345)	(530)	(715)

(a) Preliminary cost required to make payments to staff departing prior to the closure of the Targeted Voluntary Separation Scheme at 30 April 2015. The final cost of the Scheme will be known once staff leave the public sector and will be published in the 2014-15 Annual Report on State Finances. Agency savings flowing from the Scheme will be dependent on the final costs and will be allocated to agency budgets as part of the 2015-16 Mid-year Review.



## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court .....	4,793	5,676	5,888	6,010	5,975	6,000	6,049
2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission .....	6,427	6,766	6,890	7,111	7,069	7,077	7,111
<b>Total Cost of Services .....</b>	<b>11,220</b>	<b>12,442</b>	<b>12,778</b>	<b>13,121</b>	<b>13,044</b>	<b>13,077</b>	<b>13,160</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: The prevention and resolution of industrial relations matters:</b>					
Percentage of employee, employers, representatives and Commission members satisfied with the service provided by the Department of the Registrar in relation to:					
Timeliness .....	95%	90%	90%	90%	
Accuracy and relevance of information .....	96%	90%	90%	90%	

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

## Services and Key Efficiency Indicators

### 1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 4,793	\$'000 5,676	\$'000 5,888	\$'000 6,010	
Less Income .....	439	80	80	80	
Net Cost of Service.....	4,354	5,596	5,808	5,930	
<b>Employees (Full Time Equivalents).....</b>	<b>29</b>	<b>34</b>	<b>33</b>	<b>33</b>	
<b>Efficiency Indicators</b>					
Average Cost per Application Registered and Recorded <sup>(a)</sup> .....	\$5,104	\$7,994	\$6,172	\$6,108	

(a) The scope of measurement has been expanded to include applications for Right of Entry permits.

### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 6,427	\$'000 6,766	\$'000 6,890	\$'000 7,111	
Less Income .....	165	-	-	-	
Net Cost of Service.....	6,262	6,766	6,890	7,111	
<b>Employees (Full Time Equivalents).....</b>	<b>17</b>	<b>19</b>	<b>19</b>	<b>19</b>	

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Asset Replacement - Information Technology (IT)							
2014-15 Program .....	160	160	160	-	-	-	-
Court Refurbishment .....	577	577	577	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement - IT							
2015-16 Program .....	160	-	-	160	-	-	-
2016-17 Program .....	160	-	-	-	160	-	-
2017-18 Program .....	160	-	-	-	-	160	-
2018-19 Program .....	160	-	-	-	-	-	160
<b>Total Cost of Asset Investment Program .....</b>	<b>1,377</b>	<b>737</b>	<b>737</b>	<b>160</b>	<b>160</b>	<b>160</b>	<b>160</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account .....			160	160	160	160	160
Internal Funds and Balances .....			577	-	-	-	-
<b>Total Funding .....</b>			<b>737</b>	<b>160</b>	<b>160</b>	<b>160</b>	<b>160</b>

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	6,223	6,858	6,924	6,890	6,899	6,850	6,805
Supplies and services .....	1,215	1,382	1,547	1,513	1,412	1,532	1,597
Accommodation .....	3,195	3,476	3,476	3,850	3,837	3,837	3,962
Depreciation and amortisation .....	257	219	319	319	319	281	219
Other expenses .....	330	507	512	549	577	577	577
<b>TOTAL COST OF SERVICES .....</b>	<b>11,220</b>	<b>12,442</b>	<b>12,778</b>	<b>13,121</b>	<b>13,044</b>	<b>13,077</b>	<b>13,160</b>
<b>Income</b>							
Sale of goods and services .....	60	80	80	80	80	80	80
Other revenue .....	544	-	-	-	-	-	-
<b>Total Income .....</b>	<b>604</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>
<b>NET COST OF SERVICES .....</b>	<b>10,616</b>	<b>12,362</b>	<b>12,698</b>	<b>13,041</b>	<b>12,964</b>	<b>12,997</b>	<b>13,080</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	11,343	11,845	10,042	12,754	12,677	12,710	12,793
Resources received free of charge .....	29	50	50	50	50	50	50
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>11,372</b>	<b>11,895</b>	<b>10,092</b>	<b>12,804</b>	<b>12,727</b>	<b>12,760</b>	<b>12,843</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>756</b>	<b>(467)</b>	<b>(2,606)</b>	<b>(237)</b>	<b>(237)</b>	<b>(237)</b>	<b>(237)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 46, 52 and 52 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	6,421	4,407	3,150	3,283	3,136	2,989	2,842
Holding account receivables .....	160	160	160	160	160	160	160
Receivables .....	166	227	177	166	156	161	161
Other .....	132	248	268	209	114	94	94
<b>Total current assets .....</b>	<b>6,879</b>	<b>5,042</b>	<b>3,755</b>	<b>3,818</b>	<b>3,566</b>	<b>3,404</b>	<b>3,257</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	1,186	1,245	1,245	1,404	1,563	1,684	1,743
Property, plant and equipment .....	343	185	310	214	170	145	137
Intangibles .....	15	76	4	-	-	-	-
Restricted cash .....	250	255	250	-	30	60	90
Other .....	620	-	506	447	332	236	185
<b>Total non-current assets .....</b>	<b>2,414</b>	<b>1,761</b>	<b>2,315</b>	<b>2,065</b>	<b>2,095</b>	<b>2,125</b>	<b>2,155</b>
<b>TOTAL ASSETS .....</b>	<b>9,293</b>	<b>6,803</b>	<b>6,070</b>	<b>5,883</b>	<b>5,661</b>	<b>5,529</b>	<b>5,412</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,859	1,735	1,859	1,817	1,817	1,817	1,817
Payables .....	58	36	60	60	71	91	134
Other .....	915	356	296	330	334	419	496
<b>Total current liabilities .....</b>	<b>2,832</b>	<b>2,127</b>	<b>2,215</b>	<b>2,207</b>	<b>2,222</b>	<b>2,327</b>	<b>2,447</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	144	152	144	202	202	202	202
Other .....	1	1	1	1	1	1	1
<b>Total non-current liabilities .....</b>	<b>145</b>	<b>153</b>	<b>145</b>	<b>203</b>	<b>203</b>	<b>203</b>	<b>203</b>
<b>TOTAL LIABILITIES .....</b>	<b>2,977</b>	<b>2,280</b>	<b>2,360</b>	<b>2,410</b>	<b>2,425</b>	<b>2,530</b>	<b>2,650</b>
<b>EQUITY</b>							
Contributed equity .....	495	495	495	495	495	495	495
Accumulated surplus/(deficit) .....	5,806	4,009	3,200	2,963	2,726	2,489	2,252
Reserves .....	15	19	15	15	15	15	15
<b>Total equity .....</b>	<b>6,316</b>	<b>4,523</b>	<b>3,710</b>	<b>3,473</b>	<b>3,236</b>	<b>2,999</b>	<b>2,762</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>9,293</b>	<b>6,803</b>	<b>6,070</b>	<b>5,883</b>	<b>5,661</b>	<b>5,529</b>	<b>5,412</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	11,145	11,626	9,823	12,435	12,358	12,429	12,574
Holding account drawdowns.....	160	160	160	160	160	160	160
<b>Net cash provided by State Government.....</b>	<b>11,305</b>	<b>11,786</b>	<b>9,983</b>	<b>12,595</b>	<b>12,518</b>	<b>12,589</b>	<b>12,734</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(6,110)	(6,828)	(6,894)	(6,758)	(6,767)	(6,718)	(6,673)
Supplies and services .....	(1,273)	(1,365)	(1,530)	(1,387)	(1,286)	(1,406)	(1,471)
Accommodation .....	(3,187)	(3,554)	(3,554)	(3,927)	(3,914)	(3,914)	(4,039)
Other payments.....	(895)	(1,059)	(1,122)	(1,063)	(1,091)	(1,091)	(1,091)
<b>Receipts <sup>(b)</sup></b>							
Sale of goods and services.....	58	80	80	80	80	80	80
GST receipts .....	565	503	503	503	503	503	503
Other receipts .....	521	-	-	-	-	-	-
<b>Net cash from operating activities .....</b>	<b>(10,321)</b>	<b>(12,223)</b>	<b>(12,517)</b>	<b>(12,552)</b>	<b>(12,475)</b>	<b>(12,546)</b>	<b>(12,691)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(307)	(160)	(737)	(160)	(160)	(160)	(160)
<b>Net cash from investing activities.....</b>	<b>(307)</b>	<b>(160)</b>	<b>(737)</b>	<b>(160)</b>	<b>(160)</b>	<b>(160)</b>	<b>(160)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>677</b>	<b>(597)</b>	<b>(3,271)</b>	<b>(117)</b>	<b>(117)</b>	<b>(117)</b>	<b>(117)</b>
Cash assets at the beginning of the reporting period .....	5,994	5,259	6,671	3,400	3,283	3,166	3,049
<b>Cash assets at the end of the reporting period .....</b>	<b>6,671</b>	<b>4,662</b>	<b>3,400</b>	<b>3,283</b>	<b>3,166</b>	<b>3,049</b>	<b>2,932</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Sale of Goods and Services</b>							
Sales of Goods and Services .....	58	80	80	80	80	80	80
<b>GST Receipts</b>							
GST Receipts on Sales .....	41	3	3	3	3	3	3
GST Receipts from the Australian Taxation Office .....	524	500	500	500	500	500	500
<b>Other Receipts</b>							
Other Receipts .....	521	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>1,144</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>583</b>

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

# WorkCover WA Authority

## Part 9

## Attorney General; Minister for Commerce

### Asset Investment Program

The Authority's total approved Asset Investment Program for 2015-16 is \$1.4 million. The approved projects that are in progress or planned include:

- Building Maintenance/Asset Replacement - ongoing repairs and general maintenance of the Authority's premises;
- Computer Hardware and Software - ongoing replacement and upgrade of core business systems and infrastructure; and
- Office and Other Equipment - ongoing works to facilitate upgrades, replacement of fleet and other office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Building Maintenance/Asset Replacement							
2014-15 Program .....	373	373	373	-	-	-	-
Computer Hardware and Software - 2014-15 Program .....	503	503	503	-	-	-	-
Office Equipment Replacement - 2014-15 Program .....	23	23	23	-	-	-	-
Other Equipment - 2014-15 Program .....	96	96	96	-	-	-	-
<b>NEW WORKS</b>							
Building Maintenance/Asset Replacement Program							
2015-16 Program .....	160	-	-	160	-	-	-
2016-17 Program .....	145	-	-	-	145	-	-
2017-18 Program .....	146	-	-	-	-	146	-
2018-19 Program .....	158	-	-	-	-	-	158
Computer Hardware and Software							
2015-16 Program .....	1,122	-	-	1,122	-	-	-
2016-17 Program .....	435	-	-	-	435	-	-
2017-18 Program .....	460	-	-	-	-	460	-
2018-19 Program .....	665	-	-	-	-	-	665
Office Equipment Replacement Program							
2015-16 Program .....	30	-	-	30	-	-	-
2016-17 Program .....	35	-	-	-	35	-	-
2017-18 Program .....	35	-	-	-	-	35	-
2018-19 Program .....	35	-	-	-	-	-	35
Other Equipment							
2015-16 Program .....	95	-	-	95	-	-	-
2016-17 Program .....	85	-	-	-	85	-	-
2017-18 Program .....	95	-	-	-	-	95	-
2018-19 Program .....	85	-	-	-	-	-	85
<b>Total Cost of Asset Investment Program .....</b>	<b>4,781</b>	<b>995</b>	<b>995</b>	<b>1,407</b>	<b>700</b>	<b>736</b>	<b>943</b>
<b>FUNDED BY</b>							
Internal Funds and Balances .....			995	1,407	700	736	943
<b>Total Funding .....</b>			<b>995</b>	<b>1,407</b>	<b>700</b>	<b>736</b>	<b>943</b>

**Part 10**  
**Minister for Finance; Mines and Petroleum**

**Summary of Portfolio Appropriations**

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
517	Finance			
	– Delivery of Services .....	172,866	171,201	211,619
	– Administered Grants, Subsidies and other Transfer Payments ....	274,728	295,515	291,325
	– Capital Appropriation .....	41,995	15,353	86,365
	Total .....	489,589	482,069	589,309
531	Mines and Petroleum			
	– Delivery of Services .....	85,448	68,937	83,736
	– Administered Grants, Subsidies and Other Transfer Payments ...	12,429	30,841	31,384
	– Capital Appropriation .....	-	-	500
	Total .....	97,877	99,778	115,620
	<b>GRAND TOTAL</b>			
	– Delivery of Services .....	258,314	240,138	295,355
	– Administered Grants, Subsidies and Other Transfer Payments ...	287,157	326,356	322,709
	– Capital Appropriation .....	41,995	15,353	86,865
	<b>Total .....</b>	<b>587,466</b>	<b>581,847</b>	<b>704,929</b>





## Division 46 Finance

### Part 10 Minister for Finance; Mines and Petroleum

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 58 Net amount appropriated to deliver services .....	183,570	171,241	169,576	<b>209,994</b>	190,959	192,540	186,540
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	1,625	1,625	1,625	<b>1,625</b>	1,625	1,625	1,625
Total appropriations provided to deliver services.....	185,195	172,866	171,201	<b>211,619</b>	192,584	194,165	188,165
<b>ADMINISTERED TRANSACTIONS</b>							
Item 59 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	257,352	182,753	182,930	<b>203,208</b>	212,299	227,115	238,962
<b>Amount Authorised by Other Statutes</b>							
- First Home Owner Grant Act 2000 .....	114,220	91,975	112,585	<b>88,117</b>	86,940	87,250	87,683
<b>CAPITAL</b>							
Item 133 Capital Appropriation.....	22,269	41,995	15,353	<b>86,365</b>	36,509	6,169	2,485
<b>TOTAL APPROPRIATIONS .....</b>	<b>579,036</b>	<b>489,589</b>	<b>482,069</b>	<b>589,309</b>	<b>528,332</b>	<b>514,699</b>	<b>517,295</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,417,109	1,428,259	1,474,967	<b>1,212,719</b>	1,083,722	1,004,109	992,903
Net Cost of Services <sup>(a)</sup> .....	172,657	185,355	237,869	<b>220,420</b>	197,739	202,150	186,043
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>176,220</b>	<b>67,825</b>	<b>175,077</b>	<b>178,672</b>	<b>187,140</b>	<b>198,953</b>	<b>212,446</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(900)	(1,200)	(1,400)	(1,400)	(1,400)
15% Procurement Savings .....	-	(2,756)	(2,757)	(2,761)	(2,765)
2013-14 Voluntary Severance Scheme .....	(162)	-	-	-	-
2014-15 State Fleet Review .....	(352)	(1,012)	(1,282)	(1,650)	(1,650)
Building Management and Works - Revised Works Program .....	-	(178,800)	(328,800)	(402,800)	(402,800)
Electricity Market Review Phase Two .....	-	11,100	-	-	-
Estimated Operating Expenses for Office of the Government Chief Information Officer .....	-	2,700	2,700	2,700	-
ICT Renewal and Reform Fund .....	(672)	(1,377)	(1,411)	(1,446)	-
Old Treasury Building and St Georges Cathedral Heritage Precinct Redevelopment Project - Project Variations .....	2,674	1,134	87	84	79
Sunset Transformation Strategy Project .....	(6,035)	1,500	-	100	-
Transfer of Accommodation Funding from the Department of Treasury .....	237	249	258	267	276
Transfer of Fremantle Prison to the Department of the State Heritage Office .....	-	(5,777)	(5,923)	(6,070)	(6,221)
Workforce Renewal Policy .....	(168)	(1,418)	(2,955)	(4,587)	(6,304)

## **Significant Issues Impacting the Agency**

- Support will be provided for establishing the Office of the Government Chief Information Officer (GCIO), which will be funded from the Information and Communications Technology (ICT) Renewal and Reform Fund announced in the 2014-15 Mid-year Review.
- The initial focus of the GCIO will be on reducing the cost of ICT across government and enhancing transparency in the delivery of major projects.
- The GCIO will develop a whole-of-government ICT plan, which will focus on establishing benchmarks, smarter procurement and more innovative service delivery models.
- The GCIO will also lead decision-making regarding the allocation of the ICT Renewal and Reform Fund, and chair the Director's General ICT Steering Committee.

## **Economic Reform**

- The Department will continue to develop the Reinvigorated Regulatory Reform Plan during 2015-16 to ensure a whole-of-sector commitment to best practice regulation and to drive regulatory reform across the sector. The Plan will focus on red tape reduction, deregulation, regulatory impact assessment and the greater integration of Repeal Week into agency reform agendas.

## **Building Management and Works**

- The Asset Investment Program to be delivered by Building Management and Works (BMW) in 2015-16, will decline from the record highs of previous years. To ensure that the best value-for-money outcomes continue to be achieved, greater use of alternative works procurement models will be pursued.
- Achieving value-for-money and cost efficiencies within the Government's office accommodation portfolio remains a key priority. BMW will continue to work closely with agencies to minimise office accommodation costs and drive efficiencies through a whole-of-government approach to property issues, such as vacant space and high operating costs, particularly in relation to agency owned and leased premises.
- The reform of maintenance services delivery continues with the major focus in 2015-16 involving the replacement of a number of outdated maintenance management contracts. The replacement contracts will deliver improved maintenance outcomes across the metropolitan area, and represent a further step in the implementation of a more progressive State-wide contracting framework.

## **State Revenue**

- Efforts will continue in 2015-16 to assist in the implementation and manage the ongoing application of the Government's significant taxation, grants and concession policy changes. In addition, State Revenue will be working closely with other agencies, including Treasury, in preparing advice for Government on changes to improve the efficacy of existing taxation, grant and subsidy settings.
- State Revenue will continue to focus its efforts to reduce red tape and increase operational efficiency, while maintaining the integrity of the State's revenue and grant and subsidy systems. The introduction of a new system in 2015-16 is expected to deliver time and cost efficiencies to the conveyancing industry, which will in turn benefit taxpayers through reduced disbursements and increased efficiencies in the settlement process. Furthermore, the continuation of the Revenue System Consolidation and Enhancement program will deliver enhancements to improve business intelligence and compliance capabilities and increased payment options to assist taxpayers.

## **Public Utilities Office**

- The Public Utilities Office will progress Phase two of the Electricity Market Review, developing detailed design for the implementation of the immediate reforms and recommendations outlined by the Electricity Review Options Paper that resulted from the first stage of the review. Collectively, these reforms are expected to significantly reduce costs in the electricity sector.

## **Government Procurement**

- Government Procurement, through its State Fleet unit, is implementing Government measures to reduce the size and cost of the vehicle fleet. Savings measures, such as targeting lower use vehicles, will be implemented.
- Government Procurement will continue to assist agencies identify savings and efficiencies through better contract specifications and standards, and more dynamic Common Use Arrangements. Government Procurement will also intensify its efforts to make procurement more efficient by streamlining processes and systems.

## Resource Agreement

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

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
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
	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
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

### Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Revenue Assessment and Collection, and Grants and Subsidies Administration....	54,097	57,202	57,559	58,380	59,344	59,350	59,570
2. Development and Management of Common Use Contract Arrangements, State Fleet Leasing and Disposal, and Providing Facilitation Service for Agency Specific Contracts.....	106,868	127,268	130,327	135,174	136,088	136,750	134,292
3. Corporate Services to the Department of Treasury .....	6,696	6,788	7,016	7,315	7,463	7,348	7,352
4. Leads the Planning, Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation.....	1,226,425	1,209,501	1,253,200	973,503	853,294	772,981	768,989
5. Development and Implementation of Energy Policy and Economic Reform; Assessment of Proposed Policy Changes and the Impact on Regulatory Functions .....	23,023	27,500	26,865	38,347	27,533	27,680	22,700
<b>Total Cost of Services .....</b>	<b>1,417,109</b>	<b>1,428,259</b>	<b>1,474,967</b>	<b>1,212,719</b>	<b>1,083,722</b>	<b>1,004,109</b>	<b>992,903</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Due and payable revenue is collected and eligible grants, subsidies and rebates paid:</b>					
Extent to which due revenue is collected .....	92%	91%	91%	91%	
Extent to which correct grants, subsidies and rebates are paid .....	100%	100%	100%	100%	
<b>Outcome: Value for money from public sector procurement:</b>					
Profitability of the State's light vehicle fleet (\$'000) .....	\$11,192	\$13,024	\$7,568	\$10,176	1
Extent to which client agencies agree that their agency contracts and common use contract arrangements achieved value for money .....	93%	90%	90%	90%	
<b>Outcome: Value for money from the management of the Government's non-residential buildings and public works:</b>					
Percentage of significant projects in the New Buildings program delivered within 10% of approved budget .....	100%	100%	100%	100%	
<b>Outcome: A sustainable, efficient, secure and affordable energy sector:</b>					
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 profitability decrease in 2014-15 Estimated Actual resulted from reduced vehicle turnover. Agencies are managing budget pressures by reducing vehicle numbers and shifting to longer leases. Profitability will return to more normal levels as this activity stabilises.

**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 Licence fees 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service .....	\$'000 54,097	\$'000 57,202	\$'000 57,559	\$'000 58,380	
Less Income .....	3,901	4,735	4,735	5,168	
Net Cost of Service .....	50,196	52,467	52,824	53,212	
<b>Employees (Full Time Equivalents) .....</b>	<b>288</b>	<b>350</b>	<b>361</b>	<b>356</b>	
<b>Efficiency Indicators</b>					
Cost per \$100 of Revenue Raised .....	\$0.66	\$0.67	\$0.71	\$0.68	
Average Cost per Application/Claim Processed .....	\$11.86	\$11.37	\$11.79	\$12.17	

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service <sup>(a)</sup> .....	\$'000 106,868	\$'000 127,268	\$'000 130,327	\$'000 135,174	
Less Income .....	79,851	96,591	95,085	99,099	
Net Cost of Service .....	27,017	30,677	35,242	36,075	
<b>Employees (Full Time Equivalents).....</b>	<b>327</b>	<b>361</b>	<b>362</b>	<b>361</b>	
<b>Efficiency Indicators</b>					
Cost of Facilitating the Development and Management of Agency Specific Contracts as a Percentage of the Contract Award Value.....	2.4%	2.2%	2.3%	2.2%	
Average Administrative Cost per Vehicle for Financing and Managing the State Fleet Service .....	\$94	\$106	\$100	\$100	
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 .....	1.5%	1.9%	2.1%	2.2%	

(a) The 2015-16 Budget Target includes \$2.7 million for the estimated running costs of the Office of the Government Chief Information Officer.

## 3. Corporate Services to Treasury

These services include corporate services directly provided by the Department to support the outcomes and activities of Treasury.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service <sup>(a)</sup> .....	\$'000 6,696	\$'000 6,788	\$'000 7,016	\$'000 7,315	
Less Income .....	40	-	-	-	
Net Cost of Service .....	6,656	6,788	7,016	7,315	
<b>Employees (Full Time Equivalents).....</b>	<b>35</b>	<b>43</b>	<b>38</b>	<b>37</b>	

(a) The Total Cost of Service for 2013-14 Actual has been recast to ensure consistency with the transfer of accommodation funding from the Department of Treasury.

#### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service (a) .....	1,226,425	1,209,501	1,253,200	973,503	1
Less Income .....	1,158,308	1,141,233	1,136,933	887,687	1
Net Cost of Service .....	68,117	68,268	116,267	85,816	
Employees (Full Time Equivalents).....	431	456	446	438	
<b>Efficiency Indicators</b>					
Percentage of Significant Projects in New Buildings Program Delivered within Three Months of Approved Timeframe.....	93%	85%	93%	90%	
Percentage of Maintenance Services Delivered within 10% of Approved Timeframe.....	76.2%	80%	76%	80%	
Average Office Accommodation Floor Space per Work Point .....	15.6m <sup>2</sup>	15.0m <sup>2</sup>	15.4m <sup>2</sup>	15.0m <sup>2</sup>	

(a) The Total Cost of Service for 2013-14 Actual, 2014-15 Budget and 2014-15 Estimated Actual has been recast to ensure consistency with the transfer of the Fremantle Prison to the Department of the State Heritage Office.

(Notes)

1. The reduction between 2014-15 Estimated Actual and 2015-16 Budget Target is attributable to a decline in non-residential building activity to be managed by Building Management and Works on behalf of government agencies.

#### 5. Development and Implementation of Energy Policy and Economic Reform; Assessment of Proposed Policy Changes and the Impact on Regulatory Functions

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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	23,023	27,500	26,865	38,347	1
Less Income .....	2,352	345	345	345	
Net Cost of Service .....	20,671	27,155	26,520	38,002	
Employees (Full Time Equivalents).....	71	80	79	79	
<b>Efficiency Indicators</b>					
Average Cost of Routine Energy Policy and Program Tasks.....	\$10,081	\$13,880	\$12,316	\$12,593	
Average Cost of Energy Policy Projects and Programs.....	\$127,830	\$99,160	\$97,025	\$123,278	2
Percentage of Regulatory Impact Statements Assessed within Agreed Timeframes .....	93%	90%	90%	90%	

#### Explanation of Significant Movements

(Notes)

1. The increase in 2015-16 relates to the provision of \$11.1 million for Phase two of the Electricity Market Review.
2. The total number and cost of projects is expected to increase in 2015-16 as the nature of work shifts strongly to project work due to the Electricity Market Review.

## Asset Investment Program

The Vehicle Acquisition Program relates to the management of agency passenger and light commercial vehicle fleets, funded through asset sales and borrowings from the Western Australian Treasury Corporation.

Master Planning Strategy includes the redevelopment of the Old Treasury Building and St Georges Cathedral Heritage Precinct (\$40 million). This Precinct contains some of Perth's foremost Heritage buildings including the Perth Town Hall, St Georges Cathedral and the Old Treasury Building.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Accommodation Fit-out Projects							
Master Planning Strategy - Government Office							
Accommodation.....	222,087	171,937	14,940	30,413	19,737	-	-
St Georges Cathedral Heritage Precinct - Office Fit-out.....	53,341	2,148	2,148	44,414	6,779	-	-
Karratha Government Office Co-Location Project							
(The Quarter) <sup>(a)</sup> .....	6,000	500	500	5,250	250	-	-
Relocation of Department of Commerce Project.....	7,435	4,509	4,188	950	1,976	-	-
Software Development - Revenue Systems							
Consolidation and Enhancement Program.....	32,055	5,088	5,088	10,297	8,016	6,169	2,485
Sunset Transformation Strategy.....	4,435	490	490	3,500	445	-	-
<b>COMPLETED WORKS</b>							
Accommodation Fit-out Projects - Cabinet Offices.....	23,392	23,392	350	-	-	-	-
Computing and Office Equipment Replacement							
2004-05 to 2014-15 ServiceNet.....	3,474	3,474	262	-	-	-	-
Financial Management Information System Implementation.....	2,318	2,318	208	-	-	-	-
ICT Replacement 2014-15 Program.....	1,482	1,482	1,482	-	-	-	-
Procurement Systems Replacement							
2011-12 Program.....	430	430	383	-	-	-	-
2014-15 Program.....	427	427	427	-	-	-	-
Software Development Revenue Collection Information							
System Replacement.....	20,294	20,294	746	-	-	-	-
Vehicle Acquisitions - 2014-15 Program.....	121,840	121,840	121,840	-	-	-	-
<b>NEW WORKS</b>							
ICT Replacement							
2015-16 Program.....	1,097	-	-	1,097	-	-	-
2016-17 Program.....	861	-	-	-	861	-	-
2017-18 Program.....	888	-	-	-	-	888	-
2018-19 Program.....	888	-	-	-	-	-	888
Procurement Systems Replacement							
2015-16 Program.....	406	-	-	406	-	-	-
2016-17 Program.....	406	-	-	-	406	-	-
2017-18 Program.....	406	-	-	-	-	406	-
2018-19 Program.....	420	-	-	-	-	-	420
ServiceNet Replacement							
2015-16 Program.....	256	-	-	256	-	-	-
2016-17 Program.....	264	-	-	-	264	-	-
2017-18 Program.....	273	-	-	-	-	273	-
2018-19 Program.....	282	-	-	-	-	-	282
South West Native Title - Noongar Cultural Centre.....	300	-	-	300	-	-	-
Vehicle Acquisitions							
2015-16 Program.....	111,319	-	-	111,319	-	-	-
2016-17 Program.....	112,366	-	-	-	112,366	-	-
2017-18 Program.....	111,875	-	-	-	-	111,875	-
2018-19 Program.....	113,715	-	-	-	-	-	113,715
<b>Total Cost of Asset Investment Program.....</b>	<b>955,032</b>	<b>358,329</b>	<b>153,052</b>	<b>208,202</b>	<b>151,100</b>	<b>119,611</b>	<b>117,790</b>
<b>Loan and Other Repayments.....</b>			<b>13,390</b>	<b>23,511</b>	<b>23,511</b>	<b>17,983</b>	<b>23,510</b>
<b>Total.....</b>	<b>955,032</b>	<b>358,329</b>	<b>166,442</b>	<b>231,713</b>	<b>174,611</b>	<b>137,594</b>	<b>141,300</b>
<b>FUNDED BY</b>							
Capital Appropriation.....			15,353	86,365	36,509	6,169	2,485
Asset Sales.....			55,517	53,765	46,733	46,580	45,844
Drawdowns from the Holding Account.....			1,553	1,469	1,531	1,567	1,567
Internal Funds and Balances.....			93,519	84,864	89,588	83,278	91,404
Drawdowns from Royalties for Regions Fund <sup>(b)</sup> .....			500	5,250	250	-	-
<b>Total Funding.....</b>			<b>166,442</b>	<b>231,713</b>	<b>174,611</b>	<b>137,594</b>	<b>141,300</b>

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

## **Financial Statements**

### **Income Statement**

#### *Expenses*

The Total Cost of Services for 2015-16 is expected to decrease by \$269 million (18.2%) when compared to the 2014-15 Estimated Actual. This reduction is mainly attributable to the reduction in non-residential building activity and the non-cash expenditure relating to the recognition of the \$52 million heritage component of the Old Treasury Building development.

#### *Income*

The total income for 2015-16 is estimated to decrease by \$249 million (20%) when compared to the 2014-15 Estimated Actual. This is attributable to the decrease in agency revenue associated with the reduction in non-residential building activity.

#### *Income from State Government*

The increase in Service Appropriations from 2014-15 to 2015-16 relates primarily to a change in the funding for Building Management and Works of \$14.6 million and additional funding for Phase two of the Electricity Market Review of \$11.1 million.

### **Statement of Financial Position**

The total equity is expected to increase by \$91 million when compared to 2014-15, this is mainly attributable to the capital contributions associated with the Asset Investment Program.



**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	146,794	149,203	148,959	151,175	154,032	152,881	150,839
Grants and subsidies <sup>(c)</sup> .....	5,396	5,235	57,235	5,235	5,235	5,235	235
Supplies and services .....	1,157,309	1,148,694	1,141,087	912,337	776,736	696,440	692,812
Accommodation .....	46,714	21,603	21,840	21,971	22,162	22,657	22,380
Depreciation and amortisation .....	136,341	93,464	93,112	97,423	101,155	102,632	102,625
Other expenses .....	22,974	17,197	19,871	24,578	24,402	24,264	24,012
<b>TOTAL COST OF SERVICES .....</b>	<b>1,515,528</b>	<b>1,435,396</b>	<b>1,482,104</b>	<b>1,212,719</b>	<b>1,083,722</b>	<b>1,004,109</b>	<b>992,903</b>
<b>Income</b>							
Sale of goods and services .....	926,530	925,163	924,453	668,950	538,869	464,784	464,698
Grants and subsidies .....	11,515	-	710	-	-	-	-
Other revenue .....	313,978	322,190	316,384	323,349	347,114	337,175	342,162
<b>Total Income .....</b>	<b>1,252,023</b>	<b>1,247,353</b>	<b>1,241,547</b>	<b>992,299</b>	<b>885,983</b>	<b>801,959</b>	<b>806,860</b>
<b>NET COST OF SERVICES .....</b>	<b>263,505</b>	<b>188,043</b>	<b>240,557</b>	<b>220,420</b>	<b>197,739</b>	<b>202,150</b>	<b>186,043</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	275,810	175,545	173,880	211,619	192,584	194,165	188,165
Resources received free of charge .....	13,348	14,491	14,491	14,505	14,519	14,519	14,519
Royalties for Regions Fund: Regional Community Services Fund .....	149	103	189	138	141	145	148
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>289,307</b>	<b>190,139</b>	<b>188,560</b>	<b>226,262</b>	<b>207,244</b>	<b>208,829</b>	<b>202,832</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>25,802</b>	<b>2,096</b>	<b>(51,997)</b>	<b>5,842</b>	<b>9,505</b>	<b>6,679</b>	<b>16,789</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 1,152, 1,286 and 1,271 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Contribution to Australian Energy Market Commission .....	81	85	85	85	85	85	85
National Disability Service Assistance, Training and Education .....	227	-	-	-	-	-	-
Old Treasury Building and St Georges Cathedral Heritage Precinct Redevelopment .....	-	-	52,000	-	-	-	-
Other .....	89	-	-	-	-	-	-
Standing Council on Energy and Resources Contribution .....	21	150	150	150	150	150	150
State's Contribution to the National Occupational Licensing Authority .....	158	-	-	-	-	-	-
State's Contribution to the Underground Power Project .....	4,820	5,000	5,000	5,000	5,000	5,000	-
<b>TOTAL .....</b>	<b>5,396</b>	<b>5,235</b>	<b>57,235</b>	<b>5,235</b>	<b>5,235</b>	<b>5,235</b>	<b>235</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	165,048	61,318	158,301	171,502	180,130	192,158	205,766
Restricted cash .....	6,625	2,582	16,776	7,170	6,725	6,625	6,625
Holding account receivables .....	1,688	1,676	1,811	2,041	2,248	2,331	2,414
Receivables .....	78,400	133,714	78,774	73,695	67,541	62,345	57,293
Other .....	262,844	242,687	261,111	259,002	256,982	254,964	252,946
<b>Total current assets .....</b>	<b>514,605</b>	<b>441,977</b>	<b>516,773</b>	<b>513,410</b>	<b>513,626</b>	<b>518,423</b>	<b>525,044</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	325,475	380,341	380,340	432,173	492,399	553,308	614,210
Property, plant and equipment .....	839,416	835,427	821,639	840,285	837,677	803,335	777,075
Intangibles .....	29,872	14,012	27,418	22,701	15,530	15,300	15,070
Restricted cash .....	4,547	3,925	-	-	285	170	55
Other .....	1,874	16,982	2,983	4,022	4,589	5,156	5,695
<b>Total non-current assets .....</b>	<b>1,201,184</b>	<b>1,250,687</b>	<b>1,232,380</b>	<b>1,299,181</b>	<b>1,350,480</b>	<b>1,377,269</b>	<b>1,412,105</b>
<b>TOTAL ASSETS .....</b>	<b>1,715,789</b>	<b>1,692,664</b>	<b>1,749,153</b>	<b>1,812,591</b>	<b>1,864,106</b>	<b>1,895,692</b>	<b>1,937,149</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	30,106	30,666	30,088	29,701	29,674	29,646	29,618
Payables .....	328,328	295,375	322,190	312,437	302,509	331,478	369,542
Other .....	119,862	90,879	113,569	103,325	93,696	83,937	84,766
<b>Total current liabilities .....</b>	<b>478,296</b>	<b>416,920</b>	<b>465,847</b>	<b>445,463</b>	<b>425,879</b>	<b>445,061</b>	<b>483,926</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	6,604	7,299	6,622	6,591	6,638	6,684	6,730
Borrowings .....	77,861	78,362	80,471	72,331	66,090	64,090	45,880
Other .....	32,447	21,517	79,364	80,589	81,768	84,089	87,493
<b>Total non-current liabilities .....</b>	<b>116,912</b>	<b>107,178</b>	<b>166,457</b>	<b>159,511</b>	<b>154,496</b>	<b>154,863</b>	<b>140,103</b>
<b>TOTAL LIABILITIES .....</b>	<b>595,208</b>	<b>524,098</b>	<b>632,304</b>	<b>604,974</b>	<b>580,375</b>	<b>599,924</b>	<b>624,029</b>
<b>EQUITY</b>							
Contributed equity .....	979,165	1,021,144	997,162	1,052,120	1,088,761	1,094,119	1,094,682
Accumulated surplus/(deficit) .....	108,569	97,887	56,572	62,414	71,919	78,598	95,387
Reserves .....	32,847	19,267	32,847	32,847	32,847	32,847	32,847
Other .....	-	30,268	30,268	60,236	90,204	90,204	90,204
<b>Total equity .....</b>	<b>1,120,581</b>	<b>1,168,566</b>	<b>1,116,849</b>	<b>1,207,617</b>	<b>1,283,731</b>	<b>1,295,768</b>	<b>1,313,120</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,715,789</b>	<b>1,692,664</b>	<b>1,749,153</b>	<b>1,812,591</b>	<b>1,864,106</b>	<b>1,895,692</b>	<b>1,937,149</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	190,125	119,004	117,339	151,906	130,370	131,606	125,613
Capital appropriation <sup>(b)</sup> .....	22,269	41,995	15,353	86,365	36,509	6,169	2,485
Holding account drawdowns.....	1,402	1,688	1,553	1,469	1,531	1,567	1,567
Royalties for Regions Fund:							
Regional Community Services Fund .....	149	103	189	138	141	145	148
Regional Infrastructure and Headworks Fund .....	-	-	500	5,250	250	-	-
<b>Net cash provided by State Government.....</b>	<b>213,945</b>	<b>162,790</b>	<b>134,934</b>	<b>245,128</b>	<b>168,801</b>	<b>139,487</b>	<b>129,813</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(152,459)	(145,261)	(149,831)	(155,021)	(154,874)	(153,723)	(151,681)
Grants and subsidies.....	(5,405)	(5,235)	(5,235)	(5,235)	(5,235)	(5,235)	(235)
Supplies and services .....	(1,136,008)	(1,118,224)	(1,105,803)	(876,367)	(740,768)	(660,442)	(656,900)
Accommodation .....	(46,857)	(21,502)	(21,739)	(22,831)	(23,024)	(23,531)	(23,255)
Other payments.....	(159,962)	(151,593)	(154,324)	(157,003)	(156,654)	(158,180)	(158,071)
<b>Receipts <sup>(c)</sup></b>							
Sale of goods and services.....	966,822	933,063	932,353	669,057	538,957	464,852	464,745
GST receipts .....	134,711	135,138	135,352	134,829	134,317	134,071	133,997
Other receipts .....	343,986	337,380	332,284	338,491	363,507	354,385	359,393
<b>Net cash from operating activities .....</b>	<b>(55,172)</b>	<b>(36,234)</b>	<b>(36,943)</b>	<b>(74,080)</b>	<b>(43,774)</b>	<b>(47,803)</b>	<b>(32,007)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(99,302)	(167,686)	(153,052)	(208,202)	(151,100)	(119,611)	(117,790)
Proceeds from sale of non-current assets.....	39,720	53,373	55,517	53,765	46,733	46,580	45,844
<b>Net cash from investing activities.....</b>	<b>(59,582)</b>	<b>(114,313)</b>	<b>(97,535)</b>	<b>(154,437)</b>	<b>(104,367)</b>	<b>(73,031)</b>	<b>(71,946)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings.....	(79,815)	(78,038)	(13,390)	(23,511)	(23,511)	(17,983)	(23,510)
Proceeds from borrowings.....	62,334	60,000	9,600	8,020	7,530	6,000	6,000
Other proceeds .....	991	2,191	2,191	2,475	3,789	5,143	5,143
<b>Net cash from financing activities.....</b>	<b>(16,490)</b>	<b>(15,847)</b>	<b>(1,599)</b>	<b>(13,016)</b>	<b>(12,192)</b>	<b>(6,840)</b>	<b>(12,367)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>82,701</b>	<b>(3,604)</b>	<b>(1,143)</b>	<b>3,595</b>	<b>8,468</b>	<b>11,813</b>	<b>13,493</b>
Cash assets at the beginning of the reporting period .....	93,502	71,429	176,220	175,077	178,672	187,140	198,953
Net cash transferred to/from other agencies ....	17	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>176,220</b>	<b>67,825</b>	<b>175,077</b>	<b>178,672</b>	<b>187,140</b>	<b>198,953</b>	<b>212,446</b>

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

(b) Details of the Capital appropriation reductions are reflected in the Asset Investment Program table.

(c) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>GST Receipts</b>							
GST Input Credits .....	9,635	12,374	12,374	12,374	12,374	12,374	12,374
GST Receipts on Sales .....	125,076	122,764	122,978	122,455	121,943	121,697	121,623
<b>Sales of Goods and Services</b>							
Contract Services - BMW .....	963,793	928,811	929,036	664,960	534,860	460,755	460,648
Land Tax Liability Enquiry Fee.....	2,790	2,800	3,000	3,000	3,000	3,000	3,000
Merchant Fees .....	239	1,452	317	1,097	1,097	1,097	1,097
<b>Other Receipts</b>							
Government Office Lease Receipts .....	239,782	217,527	213,227	216,325	237,830	229,641	224,499
National Partnership Payments .....	4,622	-	710	-	-	-	-
Other Receipts .....	16,544	15,409	15,409	16,306	16,435	16,434	16,433
Oracle Licence Recoup .....	-	2,000	2,000	2,000	2,000	2,000	2,000
Procurement Services .....	9,723	9,776	14,076	14,625	14,582	14,582	14,582
Revenue from Executive Vehicle Scheme ....	103	95	95	98	101	104	107
Shared Services Rendered.....	3,128	-	-	-	-	-	-
State Fleet Revenue.....	70,084	92,573	86,767	89,137	92,559	91,624	101,772
<b>TOTAL .....</b>	<b>1,445,519</b>	<b>1,405,581</b>	<b>1,399,989</b>	<b>1,142,377</b>	<b>1,036,781</b>	<b>953,308</b>	<b>958,135</b>

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

## DETAILS OF ADMINISTERED TRANSACTIONS

	2013-14	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>							
<b>Taxation</b>							
Insurance Duty .....	579,780	638,100	612,159	660,319	734,493	796,559	863,397
Land Tax .....	659,163	752,637	743,663	936,416	1,008,641	1,086,352	1,170,541
Metropolitan Region Improvement Tax.....	87,551	92,600	95,424	98,112	112,116	120,805	130,167
Payroll Tax .....	3,558,915	3,819,846	3,643,789	3,980,754	4,284,011	4,606,768	4,963,791
Racing and Wagering Western Australia Tax .....	42,411	43,678	43,932	45,088	46,355	47,437	48,831
Transfer Duty.....	1,776,242	1,823,100	1,682,651	1,613,627	1,628,133	1,685,149	1,748,592
Landholder Duty .....	192,718	122,600	120,486	117,815	118,408	120,487	124,587
<i>Total Duty on Transfers .....</i>	<i>1,968,960</i>	<i>1,945,700</i>	<i>1,803,137</i>	<i>1,731,442</i>	<i>1,746,541</i>	<i>1,805,636</i>	<i>1,873,179</i>
Vehicle Licence Duty .....	384,721	442,300	369,100	394,937	423,570	455,338	490,626
Other Duties .....	17	5	5	1	1	1	1
Commonwealth Mirror Taxes .....	43,199	48,310	46,667	50,859	54,643	58,762	63,299
<b>Other Revenue</b>							
Office Lease Rental Revenue .....	39,988	41,602	41,602	45,351	46,078	47,586	49,082
Other Income.....	54,912	52,950	55,005	64,464	65,677	67,468	67,568
<b>Appropriations</b>							
First Home Owner Grant Act 2000 .....	114,220	91,975	112,585	88,117	86,940	87,250	87,683
Administered Grants and Transfer Payments.....	257,352	182,753	182,930	203,208	212,299	227,115	238,962
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>7,791,189</b>	<b>8,152,456</b>	<b>7,749,998</b>	<b>8,299,068</b>	<b>8,821,365</b>	<b>9,407,077</b>	<b>10,047,127</b>
<b>EXPENSES</b>							
<b>Grants and Subsidies</b>							
Ex-gratia Payments - Construction Subcontractor Investigation .....	3,581	-	177	-	-	-	-
Energy Concession Extension Scheme.....	884	2,788	2,788	3,067	3,377	3,707	4,074
First Home Owner Scheme.....	114,220	91,975	112,585	88,117	86,940	87,250	87,683
ICT Renewal and Reform Fund.....	-	-	-	5,429	5,632	5,839	-
Life Support Equipment Subsidy Scheme.....	984	1,164	1,164	1,270	1,386	1,512	1,650
Payroll Tax Rebate Schemes.....	111,213	1,200	1,200	1,000	1,000	500	500
Pensioner Concessions Emergency Services Levy.....	13,873	16,200	16,200	17,500	19,000	20,500	22,181
Pensioner Concessions Local Government and Water Rates.....	85,244	95,500	95,500	104,000	104,900	113,859	123,694
Public Swimming Pools - Operating Costs Subsidy.....	78	-	-	-	-	-	-
Thermoregulatory Dysfunction Energy Subsidy.....	1,151	1,101	1,401	1,342	1,464	1,598	1,743
<b>Other Expenses</b>							
Refund of Past Years Revenue.....	40,344	64,800	64,500	69,600	75,540	79,600	85,120
Doubtful Debts Expense .....	16,195	-	-	-	-	-	-
Other Expenses.....	54,912	52,950	55,005	64,464	65,677	67,468	67,568
Payments to the Consolidated Account.....	7,228,251	7,824,778	7,399,478	7,943,279	8,456,449	9,025,244	9,652,914
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>7,670,930</b>	<b>8,152,456</b>	<b>7,749,998</b>	<b>8,299,068</b>	<b>8,821,365</b>	<b>9,407,077</b>	<b>10,047,127</b>

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

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>EXPENSES</b>							
Total Cost of Services as per Income Statement .....	1,515,528	1,435,396	1,482,104	1,212,719	1,083,722	1,004,109	992,903
Transfer of Fremantle Prison to the State Heritage Office .....	(5,634)	(7,137)	(7,137)	-	-	-	-
The Decommissioning of the Office of Shared Services .....	(88,124)	-	-	-	-	-	-
Transfer of the Department of Treasury's Accommodation Budget .....	(4,661)	-	-	-	-	-	-
Adjusted Total Cost of Services .....	1,417,109	1,428,259	1,474,967	1,212,719	1,083,722	1,004,109	992,903
<b>APPROPRIATIONS</b>							
Service Appropriations as per Income Statement .....	275,810	175,545	173,880	211,619	192,584	194,165	188,165
Transfer of Fremantle Prison to the State Heritage Office .....	(1,157)	(2,679)	(2,679)	-	-	-	-
The Decommissioning of the Office of Shared Services .....	(85,632)	-	-	-	-	-	-
Transfer of the Department of Treasury's Accommodation Budget .....	(3,826)	-	-	-	-	-	-
Adjusted Total Appropriations Provided to Deliver Services .....	185,195	172,866	171,201	211,619	192,584	194,165	188,165

## Division 47 Mines and Petroleum

### Part 10 Minister for Finance; Mines and Petroleum

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 60 Net amount appropriated to deliver services .....	74,671	84,549	68,038	<b>82,821</b>	80,262	67,852	67,748
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	885	899	899	<b>915</b>	915	915	915
Total appropriations provided to deliver services.....	75,556	85,448	68,937	<b>83,736</b>	81,177	68,767	68,663
<b>ADMINISTERED TRANSACTIONS</b>							
Item 61 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	35,899	12,024	30,480	<b>31,260</b>	12,074	12,101	12,130
Amount Authorised by Other Statutes - Petroleum (Submerged Lands) Act 1982..	1,689	405	361	<b>124</b>	566	918	336
<b>CAPITAL</b>							
Item 134 Capital Appropriation.....	-	-	-	<b>500</b>	350	350	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>113,144</b>	<b>97,877</b>	<b>99,778</b>	<b>115,620</b>	<b>94,167</b>	<b>82,136</b>	<b>81,129</b>
<b>EXPENSES</b>							
Total Cost of Services .....	160,317	156,075	158,165	<b>164,995</b>	163,574	151,363	151,342
Net Cost of Services <sup>(a)</sup> .....	104,570	51,812	52,902	<b>39,490</b>	30,781	19,413	19,412
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>53,606</b>	<b>109,527</b>	<b>66,042</b>	<b>106,552</b>	<b>154,206</b>	<b>204,900</b>	<b>255,544</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(600)	(800)	(900)	(700)	(700)
15% Procurement Savings.....	-	(2,472)	(2,473)	(2,473)	(2,473)
ICT Savings and Reform .....	(30)	(61)	(62)	(64)	-
Mineral House Lift Upgrade.....	-	-	-	90	90
Reforming Environment Regulation Initiative .....	2,400	2,700	2,770	2,850	2,930
Resolution of Native Title in the South West of Western Australia.....	-	296	-	-	-
Torosa Gas Field Funding.....	700	421	-	-	-
Workforce Renewal Policy .....	(321)	(1,321)	(2,749)	(4,280)	(5,886)

## Significant Issues Impacting the Agency

- In the year ending December 2014, the value of sales from Western Australia's resources sector reached just over \$114 billion. As at 17 March 2015, there were 572 commercial mineral projects comprising 1,118 operating mine sites producing over 50 different minerals.
- The continuation of the global downward trend in commodity prices affected the majority of the State's key commodities in 2014. For iron ore, the decline in price was partially offset by increases in production and depreciation in the exchange rate against the United States dollar.
- The iron ore sector again dominated the resources sector with sales of \$65 billion or 57% of Western Australia's total mineral sales value. It was a particularly challenging year for the iron ore sector as prices fell sharply. The annual average price of iron ore fell from \$US135 in 2013 to \$US97 in 2014, a fall of 28%. The average price for the month of December 2014 was \$US69. This caused many companies to re-evaluate investment strategies and focus on cost saving initiatives.
- The average annual price of gold fell 10% from \$US1,410 per ounce in 2013 to \$US1,266 per ounce in 2014. Despite this fall in the gold price, the sales of gold produced in Western Australia (valued at \$8.7 billion) continued to perform strongly based largely on a 3% increase in the quantity sold.
- Alumina and nickel prices trended upwards with price increases of 1.6% and 12.3% respectively from 2013 to 2014.
- The value of petroleum products reached a record \$27.6 billion in 2014, an increase of just under 12% on 2013. This increase was attributed to growth in crude oil, Liquefied Natural Gas and natural gas of 11%, 18% and 15% respectively.
- The weaker Australian dollar has offset some of the impact from falling commodity prices. The Australian dollar averaged US90 cents during 2014 and was trading at US82 cents at the end of the year. However, the lower prices did impact the operating strategy of mining companies in Western Australia forcing further focus on cost cutting opportunities. This underlines the efforts by Government to reduce the costs of doing business and improve the regulatory and approvals processes.
- Mineral and petroleum exports contributed around 90% of Western Australia's total merchandise exports in 2014. Western Australia accounts for around 47% of the nation's \$266 billion total merchandise exports. China was again Western Australia's leading export market in 2014, accounting for 51% of the State's total merchandise exports. Japan was Western Australia's second largest export market (19%) followed by South Korea (8%).
- Investment in the State's mining industry declined only slightly in 2014 from \$46.8 billion to \$46.2 billion. Western Australia performed well compared to the 11% decline experienced nationally.
- Whilst not immune to global economic conditions, the outlook for Western Australia's resources sector continues to be positive as demand for commodity exports is expected to continue. As at March 2015, Western Australia had an estimated \$179 billion worth of resource projects under construction or committed and a further \$118 billion of potential projects that could emerge over coming years. The combined value of these projects is expected to fall over the 2015 year as some major projects move from construction to their operating phase.
- There is an increasing 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. These areas are a priority for the Department as evidenced by the extensive stakeholder engagement processes undertaken in relation to shale and tight gas and the Mineral Royalty Rate Analysis. In the interest of transparency, the Department has published key performance indicators for approvals since 1 January 2009. In 2014, more than 80% of mineral applications were assessed within target timeframes.



## 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 development of mineral and energy resources and protection of the community from the risk of dangerous goods.	1. Resources Access 2. Resources Safety
	Encouragement of exploration and discovery of mineral and petroleum deposits and informed land use planning.	3. Geoscience Information and Advice

### Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Resources Access .....	60,483	64,552	69,159	74,273	71,273	70,745	70,222
2. Resources Safety .....	45,224	50,804	49,581	52,698	54,264	54,150	54,317
3. Geoscience Information and Advice .....	54,610	40,719	39,425	38,024	38,037	26,468	26,803
<b>Total Cost of Services .....</b>	<b>160,317</b>	<b>156,075</b>	<b>158,165</b>	<b>164,995</b>	<b>163,574</b>	<b>151,363</b>	<b>151,342</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Responsible development of mineral and energy resources and protection of the community from the risk of dangerous goods:</b>					
Percentage of compliance with regulated environment conditions .....	97%	93%	95%	95%	
Percentage of applications completed within agreed timelines .....	93%	93%	96%	92%	
Percentage of compliance with regulated safety conditions .....	94%	95%	94%	94%	
<b>Outcome: Encouragement of exploration and discovery of mineral and petroleum deposits and informed land use planning:</b>					
The extent to which stakeholders agree the Department's geoscience information encourages exploration and discovery and informs planning <sup>(b)</sup> ....	4.1	4.3	4.2	4.2	

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

(b) Geoscience information products and geological exploration information services are rated for quality and relevance on a scale from 1 to 5, where 1=poor and 5=exceptional.

## Services and Key Efficiency Indicators

### 1. Resources Access

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. It also facilitates and manages access to land and offshore areas for the exploration and development of mineral and energy deposits.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 60,483	\$'000 64,552	\$'000 69,159	\$'000 74,273	1
Less Income .....	18,928	63,866	63,207	71,604	
Net Cost of Service .....	41,555	686	5,952	2,669	
Employees (Full Time Equivalents).....	359	368	374	374	
<b>Efficiency Indicators</b>					
Average Cost of Weighted Resource Access and Management Services <sup>(a)</sup> .....	\$1,250	\$1,295	\$1,411	\$1,620	

(a) Average Cost of Weighted Resource Access and Management Services is calculated as the total cost of regulatory service (excluding Resources Safety) divided by 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.

### Explanation of Significant Movements

(Notes)

1. The \$5.1 million increase for Total Cost of Service in the 2015-16 Budget Target compared to the 2014-15 Estimated Actual mainly relates to expenditure (\$5 million) for rehabilitation work under the Mining Rehabilitation Fund (MRF).

### 2. Resources Safety

The Department is committed to protecting employees and the community. The services provided by the Resources Safety Division are aimed at promoting best practice in the areas of occupational safety and health with companies (and their employees) involved in the dangerous goods, mining and onshore petroleum industries.

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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 45,224	\$'000 50,804	\$'000 49,581	\$'000 52,698	
Less Income .....	35,273	38,849	39,509	52,176	
Net Cost of Service .....	9,951	11,955	10,072	522	
Employees (Full Time Equivalents).....	241	270	271	271	
<b>Efficiency Indicators</b>					
Average Cost of Weighted Safety Services <sup>(a)</sup> .....	\$1,170	\$1,418	\$1,399	\$1,654	

(a) Average Cost of Weighted Safety Services is calculated as the total cost of mines safety and dangerous goods services divided by 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.

### 3. 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 54,610	\$'000 40,719	\$'000 39,425	\$'000 38,024	
Less Income .....	1,546	1,548	2,547	1,725	
Net Cost of Service.....	53,064	39,171	36,878	36,299	
<b>Employees (Full Time Equivalents).....</b>	<b>190</b>	<b>197</b>	<b>199</b>	<b>199</b>	
<b>Efficiency Indicators</b>					
Average Cost of Weighted Geoscience Products and Services <sup>(a)</sup> .....	\$261,292	\$262,703	\$251,115	\$245,316	

(a) This key efficiency indicator is an average cost per unit of weighted total published product (WTPP). The benchmark measure for WTPP units was the cost of producing a 1:100,000 scale geological map.

### Asset Investment Program

The expansion of the Perth Core Library's (PCL) viewing area will result in an increased area to view, sample and perform analyses on drill core from petroleum, mineral, geothermal and water exploration activities, and satisfy the needs of exploration companies, research and academic institutions. PCL services are an important component of the provision of pre-competitive geoscience information that encourages innovative resources exploration in the State.

The lift systems in Mineral House are aged beyond their intended useful life of 25 years. The growing number of safety related incidents involving employees and sustained breakdowns has raised concerns regarding the safety of the lifts. The upgrade of the lift systems in Mineral House will address all the safety issues through the provision of improved technology and added safety features.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Expansion of Core Storage Area at Perth Core Library.....	4,810	350	350	2,600	1,860	-	-
Resources Safety Division Relocation .....	1,691	1,569	1,500	122	-	-	-
<b>COMPLETED WORKS</b>							
Asset Replacement							
Computer Hardware and Software - 2014-15 Program ....	936	936	936	-	-	-	-
Mineral House Plant and Equipment Upgrade .....	600	600	585	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement - Computer Hardware and Software							
2015-16 Program.....	962	-	-	962	-	-	-
2016-17 Program.....	962	-	-	-	962	-	-
2017-18 Program.....	962	-	-	-	-	962	-
2018-19 Program.....	962	-	-	-	-	-	962
Expansion of Perth Core Library Viewing Area .....	2,500	-	-	1,400	700	400	-
Lift Upgrade.....	3,420	-	-	1,500	1,920	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>17,805</b>	<b>3,455</b>	<b>3,371</b>	<b>6,584</b>	<b>5,442</b>	<b>1,362</b>	<b>962</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			-	500	350	350	-
Drawdowns from the Holding Account.....			936	962	962	962	962
Internal Funds and Balances.....			2,435	5,122	4,130	50	-
<b>Total Funding.....</b>			<b>3,371</b>	<b>6,584</b>	<b>5,442</b>	<b>1,362</b>	<b>962</b>

## Financial Statements

### Income Statement

#### Expenses

The increase in the Total Cost of Services from the 2014-15 Estimated Actual to the 2015-16 Budget Estimate is mainly due to the proposed expenditure for rehabilitation of mine sites under the MRF (\$5 million) and commencement of the Reforming Environment Regulation Initiative (\$2.7 million).

This is partially offset by various savings measures in 2015-16, such as Procurement Savings (\$2.5 million), Workforce Renewal Policy (\$1.3 million) and 1% General Government Efficiency Dividend (\$0.8 million).

#### Income

The increase in total income from the 2014-15 Estimated Actual to the 2015-16 Budget Estimate is mainly due to increased revenue from the MRF and the introduction of Environment Assessment Fees.

### Statement of Financial Position

Cash assets decreased by \$16.1 million in the 2014-15 Estimated Actual compared to the 2014-15 Budget. This is largely due to the Government's Cash Management Policy, where agencies with cash balances in excess of the working cash limit return excess cash to the Consolidated Account.

Restricted cash increases across the forward estimates period are due to the MRF transitioning from voluntary contributions in 2013-14 to compulsory contributions by compliant companies from 2014-15.

### Statement of Cashflows

The increase in Service Appropriation by \$16.8 million in the 2015-16 Budget Estimate compared to the 2014-15 Estimated Actual reflects a one-off appropriation reduction in 2014-15 as a result of the Government's Cash Management Policy.

The net decrease in cash held in the 2014-15 Estimated Actual compared to the 2014-15 Budget is due to the Government's Cash Management Policy, which is slightly offset by increased contributions under the MRF.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	94,528	97,130	96,750	98,470	99,097	96,514	96,074
Grants and subsidies <sup>(c)</sup> .....	8,935	5,848	8,698	9,198	6,198	48	48
Supplies and services .....	39,678	33,853	33,406	36,651	37,478	33,793	34,212
Accommodation .....	4,675	6,389	6,389	7,585	7,711	7,828	7,828
Depreciation and amortisation .....	3,568	1,787	1,787	1,787	1,787	1,877	1,877
Other expenses .....	8,933	11,068	11,135	11,304	11,303	11,303	11,303
<b>TOTAL COST OF SERVICES .....</b>	<b>160,317</b>	<b>156,075</b>	<b>158,165</b>	<b>164,995</b>	<b>163,574</b>	<b>151,363</b>	<b>151,342</b>
<b>Income</b>							
Sale of goods and services .....	305	1,810	560	560	560	560	560
Regulatory fees and fines:							
Mines Safety and Inspection Levy .....	24,512	24,264	24,264	33,568	34,129	34,200	34,200
Mining Rehabilitation Fund Levy .....	6,716	45,400	45,400	51,480	58,210	58,210	58,210
Other .....	21,971	29,076	29,076	32,894	30,771	30,897	30,977
Grants and subsidies .....	-	100	100	100	100	100	100
Other revenue .....	2,243	3,613	5,863	6,903	9,023	7,983	7,883
<b>Total Income .....</b>	<b>55,747</b>	<b>104,263</b>	<b>105,263</b>	<b>125,505</b>	<b>132,793</b>	<b>131,950</b>	<b>131,930</b>
<b>NET COST OF SERVICES .....</b>	<b>104,570</b>	<b>51,812</b>	<b>52,902</b>	<b>39,490</b>	<b>30,781</b>	<b>19,413</b>	<b>19,412</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	75,556	85,448	68,937	83,736	81,177	68,767	68,663
Resources received free of charge .....	1,471	1,490	1,490	1,490	1,490	1,490	1,490
Royalties for Regions Fund:							
Regional Community Services Fund .....	24,618	186	127	91	93	95	98
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>101,645</b>	<b>87,124</b>	<b>70,554</b>	<b>85,317</b>	<b>82,760</b>	<b>70,352</b>	<b>70,251</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(2,925)</b>	<b>35,312</b>	<b>17,652</b>	<b>45,827</b>	<b>51,979</b>	<b>50,939</b>	<b>50,839</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 790, 844 and 844 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Government Co-Funded Exploration Drilling....	4,041	5,800	5,800	5,800	5,800	-	-
Mineral and Petroleum Industry Research .....	4,894	48	2,898	3,398	398	48	48
<b>TOTAL .....</b>	<b>8,935</b>	<b>5,848</b>	<b>8,698</b>	<b>9,198</b>	<b>6,198</b>	<b>48</b>	<b>48</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	36,994	32,880	16,756	13,584	10,108	10,267	10,267
Restricted cash .....	13,715	73,687	46,189	89,871	141,001	191,536	242,180
Holding account receivables .....	936	962	962	962	962	962	962
Receivables .....	8,865	10,917	8,865	8,865	8,865	8,865	8,865
Other .....	1,230	1,681	1,230	1,230	1,230	1,230	1,230
<b>Total current assets .....</b>	<b>61,740</b>	<b>120,127</b>	<b>74,002</b>	<b>114,512</b>	<b>162,166</b>	<b>212,860</b>	<b>263,504</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	14,763	15,588	15,588	16,413	17,238	18,153	19,068
Property, plant and equipment .....	142,313	145,246	144,139	148,263	150,825	151,227	151,229
Intangibles .....	1,161	1,424	1,161	1,161	1,161	1,161	1,161
Restricted cash .....	2,897	2,960	3,097	3,097	3,097	3,097	3,097
Other .....	5,163	4,712	4,921	5,594	6,687	5,770	4,853
<b>Total non-current assets .....</b>	<b>166,297</b>	<b>169,930</b>	<b>168,906</b>	<b>174,528</b>	<b>179,008</b>	<b>179,408</b>	<b>179,408</b>
<b>TOTAL ASSETS .....</b>	<b>228,037</b>	<b>290,057</b>	<b>242,908</b>	<b>289,040</b>	<b>341,174</b>	<b>392,268</b>	<b>442,912</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	17,652	17,312	17,102	16,452	15,802	15,152	14,502
Payables .....	4,701	2,284	5,148	5,201	5,254	5,307	5,360
Other .....	8,848	6,612	6,514	6,766	7,018	7,270	7,522
<b>Total current liabilities .....</b>	<b>31,201</b>	<b>26,208</b>	<b>28,764</b>	<b>28,419</b>	<b>28,074</b>	<b>27,729</b>	<b>27,384</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	3,628	4,161	3,284	3,434	3,584	3,734	3,884
Other .....	62	53	62	62	62	62	62
<b>Total non-current liabilities .....</b>	<b>3,690</b>	<b>4,214</b>	<b>3,346</b>	<b>3,496</b>	<b>3,646</b>	<b>3,796</b>	<b>3,946</b>
<b>TOTAL LIABILITIES .....</b>	<b>34,891</b>	<b>30,422</b>	<b>32,110</b>	<b>31,915</b>	<b>31,720</b>	<b>31,525</b>	<b>31,330</b>
<b>EQUITY</b>							
Contributed equity .....	59,017	55,929	59,017	59,517	59,867	60,217	60,217
Accumulated surplus/(deficit) .....	19,880	90,566	37,532	83,359	135,338	186,277	237,116
Reserves .....	114,249	113,140	114,249	114,249	114,249	114,249	114,249
<b>Total equity .....</b>	<b>193,146</b>	<b>259,635</b>	<b>210,798</b>	<b>257,125</b>	<b>309,454</b>	<b>360,743</b>	<b>411,582</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>228,037</b>	<b>290,057</b>	<b>242,908</b>	<b>289,040</b>	<b>341,174</b>	<b>392,268</b>	<b>442,912</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	72,892	83,661	67,150	81,949	79,390	66,890	66,786
Capital appropriation .....	-	-	-	500	350	350	-
Holding account drawdowns.....	1,787	936	936	962	962	962	962
Royalties for Regions Fund: Regional Community Services Fund .....	24,618	186	127	91	93	95	98
<b>Net cash provided by State Government.....</b>	<b>99,297</b>	<b>84,783</b>	<b>68,213</b>	<b>83,502</b>	<b>80,795</b>	<b>68,297</b>	<b>67,846</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(95,634)	(97,378)	(96,998)	(98,718)	(99,345)	(96,762)	(96,322)
Grants and subsidies.....	(8,835)	(5,848)	(8,698)	(9,198)	(6,198)	(48)	(48)
Supplies and services .....	(35,924)	(31,192)	(30,745)	(34,004)	(34,831)	(31,146)	(31,565)
Accommodation .....	(4,672)	(6,333)	(6,333)	(7,515)	(7,641)	(7,758)	(7,758)
Other payments.....	(14,427)	(17,179)	(17,246)	(17,415)	(17,414)	(17,414)	(17,414)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines:							
Mines Safety and Inspection Levy .....	24,841	24,264	24,264	33,568	34,129	34,200	34,200
Mining Rehabilitation Fund Levy .....	6,719	45,400	45,400	51,480	58,210	58,210	58,210
Other .....	24,016	29,076	29,076	32,894	30,771	30,897	30,977
Grants and subsidies.....	-	100	100	100	100	100	100
Sale of goods and services.....	306	1,810	1,810	560	560	560	560
GST receipts .....	5,594	4,937	4,937	4,937	4,937	4,937	4,937
Other receipts .....	2,304	3,613	4,613	6,903	9,023	7,983	7,883
<b>Net cash from operating activities .....</b>	<b>(95,712)</b>	<b>(48,730)</b>	<b>(49,820)</b>	<b>(36,408)</b>	<b>(27,699)</b>	<b>(16,241)</b>	<b>(16,240)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(994)	(2,786)	(3,371)	(6,584)	(5,442)	(1,362)	(962)
<b>Net cash from investing activities.....</b>	<b>(994)</b>	<b>(2,786)</b>	<b>(3,371)</b>	<b>(6,584)</b>	<b>(5,442)</b>	<b>(1,362)</b>	<b>(962)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings.....	-	(4,530)	(4,530)	-	-	-	-
Proceeds from borrowings.....	1,623	1,944	1,944	-	-	-	-
<b>Net cash from financing activities.....</b>	<b>1,623</b>	<b>(2,586)</b>	<b>(2,586)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>4,214</b>	<b>30,681</b>	<b>12,436</b>	<b>40,510</b>	<b>47,654</b>	<b>50,694</b>	<b>50,644</b>
Cash assets at the beginning of the reporting period .....	46,315	78,846	53,606	66,042	106,552	154,206	204,900
Net cash transferred to/from other agencies....	3,077	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>53,606</b>	<b>109,527</b>	<b>66,042</b>	<b>106,552</b>	<b>154,206</b>	<b>204,900</b>	<b>255,544</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Regulatory Fees and Fines</b>							
Licences and Other Regulatory Fees.....	13,139	15,235	15,235	19,688	18,281	18,327	18,327
Proceeds from Prospecting, Exploration and Other Mining Licences .....	8,008	7,980	7,980	11,015	11,252	11,332	11,412
Proceeds from Petroleum Permits and Licences.....	2,872	9,081	9,081	7,271	8,444	8,444	8,444
<b>Grants and Subsidies</b>							
Grants and Subsidies.....	-	100	100	100	100	100	100
<b>Sale of Goods and Services</b>							
Proceeds from Departmental Fees and Charges.....	306	1,809	559	560	560	560	560
<b>GST Receipts</b>							
GST Input Credits .....	5,594	4,937	4,937	4,937	4,937	4,937	4,937
<b>Other Receipts</b>							
Proceeds from Departmental Fees and Charges.....	2,301	394	2,644	1,823	1,817	777	677
<b>TOTAL .....</b>	<b>32,220</b>	<b>39,536</b>	<b>40,536</b>	<b>45,394</b>	<b>45,391</b>	<b>44,477</b>	<b>44,457</b>

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



## DETAILS OF ADMINISTERED TRANSACTIONS

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Commonwealth Grants</b>							
South West Hub .....	7,500	14,000	13,300	-	-	-	-
<b>Royalties</b>							
Petroleum - State.....	11,363	8,300	8,600	5,400	5,800	6,900	5,500
Iron Ore .....	5,449,551	5,598,000	3,852,900	3,036,100	3,392,200	3,936,300	4,351,400
Alumina .....	71,927	80,700	90,500	109,100	113,700	117,600	120,600
Diamonds .....	19,190	18,800	20,000	27,200	32,800	32,100	29,900
Mineral Sands .....	15,256	13,500	12,300	15,300	14,600	14,600	16,400
Nickel .....	88,002	91,500	85,200	77,300	77,600	81,100	85,400
Gold .....	215,402	203,200	221,200	232,600	214,900	177,100	157,900
Other .....	154,677	162,200	148,800	167,400	164,600	144,400	144,800
<b>Fines</b>							
Regulatory Fines .....	44	4	4	4	4	4	4
<b>Other</b>							
Regulatory Fees .....	415	-	-	-	-	-	-
Appropriations <sup>(a)</sup> .....	37,588	12,429	30,841	31,384	12,640	13,019	12,466
Other Revenue .....	810	465	465	434	403	368	331
Lease Rentals .....	94,128	86,000	90,700	88,200	90,400	90,400	90,400
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>6,165,853</b>	<b>6,289,098</b>	<b>4,574,810</b>	<b>3,790,422</b>	<b>4,119,647</b>	<b>4,613,891</b>	<b>5,015,101</b>
<b>EXPENSES</b>							
<b>Other</b>							
Aboriginal Lands Trust - Remuneration for Mining on Aboriginal Lands .....	299	353	353	364	373	382	392
Coal Industry Development.....	1,568	844	1,244	-	-	-	-
Minerals Research Institute of Western Australia.....	700	711	711	723	741	759	778
Mining Tenement Refunds .....	11,138	9,000	9,000	9,000	9,000	9,000	9,000
Other Administered Expenses.....	72	-	-	-	-	-	-
Petroleum (Submerged Lands) Act 1982....	1,799	405	361	124	566	918	336
Receipts Paid into the Consolidated Account <sup>(b)</sup> .....	5,954,456	6,079,598	5,004,598	3,779,231	4,041,762	4,482,989	4,902,172
Refunds of Previous Years' Revenues .....	1,447	1,960	17,860	1,960	1,960	1,960	1,960
South West Hub .....	9,280	14,826	17,231	200	-	-	-
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>5,980,759</b>	<b>6,107,697</b>	<b>5,051,358</b>	<b>3,791,602</b>	<b>4,054,402</b>	<b>4,496,008</b>	<b>4,914,638</b>

(a) Appropriations include the following amounts for Iron Ore Financial Assistance: \$18.5 million in the 2014-15 Estimated Actual and \$19.2 million in the 2015-16 Budget Estimate.

(b) Receipts Paid into the Consolidated Account include the following amounts for the repayments of Iron Ore Financial Assistance: \$10.8 million in the 2015-16 Budget Estimate, \$21.5 million in the 2016-17 Forward Estimate and \$5.4 million in the 2017-18 Forward Estimate.



## Part 11

### Minister for Agriculture and Food; Fisheries

#### Summary of Portfolio Appropriations

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
545	Agriculture and Food			
	– Delivery of Services .....	129,707	135,789	121,924
	– Administered Grants, Subsidies and Other Transfer Payments ...	9,000	9,000	1,600
	– Capital Appropriation .....	5,596	5,596	4,877
	Total .....	144,303	150,385	128,401
556	Rural Business Development Corporation			
	– Delivery of Services .....	223	223	232
	Total .....	223	223	232
565	Fisheries			
	– Delivery of Services .....	54,187	53,758	49,161
	– Capital Appropriation .....	2,111	2,111	210
	Total .....	56,298	55,869	49,371
	<b>GRAND TOTAL</b>			
	– Delivery of Services .....	184,117	189,770	171,317
	– Administered Grants, Subsidies and Other Transfer Payments ...	9,000	9,000	1,600
	– Capital Appropriation .....	7,707	7,707	5,087
	<b>Total .....</b>	<b>200,824</b>	<b>206,477</b>	<b>178,004</b>



## Division 48 Agriculture and Food

### Part 11 Minister for Agriculture and Food; Fisheries

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 62 Net amount appropriated to deliver services .....	144,480	128,101	134,183	<b>120,307</b>	121,784	119,722	117,078
<b>Amount Authorised by Other Statutes</b>							
- Biosecurity and Agriculture Management Act 2007 .....	1,204	1,235	1,235	<b>1,235</b>	1,235	1,235	1,235
- Salaries and Allowances Act 1975 .....	360	371	371	<b>382</b>	393	393	393
Total appropriations provided to deliver services.....	146,044	129,707	135,789	<b>121,924</b>	123,412	121,350	118,706
<b>ADMINISTERED TRANSACTIONS</b>							
Item 63 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	15,000	9,000	9,000	<b>1,600</b>	1,600	1,600	-
<b>CAPITAL</b>							
Item 135 Capital Appropriation.....	5,318	5,596	5,596	<b>4,877</b>	-	-	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>166,362</b>	<b>144,303</b>	<b>150,385</b>	<b>128,401</b>	<b>125,012</b>	<b>122,950</b>	<b>118,706</b>
<b>EXPENSES</b>							
Total Cost of Services.....	218,924	221,908	219,252	<b>213,098</b>	202,076	188,285	154,419
Net Cost of Services <sup>(a)</sup> .....	160,352	166,435	173,550	<b>164,815</b>	152,439	139,758	119,119
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>50,942</b>	<b>24,807</b>	<b>43,227</b>	<b>41,612</b>	<b>41,546</b>	<b>40,539</b>	<b>41,399</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(800)	(1,200)	(1,300)	(1,300)	(1,275)
15% Procurement Savings .....	-	(3,006)	(2,999)	(2,914)	(2,991)
Agency Expenditure Review Savings Measure					
Biosecurity and Regulation .....	-	(480)	(480)	(480)	(120)
Business Support .....	-	(754)	(822)	(822)	(976)
Grains Directorate .....	-	-	-	(29)	(554)
Livestock Industries .....	-	(510)	(510)	(510)	(200)
Savings in Other Externally Funded Projects .....	-	(1,734)	(1,645)	(1,418)	(1,177)
Revised Financial Forecasts .....	(13,496)	(13,788)	(16,443)	(16,628)	(31,188)
Revised Karraatha Accommodation Forecasts .....	-	-	(214)	(220)	(226)
Royalties for Regions					
Boosting Biosecurity Defences .....	3,147	6,498	7,451	2,904	-
Boosting Grains Research and Development .....	836	4,066	4,137	4,096	-
Helping Grain Growers Better Manage Risk .....	916	3,483	3,258	2,343	-
Northern Beef Futures .....	1,725	5,726	4,613	2,936	-
Royal Agricultural Society .....	-	800	800	800	800
Sheep Industry Business Innovation .....	1,550	2,980	2,890	2,580	-
Self-Funded Redundancies .....	3,745	-	-	-	-
Targeted Voluntary Separation Scheme <sup>(a)</sup> .....	3,752	-	-	-	-
Workforce Renewal Policy .....	(325)	(2,662)	(5,462)	(8,406)	(11,543)

- (a) Preliminary cost required to make payments to staff departing prior to the closure of the Targeted Voluntary Separation Scheme at 30 April 2015. The final cost of the Scheme will be known once staff leave the public sector and will be published in the 2014-15 Annual Report on State Finances. Agency savings flowing from the Scheme will be dependent on the final costs and will be allocated to agency budgets as part of the 2015-16 Mid-year Review.

## Significant Issues Impacting the Agency

- The medium and long-term prospects for Western Australia's agriculture and food (agrifood) sector continue to increase. This is best evidenced by a number of high-profile industry investments and an increasing industry commitment to the concept of doubling the value of its sales by 2025. The opportunity is being further enhanced by the falling Australian dollar and the advent of key free trade agreements. The opportunity for the sector to make a greater contribution to the State's economy is becoming clearer.
- Globally, the demand for safe, quality food continues to grow, with a focus on highly differentiated products attuned to specific markets, known provenance and traceability, and security of supply. These are qualities the agrifood sector is well able to meet, but which are fundamentally different from the State's traditional, commodity-based approach to agriculture.
- The Department is leading 11 of the 15 Seizing the Opportunity initiatives, five of which commenced in 2014-15. This initiative enables the Department and industry to work together to address issues that are beyond their individual capacity. Each project aims to permanently advance the sector's ability to drive its own development into the future. The Department will continue to align its own resources and activities with this highly significant initiative so as to gain the greatest possible, long-term benefit for both the sector and the State.
- As the long-term prospects for Western Australian agriculture and food become clearer, we are seeing an increasing number of investors and potential partners entering all stages of the value chain. The business acumen and capital that new entrants are bringing to the sector means that some industries are starting to take the lead on a number of activities that were previously provided by the Department. The Department will work with industry, our partners and others to ensure that we are all contributing to putting the enablers in place to double the value of sales from the sector by 2025.
- 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.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Business and Supply Chain Development ...	101,156	88,933	94,811	87,777	86,030	83,179	63,229
2. Transformational Development.....	23,132	30,707	29,319	41,838	39,532	35,990	25,727
3. Resource Risk Management .....	94,636	102,268	95,122	83,483	76,514	69,116	65,463
<b>Total Cost of Services .....</b>	<b>218,924</b>	<b>221,908</b>	<b>219,252</b>	<b>213,098</b>	<b>202,076</b>	<b>188,285</b>	<b>154,419</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: A profitable, innovative and sustainable agrifood sector that benefits Western Australia:</b>					
Proportion of co-investment in Department led initiatives.....	33.8%	38%	38%	38%	
Proportion of businesses that consider the Department has positively influenced the profitability of the sector .....	29.3%	33%	33%	33%	
Proportion of businesses that consider the Department has fostered innovation in the sector.....	29.1%	33%	33%	33%	
Proportion of businesses and key stakeholders that consider the Department has positively influenced the sustainability of the sector.....	37.5%	36%	36%	36%	

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

## Services and Key Efficiency Indicators

### 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 goal of achieving a stronger focus on the regions.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 101,156	\$'000 88,933	\$'000 94,811	\$'000 87,777	
Less Income .....	34,855	21,989	15,360	16,869	
Net Cost of Service.....	66,301	66,944	79,451	70,908	1
<b>Employees (Full Time Equivalents).....</b>	<b>537</b>	<b>468</b>	<b>532</b>	<b>461</b>	
<b>Efficiency Indicators</b>					
Net Service Cost as a Factor of Gross Value of Agricultural Production (GVAP) .....	1%	1%	1.2%	1.1%	2
Public and Private Sector Co-Investment in Department Led Business and Supply Chain Initiatives as a Factor of the Net Cost of this Service.....	45.3%	45%	43%	43%	

### Explanation of Significant Movements

(Notes)

1. The Net Cost of Service in 2015-16 Budget Target is significantly lower than the 2014-15 Estimated Actual primarily as a result of the Targeted Voluntary Separation Scheme, the self-funded redundancies, Agency Expenditure Review and the Workforce Renewal Policy.
2. Based on Australian Bureau of Statistics (ABS) 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 remain globally competitive 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 21<sup>st</sup> century. It is through this service 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.

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 23,132	\$'000 30,707	\$'000 29,319	\$'000 41,838	1
Less Income .....	4,491	7,696	2,672	3,004	
Net Cost of Service.....	18,641	23,011	26,647	38,834	1
<b>Employees (Full Time Equivalents).....</b>	<b>113</b>	<b>164</b>	<b>135</b>	<b>135</b>	
<b>Efficiency Indicators</b>					
Net Service Cost as a Factor of GVAP .....	0.3%	0.4%	0.4%	0.6%	2
Public and Private Sector Co-Investment in Department Led Business and Supply Chain Initiatives as a Factor of the Net Cost of this Service .....	16.1%	30%	25%	23%	

### Explanation of Significant Movements

(Notes)

1. The Total and Net Cost of Service in 2015-16 Budget Target are significantly higher than the 2014-15 Estimated Actual as a result of the additional spend arising from the Royalties for Regions (RfR) Seizing the Opportunity initiatives.
2. 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) 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 the eastern states. This is essential to maintaining the physical environment and 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 94,636	\$'000 102,268	\$'000 95,122	\$'000 83,483	
Less Income .....	19,226	25,788	27,670	28,410	
Net Cost of Service.....	75,410	76,480	67,452	55,073	1
<b>Employees (Full Time Equivalents).....</b>	<b>479</b>	<b>538</b>	<b>460</b>	<b>392</b>	
<b>Efficiency Indicators</b>					
Net Service Cost as a Factor of GVAP .....	1.2%	1.2%	1%	0.9%	2
Public and Private Sector Co-Investment in Department Led Business and Supply Chain Initiatives as a Factor of the Net Cost of this Service .....	28.1%	35%	30%	30%	

#### Explanation of Significant Movements

(Notes)

1. The Net Cost of Service in 2015-16 Budget Target is significantly lower than the 2014-15 Estimated Actual primarily as a result of the Targeted Voluntary Separation Scheme, the self-funded redundancies, Agency Expenditure Review and the Workforce Renewal Policy.
2. Based on ABS GVAP five year rolling averages of \$6.4 billion.

## Asset Investment Program

The Asset Investment Program includes planned expenditure of \$250,000 on a business case to assess affordable accommodation options for the South Perth Headquarters, an Equipment Replacement Program of \$31.8 million and an Information Management Systems Upgrade of \$34.1 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Boosting Grains Research and Development							
GrainsWest Infrastructure <sup>(a)</sup> .....	6,865	250	250	2,700	2,665	1,250	-
Equipment Replacement Program.....	31,829	12,961	4,161	3,675	3,975	2,725	2,793
Information Management Systems Upgrade.....	34,127	30,000	8,815	4,127	-	-	-
Regional Natural Resource Management							
Royalties for Regions - State Barrier Fence <sup>(a)</sup> .....	9,694	4,015	1,500	3,151	2,528	-	-
The Decommissioning of the Office of Shared Services.....	5,971	5,471	-	500	-	-	-
<b>NEW WORKS</b>							
Department's Headquarters							
Accommodation Business Case .....	250	-	-	250	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>88,736</b>	<b>52,697</b>	<b>14,726</b>	<b>14,403</b>	<b>9,168</b>	<b>3,975</b>	<b>2,793</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			5,596	4,877	-	-	-
Drawdowns from the Holding Account.....			3,865	3,675	3,975	2,725	2,793
Internal Funds and Balances.....			4,675	-	-	-	-
Drawdowns from Royalties for Regions Fund <sup>(b)</sup> .....			590	5,851	5,193	1,250	-
<b>Total Funding.....</b>			<b>14,726</b>	<b>14,403</b>	<b>9,168</b>	<b>3,975</b>	<b>2,793</b>

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund and Regional Community Service Fund.

## Financial Statements

### Income Statement

#### Expenses

The Total Cost of Services for the 2015-16 Budget Estimate of \$213.1 million compared to the 2014-15 Estimated Actual of \$219.3 million represents a decrease of \$6.2 million (2.8%).

Employee expenses have decreased by \$13.2 million (9.8%) from the 2014-15 Estimated Actual of \$134.1 million to the 2015-16 Budget Estimate of \$121 million mainly as a result of Tranche 1 of the 2014-15 Targeted Voluntary Separation Scheme and a further 2014-15 self-funded redundancies program to support the Department to achieve the Agency Expenditure Review, correct the previous budget deficit and Workforce Renewal Policy measures.

Supplies and services have increased by \$12.3 million (28.6%) from the 2014-15 Estimated Actual of \$43.2 million to the 2015-16 Budget Estimate of \$55.5 million mainly reflecting additional RfR Seizing the Opportunity expenditure.

#### Income

Total external income to support the services of the Department for 2015-16 Budget Estimate is \$48.3 million compared to the 2014-15 Estimated Actual of \$45.7 million, an increase of \$2.6 million (5.6%). This increase is primarily as a result of the projected increase in revenue from the sale of goods and services of \$1.8 million (60.5%).

### Statement of Financial Position

Contributed equity is estimated to increase by \$10.7 million (13.9%), from \$75.9 million in 2014-15 Estimated Actual to \$86.6 million in 2015-16 Budget Estimate, which is primarily attributable to the investment in the RfR Boosting Grains Research and Development and State Barrier Fence projects, as well as the Information Management System Upgrade.

### Statement of Cashflows

Cash at the end of the reporting period for the 2015-16 Budget Estimate is \$41.6 million, a decrease of \$1.6 million (3.7%), from the 2014-15 Estimated Actual of \$43.2 million.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	127,151	126,226	134,145	120,993	120,014	117,906	102,622
Grants and subsidies <sup>(c)</sup> .....	11,731	23,378	13,339	11,088	11,488	11,888	9,650
Supplies and services .....	35,077	42,505	43,157	55,492	46,022	35,206	20,617
Accommodation .....	10,643	5,872	7,837	7,039	6,835	6,839	6,843
Depreciation and amortisation .....	12,693	8,456	10,553	8,456	8,456	7,456	7,456
Other expenses .....	21,629	15,471	10,221	10,030	9,261	8,990	7,231
<b>TOTAL COST OF SERVICES .....</b>	<b>218,924</b>	<b>221,908</b>	<b>219,252</b>	<b>213,098</b>	<b>202,076</b>	<b>188,285</b>	<b>154,419</b>
<b>Income</b>							
Sale of goods and services .....	5,391	8,036	2,939	4,718	4,922	4,673	4,673
Regulatory fees and fines .....	9,908	6,455	7,107	7,391	7,687	7,824	8,314
Grants and subsidies .....	31,575	25,883	30,126	29,201	29,355	28,957	16,918
Other revenue .....	11,698	15,099	5,530	6,973	7,673	7,073	5,395
<b>Total Income .....</b>	<b>58,572</b>	<b>55,473</b>	<b>45,702</b>	<b>48,283</b>	<b>49,637</b>	<b>48,527</b>	<b>35,300</b>
<b>NET COST OF SERVICES .....</b>	<b>160,352</b>	<b>166,435</b>	<b>173,550</b>	<b>164,815</b>	<b>152,439</b>	<b>139,758</b>	<b>119,119</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	146,044	129,707	135,789	121,924	123,412	121,350	118,706
Resources received free of charge .....	1,197	730	730	730	737	737	737
Royalties for Regions Fund:							
Regional Community Services Fund .....	3,366	2,708	21,240	32,475	24,181	16,697	1,044
Regional Infrastructure and Headworks Fund .....	11,494	22,955	3,723	8,108	4,287	-	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>162,101</b>	<b>156,100</b>	<b>161,482</b>	<b>163,237</b>	<b>152,617</b>	<b>138,784</b>	<b>120,487</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>1,749</b>	<b>(10,335)</b>	<b>(12,068)</b>	<b>(1,578)</b>	<b>178</b>	<b>(974)</b>	<b>1,368</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 1,129, 1,127 and 988 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Research Grant Allocations .....	2,590	20,750	3,600	3,100	3,100	3,200	4,200
Subsidies and Other Grants .....	8,658	2,000	8,939	7,188	7,588	7,888	4,650
Royalties for Regions - Regional Community Services Fund - Royal Agricultural Society Show Concessions - Free Entry for Children .....	483	628	800	800	800	800	800
<b>TOTAL .....</b>	<b>11,731</b>	<b>23,378</b>	<b>13,339</b>	<b>11,088</b>	<b>11,488</b>	<b>11,888</b>	<b>9,650</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	55	1,956	2,156	2,208	3,552	2,408	5,464
Restricted cash .....	48,782	19,364	37,682	36,015	34,605	34,742	32,546
Holding account receivables .....	4,700	4,189	3,675	3,975	2,725	2,793	-
Receivables .....	5,794	8,701	3,821	3,779	3,831	3,586	3,023
Other .....	4,962	2,878	3,359	3,355	3,405	3,405	3,454
Assets held for sale .....	4,727	770	4,727	4,727	4,727	4,727	4,727
<b>Total current assets .....</b>	<b>69,020</b>	<b>37,858</b>	<b>55,420</b>	<b>54,059</b>	<b>52,845</b>	<b>51,661</b>	<b>49,214</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	55,329	60,431	60,945	65,426	71,157	75,820	83,276
Property, plant and equipment .....	203,663	230,755	200,995	197,438	194,186	190,690	187,265
Intangibles .....	1,666	4,863	6,943	10,570	9,570	8,570	7,570
Restricted cash .....	2,911	3,487	3,389	3,389	3,389	3,389	3,389
Other .....	20,370	16,812	21,905	27,783	32,747	33,762	33,524
<b>Total non-current assets .....</b>	<b>283,939</b>	<b>316,348</b>	<b>294,177</b>	<b>304,606</b>	<b>311,049</b>	<b>312,231</b>	<b>315,024</b>
<b>TOTAL ASSETS .....</b>	<b>352,959</b>	<b>354,206</b>	<b>349,597</b>	<b>358,665</b>	<b>363,894</b>	<b>363,892</b>	<b>364,238</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	30,912	32,999	28,402	28,402	28,402	28,402	28,402
Payables .....	1,159	6,911	6,471	6,371	6,246	5,946	5,024
Other .....	8,142	7,531	7,862	7,878	7,861	7,881	7,794
<b>Total current liabilities .....</b>	<b>40,213</b>	<b>47,441</b>	<b>42,735</b>	<b>42,651</b>	<b>42,509</b>	<b>42,229</b>	<b>41,220</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	4,275	4,935	4,275	4,275	4,275	4,275	4,275
Other .....	106	-	104	106	106	108	95
<b>Total non-current liabilities .....</b>	<b>4,381</b>	<b>4,935</b>	<b>4,379</b>	<b>4,381</b>	<b>4,381</b>	<b>4,383</b>	<b>4,370</b>
<b>TOTAL LIABILITIES .....</b>	<b>44,594</b>	<b>52,376</b>	<b>47,114</b>	<b>47,032</b>	<b>46,890</b>	<b>46,612</b>	<b>45,590</b>
<b>EQUITY</b>							
Contributed equity .....	69,676	73,584	75,862	86,590	91,783	93,033	93,033
Accumulated surplus/(deficit) .....	14,639	(4,903)	2,571	993	1,171	197	1,565
Reserves .....	224,050	233,149	224,050	224,050	224,050	224,050	224,050
<b>Total equity .....</b>	<b>308,365</b>	<b>301,830</b>	<b>302,483</b>	<b>311,633</b>	<b>317,004</b>	<b>317,280</b>	<b>318,648</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>352,959</b>	<b>354,206</b>	<b>349,597</b>	<b>358,665</b>	<b>363,894</b>	<b>363,892</b>	<b>364,238</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	137,754	121,251	127,333	113,468	114,956	113,894	111,250
Capital appropriation .....	5,318	5,596	5,596	4,877	-	-	-
Holding account drawdowns.....	4,500	3,865	3,865	3,675	3,975	2,725	2,793
Royalties for Regions Fund:							
Regional Community Services Fund .....	3,366	2,708	21,490	35,175	26,846	17,947	1,044
Regional Infrastructure and Headworks Fund .....	13,594	26,140	4,063	11,259	6,815	-	-
<b>Net cash provided by State Government.....</b>	<b>164,532</b>	<b>159,560</b>	<b>162,347</b>	<b>168,454</b>	<b>152,592</b>	<b>134,566</b>	<b>115,087</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(127,863)	(124,430)	(136,129)	(120,987)	(120,013)	(117,835)	(102,615)
Grants and subsidies.....	(11,529)	(23,358)	(13,319)	(11,088)	(10,488)	(11,888)	(9,650)
Supplies and services .....	(34,326)	(41,550)	(37,019)	(55,453)	(47,008)	(35,824)	(20,057)
Accommodation .....	(13,967)	(9,046)	(7,837)	(6,939)	(6,835)	(6,839)	(6,843)
Other payments.....	(29,600)	(26,927)	(22,398)	(19,801)	(18,990)	(19,391)	(18,290)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines.....	9,908	6,455	7,107	7,391	7,687	7,824	8,314
Grants and subsidies.....	31,575	26,503	30,746	29,201	29,355	28,957	16,918
Sale of goods and services.....	2,098	8,036	9,800	7,298	7,000	7,846	8,164
GST receipts.....	6,635	11,073	11,073	11,073	11,073	11,073	11,077
Other receipts .....	14,603	15,829	2,640	3,639	4,729	4,479	1,548
<b>Net cash from operating activities .....</b>	<b>(152,466)</b>	<b>(157,415)</b>	<b>(155,336)</b>	<b>(155,666)</b>	<b>(143,490)</b>	<b>(131,598)</b>	<b>(111,434)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(6,742)	(16,161)	(14,726)	(14,403)	(9,168)	(3,975)	(2,793)
Other payments.....	(2,590)	-	-	-	-	-	-
Proceeds from sale of non-current assets.....	275	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(9,057)</b>	<b>(16,161)</b>	<b>(14,726)</b>	<b>(14,403)</b>	<b>(9,168)</b>	<b>(3,975)</b>	<b>(2,793)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>3,009</b>	<b>(14,016)</b>	<b>(7,715)</b>	<b>(1,615)</b>	<b>(66)</b>	<b>(1,007)</b>	<b>860</b>
Cash assets at the beginning of the reporting period .....	46,021	38,823	50,942	43,227	41,612	41,546	40,539
Net cash transferred to/from other agencies.....	1,912	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>50,942</b>	<b>24,807</b>	<b>43,227</b>	<b>41,612</b>	<b>41,546</b>	<b>40,539</b>	<b>41,399</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Regulatory Fees and Fines</b>							
Regulatory Fees.....	9,908	6,455	7,107	7,391	7,687	7,824	8,314
<b>Grants and Subsidies</b>							
Grants and Contributions from Commonwealth.....	2,202	1,766	1,766	1,766	1,766	1,766	1,766
Grants and Contributions from Non-Government Sources .....	29,373	24,737	28,980	27,435	27,589	27,191	15,152
<b>Sale of Goods and Services</b>							
Sale of Goods and Services .....	2,098	8,036	9,800	7,298	7,000	7,846	8,164
<b>GST Receipts</b>							
GST Input Credits .....	6,635	11,073	11,073	11,073	11,073	11,073	11,077
<b>Other Receipts</b>							
Interest Received - Trusts .....	132	1,000	1,153	662	808	858	1,009
Miscellaneous Revenues.....	14,471	14,329	1,487	2,977	3,921	3,621	539
Rural Business Development Corporation ....	-	500	-	-	-	-	-
<b>TOTAL .....</b>	<b>64,819</b>	<b>67,896</b>	<b>61,366</b>	<b>58,602</b>	<b>59,844</b>	<b>60,179</b>	<b>46,021</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Other</b>							
Interest Revenue .....	366	241	333	475	422	367	202
Other Revenue .....	11,572	-	-	-	-	-	-
Appropriation <sup>(a)</sup> .....	15,000	9,000	9,000	8,000	8,000	8,000	-
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>26,938</b>	<b>9,241</b>	<b>9,333</b>	<b>8,475</b>	<b>8,422</b>	<b>8,367</b>	<b>202</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
State Contribution to Natural Resource Management.....	10,144	9,000	9,000	6,800	6,900	7,200	-
Regional Saleyards Strategy.....	2,400	-	-	-	-	-	-
Commonwealth Grants .....	943	-	-	-	-	-	-
<b>Other</b>							
Supplies and Services .....	830	-	-	716	793	809	782
Western Australian Co-operatives Loan Scheme - Interest Payments to Western Australian Treasury Corporation .....	366	241	260	372	329	288	159
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>14,683</b>	<b>9,241</b>	<b>9,260</b>	<b>7,888</b>	<b>8,022</b>	<b>8,297</b>	<b>941</b>

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

**Division 49**      **Rural Business Development Corporation**

**Part 11**          **Minister for Agriculture and Food; Fisheries**

**Appropriations, Expenses and Cash Assets**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 64 Net amount appropriated to deliver services .....	4,518	223	223	232	233	233	239
Total appropriations provided to deliver services.....	4,518	223	223	232	233	233	239
<b>TOTAL APPROPRIATIONS .....</b>	<b>4,518</b>	<b>223</b>	<b>223</b>	<b>232</b>	<b>233</b>	<b>233</b>	<b>239</b>
<b>EXPENSES</b>							
Total Cost of Services .....	6,699	2,393	1,100	705	600	600	499
Net Cost of Services <sup>(a)</sup> .....	2,875	(370)	80	685	580	580	499
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>5,222</b>	<b>3,819</b>	<b>5,365</b>	<b>4,912</b>	<b>4,565</b>	<b>4,218</b>	<b>3,958</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding.....	-	5	-	-	-

**Significant Issues Impacting the Agency**

- The 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 the Commonwealth Government initiated concessional loans 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 early 2015, it was amended to include debt restructuring of up to \$1 million (for up to 50% of eligible farm debt).



- 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. On 23 September 2014, the Commonwealth Government's Drought Concessional Loans Scheme opened in Western Australia, with the Corporation administering this \$20 million Scheme.
- Most Western Australian Wheatbelt businesses experienced a very good 2013 grain harvest with record deliveries in many areas, and had a better than average finish to 2014.
- 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 the 2010 season. This has resulted in many grain growers in that area experiencing five 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 their 2015 cropping program. The State's pastoral region has also seen continuing dry seasons since 2013 and in 2015, shires from Northampton to Exmouth have experienced some financial difficulty in relation to the ongoing dry conditions.
- In response to the dry seasonal situation, the Government approved the Farm Business Assessment 2014 Scheme in 2014 and has extended the 2014 Scheme into 2015. The Scheme provides farm businesses that are experiencing some degree of financial hardship or difficulty servicing their debt, up to \$10,000 in grants, to employ independent professional advice to help them to look at their financial options.
- In addition to the shires of Yilgarn and Westonia (and surrounds) included in the original 2014 Scheme, the extension of the Scheme into 2015 has seen the further inclusion of the shires of Chapman Valley, Shark Bay, Murchison, Upper Gascoyne, Carnarvon, Mount Marshall, Morawa, Dalwallinu, Koorda, Northampton, Perenjori, Exmouth, and the City of Greater Geraldton.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Farm Business Development .....	6,699	2,393	1,100	705	600	600	499
<b>Total Cost of Services .....</b>	<b>6,699</b>	<b>2,393</b>	<b>1,100</b>	<b>705</b>	<b>600</b>	<b>600</b>	<b>499</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Improved ecologically sustainable development of agri-industry:</b>					
The extent to which recipients were satisfied with the way schemes are administered .....	93%	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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 6,699	\$'000 2,393	\$'000 1,100	\$'000 705	1
Less Income .....	3,824	2,763	1,020	20	2
Net Cost of Service .....	2,875	(370)	80	685	
<b>Efficiency Indicators</b>					
Proportion of Expenditure as Administrative Expenditure.....	7.4%	10%	32%	13.2%	3

**Explanation of Significant Movements**

(Notes)

- The Total Cost of Service for the 2014-15 Estimated Actual is lower than the 2014-15 Budget due to a change in the accounting treatment of interest expense associated with the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes. Further detail will be provided in the full audited financial statements published in the Corporation's 2014-15 Annual Report.

The estimated decrease in the Total Cost of Service for the 2015-16 Budget Target compared to the 2014-15 Estimated Actual relates primarily to the decrease in administration relating to the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes, as these Schemes move from loan application to management of the loan book.

- Income for the 2014-15 Estimated Actual is lower than the 2014-15 Budget due to a change in the accounting treatment of interest revenue associated with the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes. Further detail will be provided in the full audited financial statements published in the Corporation's 2014-15 Annual Report.

The estimated decrease in income for the 2015-16 Budget Target compared to the 2014-15 Estimated Actual relates primarily to the upfront administration fees received from the Commonwealth Government in 2013-14 and 2014-15 to finance the administration of the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes over the five year term of the Schemes.

- The efficiency indicator relates only to the administration expenses incurred on the various grant programs. Administration expenditure on the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes is not included in the calculation of this efficiency indicator due to the loans having a different cost structure and being managed over a five year term. The Proportion of Expenditure as Administrative Expenditure in the 2014-15 Estimated Actual is relatively high reflecting the scaling down of administrative overheads from a significant grants program in 2013-14. The ongoing reduction in administration expenses is reflected in the 2015-16 Budget Target.

## Financial Statements

### Income Statement

#### *Expenses*

The estimated decrease in the Total Cost of Services of \$0.4 million (35.9%) for the 2015-16 Budget Estimate compared to the 2014-15 Estimated Actual relates primarily to decrease in administration expenses relating to the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes, as these Schemes move from loan application to management of the loan book.

#### *Income*

The estimated decrease in total income of \$1 million (98%) for the 2015-16 Budget Estimate compared to the 2014-15 Estimated Actual primarily reflects the upfront receipt of the administration fees for the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes. These administration fees have been received in 2013-14 and 2014-15 with the expenditure to be incurred over the five year term of the loans.

### Statement of Financial Position

The estimated decrease in the total assets of \$0.5 million (8.2%) for the 2015-16 Budget Estimate compared to the 2014-15 Estimated Actual relates to the reduction in cash. This relates to the administration expenditure for the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes where the cash was received upfront in 2013-14 and 2014-15.

The estimated decrease in current assets and current liabilities of \$50 million for the 2014-15 Estimated Actual compared to the 2014-15 Budget is due to a change in the accounting treatment of loans associated with the Commonwealth Farm Finance Concessional Loans and Drought Concessional Loans Schemes.

### Statement of Cashflows

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

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits.....	-	8	8	8	8	8	8
Grants and subsidies <sup>(b)</sup> .....	5,723	400	400	300	200	200	200
Supplies and services.....	845	-	-	5	-	-	-
Other expenses.....	131	1,985	692	392	392	392	291
<b>TOTAL COST OF SERVICES .....</b>	<b>6,699</b>	<b>2,393</b>	<b>1,100</b>	<b>705</b>	<b>600</b>	<b>600</b>	<b>499</b>
<b>Income</b>							
Grants and subsidies.....	2,077	-	-	-	-	-	-
Other revenue.....	1,747	2,763	1,020	20	20	20	-
<b>Total Income.....</b>	<b>3,824</b>	<b>2,763</b>	<b>1,020</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>-</b>
<b>NET COST OF SERVICES .....</b>	<b>2,875</b>	<b>(370)</b>	<b>80</b>	<b>685</b>	<b>580</b>	<b>580</b>	<b>499</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations.....	4,518	223	223	232	233	233	239
Resources received free of charge .....	80	-	-	-	-	-	-
<b>TOTAL INCOME FROM STATE GOVERNMENT.....</b>	<b>4,598</b>	<b>223</b>	<b>223</b>	<b>232</b>	<b>233</b>	<b>233</b>	<b>239</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>1,723</b>	<b>593</b>	<b>143</b>	<b>(453)</b>	<b>(347)</b>	<b>(347)</b>	<b>(260)</b>

(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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Climate Adaptation Assistance Scheme.....	40	-	-	-	-	-	-
Farm Business Assessment 2014 Scheme.....	-	300	300	-	-	-	-
Future Rural Support Schemes .....	-	-	-	200	100	100	200
Research Grants.....	-	100	100	100	100	100	-
Rural Financial Counselling Service Scheme.....	200	-	-	-	-	-	-
Subsidised Interest Rate Scheme - Live Cattle Exports to Indonesia .....	74	-	-	-	-	-	-
State Assistance Package for Farmers.....	3,606	-	-	-	-	-	-
Western Australian Pilot of Drought Reform Measures .....	1,773	-	-	-	-	-	-
Western Australian Pilot of Drought Reform Measures Phase 2 .....	30	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>5,723</b>	<b>400</b>	<b>400</b>	<b>300</b>	<b>200</b>	<b>200</b>	<b>200</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	5,222	3,819	5,365	4,912	4,565	4,218	3,958
Receivables .....	98	-	98	98	98	98	98
Other.....	36	50,506	36	36	36	36	36
Total current assets .....	5,356	54,325	5,499	5,046	4,699	4,352	4,092
<b>TOTAL ASSETS .....</b>	<b>5,356</b>	<b>54,325</b>	<b>5,499</b>	<b>5,046</b>	<b>4,699</b>	<b>4,352</b>	<b>4,092</b>
<b>CURRENT LIABILITIES</b>							
Payables .....	90	-	90	90	90	90	90
Other.....	639	50,000	639	639	639	639	639
Total current liabilities .....	729	50,000	729	729	729	729	729
<b>TOTAL LIABILITIES.....</b>	<b>729</b>	<b>50,000</b>	<b>729</b>	<b>729</b>	<b>729</b>	<b>729</b>	<b>729</b>
<b>EQUITY</b>							
Contributed equity .....	(2)	-	(2)	(2)	(2)	(2)	(2)
Accumulated surplus/(deficit).....	4,629	4,325	4,772	4,319	3,972	3,625	3,365
<b>Total equity .....</b>	<b>4,627</b>	<b>4,325</b>	<b>4,770</b>	<b>4,317</b>	<b>3,970</b>	<b>3,623</b>	<b>3,363</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>5,356</b>	<b>54,325</b>	<b>5,499</b>	<b>5,046</b>	<b>4,699</b>	<b>4,352</b>	<b>4,092</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	4,518	223	223	232	233	233	239
<b>Net cash provided by State Government.....</b>	<b>4,518</b>	<b>223</b>	<b>223</b>	<b>232</b>	<b>233</b>	<b>233</b>	<b>239</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	-	(8)	(8)	(8)	(8)	(8)	(8)
Grants and subsidies.....	(6,826)	(400)	(400)	(300)	(200)	(200)	(200)
Supplies and services .....	(846)	-	-	(5)	-	-	-
Other payments.....	(1,005)	(1,985)	(692)	(392)	(392)	(392)	(291)
<b>Receipts</b>							
Grants and subsidies.....	2,077	-	-	-	-	-	-
GST receipts .....	956	-	-	-	-	-	-
Other receipts .....	1,683	2,313	1,020	20	20	20	-
<b>Net cash from operating activities .....</b>	<b>(3,961)</b>	<b>(80)</b>	<b>(80)</b>	<b>(685)</b>	<b>(580)</b>	<b>(580)</b>	<b>(499)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Other payments.....	-	(35,000)	-	-	-	-	-
Other proceeds .....	-	25,000	-	-	-	-	-
<b>Net cash from financing activities.....</b>	<b>-</b>	<b>(10,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>557</b>	<b>(9,857)</b>	<b>143</b>	<b>(453)</b>	<b>(347)</b>	<b>(347)</b>	<b>(260)</b>
Cash assets at the beginning of the reporting period .....	4,665	13,676	5,222	5,365	4,912	4,565	4,218
<b>Cash assets at the end of the reporting period .....</b>	<b>5,222</b>	<b>3,819</b>	<b>5,365</b>	<b>4,912</b>	<b>4,565</b>	<b>4,218</b>	<b>3,958</b>

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

# Western Australian Meat Industry Authority

## Part 11

## Minister for Agriculture and Food; Fisheries

### Asset Investment Program

The Asset Investment Program (AIP) for 2015-16 is estimated at \$309,000. This includes improvements to the physical facilities provided at the Muchea Livestock Centre and plant and equipment replacement.

The AIP is fully funded by the Authority's internal cash balances.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Saleyard - 2014-15 Program .....	421	421	421	-	-	-	-
<b>NEW WORKS</b>							
Saleyard							
2015-16 Program .....	309	-	-	309	-	-	-
2016-17 Program .....	309	-	-	-	309	-	-
2017-18 Program .....	309	-	-	-	-	309	-
2018-19 Program .....	309	-	-	-	-	-	309
<b>Total Cost of Asset Investment Program.....</b>	<b>1,657</b>	<b>421</b>	<b>421</b>	<b>309</b>	<b>309</b>	<b>309</b>	<b>309</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			421	309	309	309	309
<b>Total Funding.....</b>			<b>421</b>	<b>309</b>	<b>309</b>	<b>309</b>	<b>309</b>

# Perth Market Authority

## Part 11

## Minister for Agriculture and Food; Fisheries

### Asset Investment Program

The Authority will spend \$1 million on its Asset Investment Program in 2015-16. The spending will address issues related to the ageing Canning Vale site through a range of minor asset investment. 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Central Trading Area Fire Services System.....	9,298	9,298	128	-	-	-	-
Cold Chain Warehouse and Generators.....	13,440	13,440	6,596	-	-	-	-
Minor Works - 2014-15 Program .....	1,039	1,039	1,039	-	-	-	-
<b>NEW WORKS</b>							
Minor Works							
2015-16 Program .....	1,000	-	-	1,000	-	-	-
2016-17 Program .....	1,000	-	-	-	1,000	-	-
2017-18 Program .....	1,295	-	-	-	-	1,295	-
2018-19 Program .....	1,000	-	-	-	-	-	1,000
<b>Total Cost of Asset Investment Program.....</b>	<b>28,072</b>	<b>23,777</b>	<b>7,763</b>	<b>1,000</b>	<b>1,000</b>	<b>1,295</b>	<b>1,000</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			7,763	1,000	1,000	1,295	1,000
<b>Total Funding.....</b>			<b>7,763</b>	<b>1,000</b>	<b>1,000</b>	<b>1,295</b>	<b>1,000</b>



## Division 50 Fisheries

### Part 11 Minister for Agriculture and Food; Fisheries

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 65 Net amount appropriated to deliver services .....	61,057	53,854	53,425	<b>48,818</b>	46,666	47,079	47,240
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	333	333	333	<b>343</b>	352	352	361
Total appropriations provided to deliver services.....	61,390	54,187	53,758	<b>49,161</b>	47,018	47,431	47,601
<b>CAPITAL</b>							
Item 136 Capital Appropriation.....	12,765	2,111	2,111	<b>210</b>	10	10	10
<b>TOTAL APPROPRIATIONS</b> .....	<b>74,155</b>	<b>56,298</b>	<b>55,869</b>	<b>49,371</b>	<b>47,028</b>	<b>47,441</b>	<b>47,611</b>
<b>EXPENSES</b>							
Total Cost of Services .....	95,253	89,119	92,658	<b>86,851</b>	84,213	81,633	81,459
Net Cost of Services <sup>(a)</sup> .....	61,265	54,507	58,470	<b>51,218</b>	49,009	47,026	46,778
<b>CASH ASSETS <sup>(b)</sup></b> .....	<b>17,294</b>	<b>9,586</b>	<b>10,666</b>	<b>8,445</b>	<b>7,612</b>	<b>7,879</b>	<b>8,496</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(300)	(500)	(500)	(500)	(500)
15% Procurement Savings .....	-	(2,103)	(2,085)	(1,984)	(1,984)
2015-16 Streamlined Budget Process Incentive Funding .....	-	868	-	-	-
Agency Expenditure Review					
Aquatic Biosecurity .....	-	(2,748)	(2,870)	(2,996)	(3,096)
Compliance Services .....	-	(400)	(400)	(400)	(400)
Corporate Support .....	-	(330)	(330)	(330)	(330)
Freshwater Protection .....	-	(200)	(200)	(200)	(200)
Industry Services .....	-	(130)	(130)	(130)	(130)
Recreational Fishing Initiative .....	-	(800)	(800)	(800)	(800)
Externally Funded Service Delivery .....	1,400	1,800	1,800	1,800	1,800
Recreational Fishing Initiatives Fund Approved Program .....	1,183	-	-	-	-
Voluntary Fisheries Adjustment Scheme - Interest Payments .....	-	33	33	33	33
Workforce Renewal Policy .....	(54)	(426)	(854)	(1,305)	(1,782)

## Significant Issues Impacting the Agency

- The proposed new Aquatic Resources Management Act will provide significant opportunity for the Department to enhance fisheries management arrangements in Western Australia for long-term sustainability, including a focus on risk based resource management and strengthening of access rights for the commercial and recreational sectors. The new legislation will also provide enhanced capacity for aquaculture and biosecurity management.
- The Department continues to roll-out assessment of the State's commercial fisheries under the world leading Marine Stewardship Council (MSC) sustainable fishing standard. All fisheries have been pre-assessed against the MSC standard with a number of fisheries now progressing to full assessment. Additional fisheries will flow into the full assessment program over time.
- Aquaculture represents a significant growth opportunity in Western Australia. The focus has been on the establishment of investment ready zones, in both the Kimberley and Mid West regions. The Kimberley zone has been established and the Mid West zone is due for completion in late 2016. In addition, the Department has enhanced environmental monitoring and management arrangements for the aquaculture sector and continues to provide important fish health services to industry.
- The Department continues its work in biosecurity management and research including a focus on the early detection and eradication of aquatic pests and diseases. The Department takes a risk-based approach to biosecurity with resources directed to key areas and assets to ensure the ongoing sustainability of the State's valuable fisheries and aquatic habitats.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Fisheries Management.....	24,208	17,960	24,062	21,313	20,666	20,033	19,990
2. Enforcement and Education.....	44,603	44,088	44,615	42,883	41,580	40,306	40,221
3. Research and Assessment.....	26,442	27,071	23,981	22,655	21,967	21,294	21,248
<b>Total Cost of Services .....</b>	<b>95,253</b>	<b>89,119</b>	<b>92,658</b>	<b>86,851</b>	<b>84,213</b>	<b>81,633</b>	<b>81,459</b>

## Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Conservation and sustainable development of the State's fish resources:</b>					
The proportion of fish stocks identified as being at risk or vulnerable through exploitation .....	3%	6%	3%	3%	1
The proportion of commercial fisheries where catches or effort levels are acceptable.....	89%	95%	90%	95%	
The proportion of recreational fisheries where catches or effort levels are acceptable.....	77%	80%	77%	80%	
The volume of State commercial fisheries (including aquaculture) production (in tonnes) <sup>(b)</sup> .....	20,384	20,500	20,500	21,000	
The participation rate in recreational fishing .....	29%	33%	30%	30%	
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%	85%	85%	85%	
Stakeholders .....	n/a	75%	75%	n/a	2

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

(b) The Western Australian commercial fishing sector has been affected by the impacts of natural fluctuations in the abundances of key species. The Department expects the production level to return to around 25,000 tonnes in the longer term. The overall volume of State commercial fisheries (including aquaculture) production is expected to increase in 2015-16 due to increased rock lobster quota and the partial recovery of some other stocks which are now showing signs of recovery.

### Explanation of Significant Movements

(Notes)

1. The proportion of fish stocks identified as being at risk or vulnerable through exploitation is expected to remain at 3%, consistent with the 2013-14 Actual achievement.
2. Stakeholder satisfaction rates are collected via biennial surveys with the next survey due to be conducted in 2015 for the 2014-15 financial year.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 24,208	\$'000 17,960	\$'000 24,062	\$'000 21,313	1
Less Income .....	8,021	5,887	8,316	8,098	2
Net Cost of Service.....	16,187	12,073	15,746	13,215	
Employees (Full Time Equivalents).....	88	80	87	83	
<b>Efficiency Indicators</b>					
Average Cost per Hour of Management (Excluding Grants and Fisheries Adjustments) .....	\$187	\$219	\$181	\$193	

### Explanation of Significant Movements

1. The variation in the Total Cost of Service between the 2014-15 Budget and the 2014-15 Estimated Actual is due to the carry-over of expenditure from 2013-14 for aquaculture development zones and aquatic biosecurity management projects and the reallocation of resources between Research and Assessment and Fisheries Management service delivery.
2. The variation in the Income between the 2014-15 Budget and the 2014-15 Estimated Actual is due to the attribution of income between Research and Assessment and Fisheries Management service delivery based on Total Cost of Service.

### 2. Enforcement and Education

Through the enforcement and education service 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 44,603	\$'000 44,088	\$'000 44,615	\$'000 42,883	
Less Income .....	13,121	15,780	15,341	16,294	
Net Cost of Service.....	31,482	28,308	29,274	26,589	
Employees (Full Time Equivalents).....	205	184	194	190	
<b>Efficiency Indicators</b>					
Average Cost per Hour of Enforcement and Education.....	\$197	\$183	\$198	\$198	

### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 26,442	\$'000 27,071	\$'000 23,981	\$'000 22,655	1
Less Income .....	12,846	12,945	10,531	11,241	2
Net Cost of Service.....	13,596	14,126	13,450	11,414	
Employees (Full Time Equivalents).....	177	201	184	180	
<b>Efficiency Indicators</b>					
Average Cost per Hour of Research and Assessment .....	\$133	\$121	\$113	\$110	

#### Explanation of Significant Movements

1. The variation in the Total Cost of Service between the 2014-15 Budget and the 2014-15 Estimated Actual is due to reallocation of resources between Research and Assessment and Fisheries Management service delivery.
2. The variation in the Income between the 2014-15 Budget and the 2014-15 Estimated Actual is due to the attribution of income between Research and Assessment and Fisheries Management service delivery based on Total Cost of Service.

### Asset Investment Program

The Asset Investment Program 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.

Improved access and safety for Departmental staff and the general public will be enabled through the allocation of \$1 million for the upgrade of public jetties at East Wallabi and Beacon Island in 2015-16.

The program 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 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Abrolhos Islands Program							
Airstrips Rolling Program.....	641	241	37	100	100	100	100
General Rolling Program .....	1,466	766	130	100	200	200	200
Replacement and Upgrade of Public Jetties at East Wallabi and Beacon Islands.....	2,010	1,010	967	1,000	-	-	-
Computing Hardware and Software							
Rolling Program .....	5,123	2,923	536	550	550	550	550
Re-establishment of Corporate Services							
New Computer Hardware .....	705	505	505	200	-	-	-
Fit-out, Furniture and Office Equipment - Rolling Program ....	4,122	2,122	200	200	600	600	600
Information Systems Development - Rolling Program.....	2,099	499	400	400	400	400	400
Operational Equipment - Rolling Program .....	3,567	1,771	885	554	414	414	414
Small Boats, Outboards and Trailers - Rolling Program.....	9,026	4,256	666	1,475	1,165	1,065	1,065

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Aquaculture Upgrades - Rolling Program .....	379	379	273	-	-	-	-
Buildings							
Broome Storage Facility .....	805	805	796	-	-	-	-
Karratha Storage Facility .....	1,035	1,035	818	-	-	-	-
Watermans Bay Research Facility .....	3,500	3,500	3,500	-	-	-	-
Fit-out, Furniture and Office Equipment							
Karratha Regional Office Major Refit .....	1,035	1,035	418	-	-	-	-
Information Systems Development							
Entitlements Management System .....	10,880	10,880	801	-	-	-	-
Re-establishment of Corporate Services							
New Finance and Payroll Software .....	3,651	3,651	27	-	-	-	-
Shark Monitoring Network - Expansion .....	600	600	600	-	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>50,644</b>	<b>35,978</b>	<b>11,559</b>	<b>4,579</b>	<b>3,429</b>	<b>3,329</b>	<b>3,329</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			2,111	210	10	10	10
Asset Sales .....			1,534	334	334	334	334
Drawdowns from the Holding Account .....			2,007	2,007	2,007	2,007	2,007
Internal Funds and Balances .....			5,782	1,000	-	-	-
Other .....			-	978	978	978	978
Drawdowns from Royalties for Regions Fund <sup>(a)</sup> .....			125	50	100	-	-
<b>Total Funding .....</b>			<b>11,559</b>	<b>4,579</b>	<b>3,429</b>	<b>3,329</b>	<b>3,329</b>

(a) Regional Infrastructure and Headworks Fund.

## Financial Statements

### Income Statement

#### Expenses

The Income Statement shows a decrease in the Total Cost of Services of \$5.8 million (6.2%) for 2015-16 compared to the 2014-15 Estimated Actual. This mainly relates to savings identified in the Agency Expenditure Review as detailed in the Spending Changes table.

#### Income

Total income is expected to be \$35.6 million in 2015-16, an increase of \$1.4 million (4.2%) compared to the 2014-15 Estimated Actual. This largely relates to increased commercial and recreational licence fees.

### Statement of Financial Position

The Department's total equity is expected to increase by \$0.5 million (0.5%) between the 2014-15 Estimated Actual and the 2015-16 Budget Estimate. This reflects a decrease in total liabilities of \$4.7 million (8%) and a decrease in total assets of \$4.2 million (3%).

The expected decrease in total liabilities is due mainly to reduced borrowings. The reduction in total assets is due mainly to a reduction in restricted cash balances and depreciation and amortisation exceeding asset investment in the 2015-16 year.

### Statement of Cashflows

The 2015-16 closing cash assets balance of \$8.4 million represents a decrease of \$2.2 million in comparison to the 2014-15 Estimated Actual. The decrease is mainly due to a reduction of restricted cash held for 27<sup>th</sup> Pay requirements.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	53,844	55,077	54,751	54,350	54,579	54,124	54,299
Grants and subsidies <sup>(c)</sup> .....	1,810	530	1,713	1,127	1,127	1,127	1,127
Supplies and services .....	20,845	14,272	15,894	10,000	7,125	5,817	5,752
Accommodation .....	4,107	3,266	3,266	3,296	3,296	3,296	3,243
Depreciation and amortisation .....	4,031	5,326	6,319	6,869	6,869	6,869	6,869
Equipment repairs and maintenance .....	2,778	2,118	2,118	2,584	2,941	2,491	2,466
Other expenses .....	7,838	8,530	8,597	8,625	8,276	7,909	7,703
<b>TOTAL COST OF SERVICES .....</b>	<b>95,253</b>	<b>89,119</b>	<b>92,658</b>	<b>86,851</b>	<b>84,213</b>	<b>81,633</b>	<b>81,459</b>
<b>Income</b>							
Sale of goods and services .....	265	146	146	148	152	152	152
Regulatory fees and fines .....	24,465	25,698	27,468	29,013	29,013	29,013	29,013
Grants and subsidies .....	3,892	2,541	2,741	2,633	2,666	2,666	2,666
Other revenue .....	5,366	6,227	3,833	3,839	3,373	2,776	2,850
<b>Total Income .....</b>	<b>33,988</b>	<b>34,612</b>	<b>34,188</b>	<b>35,633</b>	<b>35,204</b>	<b>34,607</b>	<b>34,681</b>
<b>NET COST OF SERVICES .....</b>	<b>61,265</b>	<b>54,507</b>	<b>58,470</b>	<b>51,218</b>	<b>49,009</b>	<b>47,026</b>	<b>46,778</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	61,390	54,187	53,758	49,161	47,018	47,431	47,601
Resources received free of charge .....	771	780	780	796	812	812	812
Royalties for Regions Fund: Regional Community Services Fund .....	2,564	1,147	1,118	1,193	1,516	220	226
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>64,725</b>	<b>56,114</b>	<b>55,656</b>	<b>51,150</b>	<b>49,346</b>	<b>48,463</b>	<b>48,639</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>3,460</b>	<b>1,607</b>	<b>(2,814)</b>	<b>(68)</b>	<b>337</b>	<b>1,437</b>	<b>1,861</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 470, 465 and 453 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Fisheries Research Grants .....	1,685	-	1,588	1,002	1,002	1,002	1,002
Grants to Fishers with Disabilities Association Inc. ....	75	75	75	75	75	75	75
Natural Resource Management Grants .....	-	230	-	-	-	-	-
Other Grants .....	50	125	50	50	50	50	50
Rock Fishing Safety Measures .....	-	100	-	-	-	-	-
<b>TOTAL .....</b>	<b>1,810</b>	<b>530</b>	<b>1,713</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	9,565	5,350	5,816	5,374	4,314	4,354	4,744
Restricted cash .....	6,212	2,457	3,119	3,070	3,070	3,070	3,070
Holding account receivables .....	2,007	2,007	2,007	2,007	2,007	2,007	2,007
Receivables .....	1,667	1,011	1,540	1,540	1,567	1,594	2,395
Other .....	5,221	9,822	5,374	5,536	5,708	5,880	6,052
<b>Total current assets .....</b>	<b>24,672</b>	<b>20,647</b>	<b>17,856</b>	<b>17,527</b>	<b>16,666</b>	<b>16,905</b>	<b>18,268</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	9,928	11,863	11,862	16,332	20,802	25,272	29,742
Property, plant and equipment .....	49,359	56,730	57,949	56,112	54,192	52,272	50,352
Intangibles .....	13,674	11,250	13,140	11,274	9,408	7,542	5,676
Restricted cash .....	1,516	1,779	1,730	-	227	454	681
Other .....	45,574	50,473	44,876	41,964	37,834	33,336	28,838
<b>Total non-current assets .....</b>	<b>120,051</b>	<b>132,095</b>	<b>129,557</b>	<b>125,682</b>	<b>122,463</b>	<b>118,876</b>	<b>115,289</b>
<b>TOTAL ASSETS .....</b>	<b>144,723</b>	<b>152,742</b>	<b>147,413</b>	<b>143,209</b>	<b>139,129</b>	<b>135,781</b>	<b>133,557</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	10,814	9,495	10,814	10,814	10,814	10,814	10,814
Payables .....	2,671	3,481	2,544	2,544	2,671	2,798	2,925
Other .....	6,284	17,606	13,437	13,249	13,071	12,893	13,415
<b>Total current liabilities .....</b>	<b>19,769</b>	<b>30,582</b>	<b>26,795</b>	<b>26,607</b>	<b>26,556</b>	<b>26,505</b>	<b>27,154</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	3,603	3,080	3,603	3,603	3,603	3,603	3,603
Borrowings .....	32,449	23,730	29,166	24,666	19,898	14,862	9,826
<b>Total non-current liabilities .....</b>	<b>36,052</b>	<b>26,810</b>	<b>32,769</b>	<b>28,269</b>	<b>23,501</b>	<b>18,465</b>	<b>13,429</b>
<b>TOTAL LIABILITIES .....</b>	<b>55,821</b>	<b>57,392</b>	<b>59,564</b>	<b>54,876</b>	<b>50,057</b>	<b>44,970</b>	<b>40,583</b>
<b>EQUITY</b>							
Contributed equity .....	84,816	86,522	86,285	86,545	86,655	86,665	86,675
Accumulated surplus/(deficit) .....	(6,358)	(6,515)	(9,172)	(9,240)	(8,903)	(7,466)	(5,605)
Reserves .....	10,444	15,343	10,736	11,028	11,320	11,612	11,904
<b>Total equity .....</b>	<b>88,902</b>	<b>95,350</b>	<b>87,849</b>	<b>88,333</b>	<b>89,072</b>	<b>90,811</b>	<b>92,974</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>144,723</b>	<b>152,742</b>	<b>147,413</b>	<b>143,209</b>	<b>139,129</b>	<b>135,781</b>	<b>133,557</b>

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



**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	57,474	50,246	49,817	42,684	40,541	40,954	41,124
Capital appropriation .....	12,765	2,111	2,111	210	10	10	10
Holding account drawdowns.....	2,007	2,007	2,007	2,007	2,007	2,007	2,007
Royalties for Regions Fund: Regional Community Services Fund .....	2,564	1,225	1,387	1,242	1,615	220	226
<b>Net cash provided by State Government.....</b>	<b>74,810</b>	<b>55,589</b>	<b>55,322</b>	<b>46,143</b>	<b>44,173</b>	<b>43,191</b>	<b>43,367</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(53,222)	(55,077)	(54,751)	(54,350)	(54,579)	(54,124)	(54,299)
Grants and subsidies.....	(4,576)	(530)	(1,713)	(1,127)	(1,127)	(1,127)	(1,127)
Supplies and services .....	(15,002)	(12,846)	(14,612)	(8,359)	(5,461)	(4,154)	(4,121)
Accommodation .....	(3,600)	(3,266)	(3,266)	(3,296)	(3,296)	(3,296)	(3,243)
Other payments.....	(17,749)	(15,689)	(15,756)	(16,154)	(16,190)	(15,373)	(15,110)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines.....	24,375	25,698	27,468	29,013	29,013	29,013	29,013
Grants and subsidies.....	3,892	2,541	2,741	2,633	2,666	2,666	2,666
Sale of goods and services.....	265	145	145	148	151	151	151
GST receipts .....	4,095	4,114	4,114	3,848	3,848	3,848	3,848
Other receipts .....	2,655	6,099	3,705	3,525	3,064	2,467	2,467
<b>Net cash from operating activities .....</b>	<b>(58,867)</b>	<b>(48,811)</b>	<b>(51,925)</b>	<b>(44,119)</b>	<b>(41,911)</b>	<b>(39,929)</b>	<b>(39,755)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(7,556)	(9,508)	(11,559)	(4,579)	(3,429)	(3,329)	(3,329)
Proceeds from sale of non-current assets.....	183	1,534	1,534	334	334	334	334
<b>Net cash from investing activities.....</b>	<b>(7,373)</b>	<b>(7,974)</b>	<b>(10,025)</b>	<b>(4,245)</b>	<b>(3,095)</b>	<b>(2,995)</b>	<b>(2,995)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings.....	(8,501)	(4,051)	(3,065)	(4,269)	(4,522)	(4,790)	(4,790)
Proceeds from borrowings.....	8,038	-	-	-	-	-	-
Other proceeds .....	2,670	4,051	3,065	4,269	4,522	4,790	4,790
<b>Net cash from financing activities.....</b>	<b>2,207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>10,777</b>	<b>(1,196)</b>	<b>(6,628)</b>	<b>(2,221)</b>	<b>(833)</b>	<b>267</b>	<b>617</b>
Cash assets at the beginning of the reporting period .....	6,517	10,782	17,294	10,666	8,445	7,612	7,879
<b>Cash assets at the end of the reporting period .....</b>	<b>17,294</b>	<b>9,586</b>	<b>10,666</b>	<b>8,445</b>	<b>7,612</b>	<b>7,879</b>	<b>8,496</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Grants and Subsidies</b>							
Other Grants and Subsidies .....	3,892	2,541	2,741	2,633	2,666	2,666	2,666
<b>Sale of Goods and Services</b>							
Sale of Goods .....	265	145	145	148	151	151	151
<b>Other Receipts</b>							
Other Revenue .....	2,655	6,099	3,705	3,525	3,064	2,467	2,467
<b>GST Receipts</b>							
GST Input Credits .....	3,482	3,533	3,533	3,267	3,267	3,267	3,267
GST Receipts on Sales .....	613	581	581	581	581	581	581
<b>TOTAL .....</b>	<b>10,907</b>	<b>12,899</b>	<b>10,705</b>	<b>10,154</b>	<b>9,729</b>	<b>9,132</b>	<b>9,132</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Fines</b>							
Fisheries Infringements .....	324	-	-	-	-	-	-
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>							
<b>Other</b>							
Fisheries Infringements - Payments to the Consolidated Account .....	324	-	-	-	-	-	-
Loss on Disposal of Fixed Assets .....	206	-	-	-	-	-	-
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Agency Special Purpose Account Details****RECREATIONAL FISHING SPECIAL PURPOSE ACCOUNT**

Account Purpose: 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 this Act. The funds support activity relating to recreational fishing.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	2,127	1,547	1,729	1,323
Receipts:				
Appropriations .....	18,961	15,275	9,756	9,125
Other .....	6,061	7,315	7,283	7,728
	27,149	24,137	18,768	18,176
Payments .....	25,420	22,658	17,445	16,645
<b>CLOSING BALANCE .....</b>	<b>1,729</b>	<b>1,479</b>	<b>1,323</b>	<b>1,531</b>

### FISHERIES RESEARCH AND DEVELOPMENT SPECIAL PURPOSE ACCOUNT

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

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	3,942	6,266	7,830	4,922
Receipts:				
Appropriations.....	41,929	40,059	43,502	39,536
Other .....	28,592	28,077	23,755	23,856
	74,463	74,402	75,087	68,314
Payments .....	66,633	66,561	70,165	64,168
<b>CLOSING BALANCE .....</b>	<b>7,830</b>	<b>7,841</b>	<b>4,922</b>	<b>4,146</b>

### FISHERIES ADJUSTMENT SCHEMES SPECIAL PURPOSE ACCOUNT

Account Purpose: 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.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	447	947	417	917
Receipts:				
Appropriations.....	500	500	500	500
Other .....	2,670	6,034	5,048	6,038
	3,617	7,481	5,965	7,455
Payments .....	3,200	6,034	5,048	6,038
<b>CLOSING BALANCE .....</b>	<b>417</b>	<b>1,447</b>	<b>917</b>	<b>1,417</b>



## Part 12

### Treasurer; Minister for Energy; Citizenship and Multicultural Interests

#### Summary of Portfolio Appropriations

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
579	Treasury			
	– Delivery of Services .....	42,355	49,264	62,371
	– Administered Grants, Subsidies and other Transfer Payments ....	4,118,330	4,258,812	3,945,118
	– Administered Capital Appropriation .....	1,416,921	1,507,502	884,717
	Total .....	5,577,606	5,815,578	4,892,206
596	Economic Regulation Authority			
	– Delivery of Services .....	2,486	3,967	2,438
	Total .....	2,486	3,967	2,438
604	Office of the Auditor General			
	– Delivery of Services .....	6,926	6,902	7,044
	– Capital Appropriation .....	300	300	300
	Total .....	7,226	7,202	7,344
	<b>GRAND TOTAL</b>			
	– Delivery of Services .....	51,767	60,133	71,853
	– Administered Grants, Subsidies and other Transfer Payments ....	4,118,330	4,258,812	3,945,118
	– Capital Appropriation .....	300	300	300
	– Administered Capital Appropriation .....	1,416,921	1,507,502	884,717
	<b>Total .....</b>	<b>5,587,318</b>	<b>5,826,747</b>	<b>4,901,988</b>



## Division 51 Treasury

### Part 12 Treasurer; Minister for Energy; Citizenship and Multicultural Interests

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 66 Net amount appropriated to deliver services .....	40,521	40,997	47,906	<b>61,013</b>	43,548	41,011	40,768
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	1,358	1,358	1,358	<b>1,358</b>	1,358	1,358	1,358
Total appropriations provided to deliver services.....	41,879	42,355	49,264	<b>62,371</b>	44,906	42,369	42,126
<b>ADMINISTERED TRANSACTIONS</b>							
<i>Operating Subsidy Payments</i>							
Item 67 Bunbury Water Corporation .....	-	420	479	<b>518</b>	537	556	577
Item 68 Busselton Water Corporation .....	-	444	441	<b>531</b>	545	558	573
Item 69 Electricity Generation and Retail Corporation (Synergy) .....	593,239	570,600	508,497	<b>408,791</b>	351,722	261,708	200,978
Item 70 Mid West Ports Authority.....	-	-	-	<b>202</b>	-	-	-
Item 71 Public Transport Authority .....	712,103	746,998	736,695	<b>787,128</b>	831,714	849,289	926,767
Item 72 Regional Power Corporation (Horizon Power).....	57,282	46,856	38,661	<b>36,923</b>	39,831	29,580	25,328
Item 73 Southern Ports Authority <sup>(a)</sup> .....	940	826	826	<b>705</b>	577	441	300
Item 74 Water Corporation of Western Australia.....	565,924	582,516	577,786	<b>565,960</b>	573,260	581,801	587,984
Item 75 Western Australian Land Authority ...	44,417	35,192	33,874	<b>35,444</b>	33,552	33,740	35,429
<i>Grants, Subsidies and Transfer Payments</i>							
Item 76 Department of Corrective Services <sup>(b)</sup> .....	-	15,943	10,595	<b>31,676</b>	48,877	33,011	32,107
Item 77 Department of the Attorney General <sup>(c)</sup> .....	-	-	-	<b>19,450</b>	16,854	11,632	12,277
Item 78 Goods and Services Tax (GST) Administration Costs .....	77,705	80,200	75,500	<b>77,100</b>	70,600	69,800	70,200
Item 79 Health and Disability Services Complaints Office.....	2,498	2,564	2,564	<b>2,637</b>	2,702	2,769	2,839
Item 80 Metropolitan Redevelopment Authority.....	4,061	13,865	8,961	<b>16,752</b>	6,966	4,348	-
Item 81 National Disability Insurance Scheme – Perth Hills Trial Site <sup>(d)</sup> .....	-	9,625	9,625	<b>48,243</b>	-	-	-
Item 82 Provision for Unfunded Liabilities in the Government Insurance Fund.....	1,711	2,336	3,436	<b>2,972</b>	2,621	2,414	2,287
Item 83 Refund of Past Years Revenue Collections – Public Corporations.....	12,815	10,000	90,000	<b>22,200</b>	10,000	10,000	10,000
Item 84 Resolution of Native Title in the South West of Western Australia (Settlement) <sup>(e)</sup> .....	-	-	-	<b>60,000</b>	77,276	78,230	80,001
Item 85 Rottnest Island Authority.....	6,700	7,094	7,094	<b>11,355</b>	8,600	8,600	5,200
Item 86 Royalties for Regions <sup>(f)</sup> .....	652,278	782,956	782,956	<b>600,177</b>	575,036	529,322	565,157
Item 87 State Property – Emergency Services Levy .....	15,873	16,000	16,000	<b>16,000</b>	16,000	16,000	16,400

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Item 88 All Other Grants, Subsidies and Transfer Payments <sup>(g)</sup> .....</b>	<b>8,406</b>	<b>14,471</b>	<b>13,002</b>	<b>8,125</b>	<b>18,755</b>	<b>8,435</b>	<b>8,360</b>
<i>Comprising:</i>							
Acts of Grace .....	166	5	5	5	5	5	5
ANZAC Day Trust.....	300	300	300	300	300	300	300
First Home Owners Boost Recoveries.....	340	800	600	600	600	600	600
HIH Insurance Rescue Package.....	-	2	-	-	-	-	-
Incidentals .....	355	365	365	370	375	380	385
Interest on Public Moneys Held in							
Participating Trust Fund Accounts.....	4,774	4,632	4,965	4,420	5,125	6,310	6,205
Shire of Broome.....	-	1,600	-	1,600	-	-	-
Superannuation Reforms – Payments to Government Employees							
Superannuation Board <sup>(h)</sup> .....	1,598	5,957	5,957	-	-	-	-
Town of Cambridge .....	-	-	-	-	11,500	-	-
Western Australian Treasury Corporation Management Fees.....	873	810	810	830	850	840	865
Decommissioning of the Office of Shared Services <sup>(i)</sup> .....	-	1,000	-	-	-	-	-
Provision for Targeted Voluntary Separation Scheme <sup>(j)</sup> .....	-	-	103,095	-	-	-	-
Sustainable Funding and Contracting with the Not-for-Profit Sector <sup>(k)</sup> .....	-	9,696	-	-	-	-	-
WA Health <sup>(l)</sup> .....	-	21,819	21,819	-	-	-	-
<i>Authorised by Other Statutes</i>							
Gold Corporation Act 1987 .....	2	3	2	2	2	2	2
Judges' Salaries and Pensions Act 1950.....	13,411	15,474	14,633	16,044	17,466	18,943	20,480
<i>Comprising:</i>							
Benefit Payments .....	13,229	15,278	14,437	15,799	17,215	18,687	20,218
Administration Expenses <sup>(m)</sup> .....	182	196	196	245	251	256	262
Parliamentary Superannuation Act 1970 .....	8,345	8,708	9,468	9,107	13,878	10,684	11,074
<i>Comprising:</i>							
Benefit Payments .....	8,131	8,478	9,118	8,819	13,584	10,383	10,766
Administration Expenses <sup>(m)</sup> .....	214	230	350	288	294	301	308
State Superannuation Act 2000.....	694,486	651,406	729,485	651,164	642,253	636,841	630,378
<i>Comprising:</i>							
Pension Scheme.....	212,771	206,747	209,616	201,989	194,191	186,236	178,043
<i>Comprising:</i>							
Benefit Payments .....	211,037	204,314	207,183	199,729	191,906	183,892	175,636
Administration Expenses <sup>(m)</sup> .....	1,734	2,433	2,433	2,260	2,285	2,344	2,407
Gold State Super .....	421,818	384,941	460,151	389,648	388,741	391,501	393,465
<i>Comprising:</i>							
Benefit Payments .....	412,489	379,060	454,060	383,893	382,912	385,518	387,317
Administration Expenses <sup>(m)</sup> .....	9,243	5,777	5,777	5,365	5,425	5,565	5,716
Government Services <sup>(n)</sup> .....	86	104	314	390	404	418	432
West State Super .....	59,897	59,718	59,718	59,527	59,321	59,104	58,870
Tobacco Products Control Act 2006 .....	21,783	22,118	22,118	22,492	23,037	23,614	24,204
Unclaimed Money Act 1990 .....	1,325	1,200	1,200	1,200	1,200	1,200	1,200
Unclaimed Money (Superannuation and RSA Providers) Act 2003.....	-	-	-	220	-	-	-
Western Australian Treasury Corporation Act 1986 – Interest.....	404,825	448,000	440,000	492,000	565,000	643,000	693,000
<b>TOTAL RECURRENT ADMINISTERED .....</b>	<b>3,900,129</b>	<b>4,118,330</b>	<b>4,258,812</b>	<b>3,945,118</b>	<b>3,948,861</b>	<b>3,866,518</b>	<b>3,963,102</b>
<b>CAPITAL</b>							
<i>Government Equity Contributions</i>							
<b>Item 137 Department of Education <sup>(o)</sup>.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,942</b>	<b>11,700</b>	<b>75,600</b>	<b>20,385</b>
<b>Item 138 Electricity Networks Corporation (Western Power).....</b>	<b>74,862</b>	<b>76,925</b>	<b>152,988</b>	<b>81,461</b>	<b>92,044</b>	<b>96,899</b>	<b>97,249</b>
<b>Item 139 Kimberley Ports Authority.....</b>	<b>-</b>	<b>10,575</b>	<b>10,575</b>	<b>10,575</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Item 140 Metropolitan Redevelopment Authority.....</b>	<b>33,346</b>	<b>148,074</b>	<b>148,074</b>	<b>63,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Item 141 Mid West Ports Authority.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,500</b>	<b>671</b>	<b>614</b>	<b>679</b>
<b>Item 142 Pilbara Ports Authority.....</b>	<b>9,720</b>	<b>12,758</b>	<b>32,390</b>	<b>42,202</b>	<b>24,500</b>	<b>25,001</b>	<b>24,997</b>
<b>Item 143 Regional Power Corporation (Horizon Power).....</b>	<b>10,561</b>	<b>8,618</b>	<b>3,129</b>	<b>8,465</b>	<b>41,247</b>	<b>1,118</b>	<b>1,118</b>
<b>Item 144 Royalties for Regions <sup>(f)</sup>.....</b>	<b>803,647</b>	<b>365,232</b>	<b>365,232</b>	<b>317,429</b>	<b>428,987</b>	<b>370,504</b>	<b>358,739</b>
<b>Item 145 Southern Ports Authority.....</b>	<b>3,147</b>	<b>1,960</b>	<b>1,960</b>	<b>2,081</b>	<b>2,210</b>	<b>2,346</b>	<b>2,346</b>
<b>Item 146 WA Health <sup>(p)</sup>.....</b>	<b>20,700</b>	<b>141,954</b>	<b>140,656</b>	<b>53,026</b>	<b>8,189</b>	<b>17,063</b>	<b>71,913</b>
<b>Item 147 Water Corporation of Western Australia.....</b>	<b>-</b>	<b>109,334</b>	<b>109,334</b>	<b>14,036</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Department of Corrective Services <sup>(b)</sup>.....</b>	<b>58,723</b>	<b>36,991</b>	<b>22,344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Forest Products Commission .....</b>	4,700	-	-	-	-	-	-
<b>Fremantle Port Authority .....</b>	29,869	-	-	-	-	-	-
<b>Resolution of Native Title in the South West of Western Australia (Settlement) <sup>(e)</sup> .....</b>	-	-	-	-	8,352	8,561	2,428
<b>Western Australian Land Authority .....</b>	-	-	9,120	-	30,000	-	10,000
<i>Other</i>							
<b>Item 148 Perth Children's Hospital Account .....</b>	182,000	349,500	349,500	<b>44,000</b>	-	-	-
<b>Item 149 The New Perth Stadium Account ..</b>	15,000	145,000	145,000	<b>240,000</b>	365,000	95,000	-
<b>Fiona Stanley Hospital Construction Account .....</b>	15,000	10,000	10,000	-	-	-	-
<b>Western Australian Future Fund <sup>(q)</sup> .....</b>	-	-	-	-	40,200	45,100	49,100
<i>Authorised by Other Statutes</i>							
<b>Loans (Co-operative Companies) Act 2004 .....</b>	3,925	-	7,200	-	-	-	-
<b>TOTAL CAPITAL ADMINISTERED .....</b>	1,265,200	1,416,921	1,507,502	<b>884,717</b>	1,053,100	737,806	638,954
<b>GRAND TOTAL .....</b>	5,207,208	5,577,606	5,815,578	<b>4,892,206</b>	5,046,867	4,646,693	4,644,182
<b>EXPENSES</b>							
Total Cost of Services .....	174,490	450,427	90,366	<b>310,182</b>	341,225	238,339	449,275
Net Cost of Services <sup>(r)</sup> .....	50,999	50,159	56,728	<b>70,064</b>	52,722	50,279	50,036
<b>CASH ASSETS <sup>(s)</sup> .....</b>	11,040	6,290	11,301	<b>10,783</b>	11,044	11,305	11,566

- (a) The Albany, Bunbury and Esperance Port Authorities were amalgamated to form the Southern Ports Authority on 1 October 2014.
- (b) 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.
- (c) Reflects funding to be applied for costs associated with the relocation of the Supreme Court (Civil) and the Department of the Attorney General (DotAG) offices to the Old Treasury Building Office Tower and the State Administrative Tribunal to 565 Hay Street. The DotAG is required to seek Government approval to access these funds.
- (d) 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. This allocation may be adjusted to reflect changes to the contribution components.
- (e) Reflects funding held as a provision until the finalisation of the Settlement, which is expected in mid-2016. Funding will be then transferred to relevant parties to execute the agreement.
- (f) Appropriations to the Royalties for Regions (RfR) Special Purpose Account are split between payments for recurrent and capital purposes (based on project information). Further detail on the RfR program is available in Budget Paper No. 3: *Economic and Fiscal Outlook*.
- (g) All other items include all Administered Grants, Subsidies and Transfers not covered elsewhere by individual Acts.
- (h) Reflects funding for the Government Employees Superannuation Board (GESB) in relation to the implementation of superannuation administration outsourcing reforms.
- (i) Reflects funding applied to the Decommissioning of the Office of Shared Services and to re-establish corporate services functions of agencies.
- (j) A total of \$183 million was originally allocated in the 2014-15 Mid-year Review to offer voluntary separations to general government sector employees. Of this amount, a total of \$79.9 million has been transferred to agency budgets, resulting in a remaining provision of \$103.1 million.
- (k) 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 have now submitted the required business cases and planning details and Government has approved access to these funds.
- (l) 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.
- (m) Superannuation scheme administration expense reflects the costs of administering an unfunded defined benefit superannuation/pension scheme by an appropriation from the Consolidated Account.
- (n) Reflects the costs for regulatory support of State superannuation schemes where GESB or Treasury incurs these costs on behalf of the general government sector.
- (o) Reflects asset investment funding to be applied to the Department's Asset Investment Program for the construction of new senior high schools in South Baldvis and Yanchep following Government's approval of business cases for these projects.
- (p) Reflects funding to be applied to major broader health initiatives as part of WA Health's Asset Investment Program. WA Health is required to submit business cases and planning details for government approval to access these funds.
- (q) From 2016-17, the Western Australian Future Fund will receive funding equal to 1% of total royalty revenue.
- (r) 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.
- (s) 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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	-	(400)	(400)	(400)	(400)
2015-16 Streamlined Budget Process Incentive Funding .....	-	837	-	-	-
Agency Expenditure Review Stage 2 .....	144	144	-	-	-
Asset Sales Program .....	2,000	2,050	2,100	-	-
Enhanced Voluntary Separation Scheme .....	(203)	(203)	(203)	(203)	(203)
Governance of the Royalties for Regions Program .....	121	124	127	130	130
Office Accommodation - Old Treasury Building .....	-	65	826	873	923
Sale of Perth Market Authority .....	1,403	1,114	-	-	-
Sale of Port Assets .....	4,059	16,817	291	-	-
Transfer of Accommodation Funding to the Department of Finance .....	(237)	(249)	(258)	(267)	(276)
Website Remediation .....	199	30	30	30	30
Workforce Renewal Policy .....	(96)	(783)	(1,606)	(2,469)	(3,374)

## Significant Issues Impacting the Agency

### Economic Outlook

- Growth in the Western Australian economy is being underpinned by strong increases in exports. This is offsetting softer domestic economic conditions, arising principally from business investment coming off its peak in 2012-13.
- The State's economy, as measured by Gross State Product (GSP), is expected to grow by 3.25% in 2014-15 and by 2% in 2015-16. Growth in GSP is projected to remain lower than the long-run average over the forecast period, with strong contributions from iron ore and Liquefied Natural Gas (LNG) exports accompanied by weak domestic conditions. Recent significant declines in commodity prices (especially for iron ore and oil) have seen royalty revenue fall sharply and the outlook for future resource-related investment weaken.
- Weaker conditions in the State's domestic economy are flowing through to softer labour market conditions, reflected in moderate employment growth (particularly full-time employment) and weak wages growth. As a consequence, the rate of growth in tax revenue is expected to be modest. For example, following growth of 12.3% in 2012-13, payroll tax increased by just 2.6% in 2013-14, and is expected to increase by only 2.5% in 2014-15. Abstracting from policy changes, payroll tax is projected to grow by 5.9% in 2015-16 which, while stronger than the previous two years, is still well below long-run average growth of 9.7% per annum.
- Net overseas migration has moderated significantly since 2012-13, and is expected to stabilise at lower levels over the medium-term. As a consequence, population growth has softened from 3.6% in 2012-13 to 2.6% in 2013-14 and an expected 1.9% in 2014-15. This, in turn, is flowing through to lower rates of property market turnover and weakening transfer duty collections.

### State Finances

- The fiscal environment remains extremely challenging for Western Australia. This is reflected in Standard & Poor's decision on 14 April 2015 to place the State's AA+ credit rating on 'negative credit watch' (down from 'stable outlook'). Since the release of the 2014-15 Budget, the State's revenue estimates have been revised down by \$10.2 billion over the period 2014-15 to 2017-18, excluding the impact of policy decisions. The major driver has been the substantial decline in the iron ore price over the last 12 to 18 months.
- The State also continues to experience a declining share of GST revenue, with Western Australia's GST relativity declining from 37.6% of its population share in 2014-15, to just 30% in 2015-16. Despite growth in the national GST pool, Western Australia's GST revenue in 2015-16 is estimated to be \$328 million lower than in 2014-15.

- Although population growth is moderating, demand for government services and infrastructure remains strong. Despite these demand pressures, growth in general government expenses is forecast to grow by a very low average of 2.5% per annum across the budget period. This reflects the ongoing impact of savings measures (discussed below)
- Reflecting the challenging fiscal environment, general government operating deficits are forecast in 2014-15 (\$1.3 billion), 2015-16 (\$2.7 billion) and 2016-17 (\$1.1 billion). These deficits will need to be funded through increased borrowings, with net debt projected to rise from \$20.8 billion at 30 June 2014 to \$35.8 billion by 30 June 2019.

### **Commonwealth Federation and Taxation White Papers**

- Treasury will devote its expertise to helping ensure that Western Australia has strong input to the Commonwealth's White Paper processes on Reform of the Federation and National Tax Reform.
- Issues that are important to Western Australia include reform of the GST distribution to improve its fairness and efficiency, and more certainty and flexibility in Commonwealth funding to States for specific purposes such as health, education and transport.
- In pursuit of these objectives, Treasury will continue to work with the Department of the Premier and Cabinet and other agencies to guide the State's input to the development of the Commonwealth's Green Papers on Reform of the Federation and National Tax Reform, which will set out potential reform options.

### **Implementation of Savings Measures**

- Treasury is providing ongoing advice to the Government on the formulation and implementation of savings measures. New revenue and savings measures worth \$1.3 billion have been approved as part of the 2015-16 Budget. Treasury also continues to work with agencies on the implementation of previously announced measures.
- In 2015-16, Treasury will manage a number of agency expenditure reviews. The reviews are intended to ensure that programs or activities being delivered by agencies remain a priority and are being delivered as efficiently and effectively as possible. This process will be overseen by an independent governance board. Savings from the first stage of the review process totalling \$137 million have been reflected in the 2015-16 Budget. Savings from the second stage of the review process will be incorporated in the 2015-16 Mid-year Review.
- The 2014-15 Mid-year Review announced a Workforce Renewal Policy to promote the efficient delivery of government services and contribute to an improved budget position. The policy seeks to reduce growth in government salary expenses by harvesting savings based on expected employee separations. Since the release of the 2014-15 Mid-year Review, Treasury has worked with agencies to implement the policy, including calculating agency-level savings for incorporation in the 2015-16 Budget.

### **Asset Sales**

- On 28 August 2014, the Government announced the first tranche of its program of asset sales. The initial tranche of asset sales comprises Utah Point Bulk Handling Facility (Utah Point), Kwinana Bulk Terminal (KBT) and Perth Market Authority (PMA). Further, it was announced that the Tranche 1 asset sales program will be overseen by an Asset Sales Taskforce, with Treasury to coordinate and manage the divestments.
- On 23 December 2014, contracts for the Lead Financial Adviser (LFA) roles were awarded to Ernst & Young for the PMA and to a Rothschild/Deloitte partnership for both Utah Point and KBT (jointly, the Ports Assets). The asset sales program will follow an ordered progression through:
  - Phase 1 - Project Plan;
  - Phase 2 - Detailed Due Diligence; and
  - Phase 3 - Transaction Finalisation.
- For the remainder of 2014-15 and through 2015-16, Treasury and the LFAs will progress the Tranche 1 assets through Phase 2 and, pending Government approval to proceed with the divestments, Phase 3. It is envisaged that the divestment of the PMA will be finalised in early 2016 with the Ports Assets to be concluded by mid-2016.
- As part of the 2015-16 Budget, the Government has announced Tranche 2 of its asset sales program. This significantly expands the scope of the program to be delivered by Treasury. Asset sales will play a key role in managing the State's debt levels.

### **Strategic Projects**

- The Strategic Projects (SP) branch 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 will continue to provide project management and business systems support. SP will also continue to monitor and report to Government on the performance of major building and infrastructure projects across the public sector.
- At the commencement of 2015-16, SP's capital works portfolio comprises 16 projects with a total estimated value of more than \$7 billion. Five of these projects are operational, six are under construction, three are in the tender phase and two are in the planning phase.
- During 2015-16, the \$1.2 billion Perth Children's Hospital, \$360 million Midland Health Campus, \$232 million Eastern Goldfields Regional Prison and \$500 million Old Treasury Building redevelopment will be completed. All will be operational by the end of 2015-16.
- Construction of the new Perth Stadium and Sports Precinct and Sarich Neurosciences Research Institute will continue during 2015-16. Construction of a package of eight primary and secondary school stages will commence, to be delivered under a design-build-finance-maintain contract, which will be awarded early in the financial year. The contract for the delivery of the new Western Australian Museum under a Managing Contractor procurement model will also be awarded, with early works likely to commence by the end of 2015-16. Construction of the new Karratha Health Campus will also commence in 2015-16.
- The Fiona Stanley Hospital (including the State Rehabilitation Service) and Acacia Prison Expansion projects will respectively be handed over to the Departments of Health and Corrective Services, formally concluding SP's project management role.

### **Efficiency of Government Service Delivery**

- Activity Based Funding was rolled out across WA Health and the Mental Health Commission 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 and the Mental Health Commission 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 2020-21 consistent with the timeframe for the completion of the WA Health Reform Program. 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 Disability Services Commission in the development of options, preliminary modelling and identification of financial implications for potential transition pathways to a National Disability Insurance Scheme in Western Australia, depending on the outcomes of the current trial.
- Treasury continues to work with other agencies to identify opportunities to improve the efficiency and sustainability of services, including through the development of cost and demand models (e.g. Department of Corrective Services and the Public Transport Authority of Western Australia).
- Treasury is working with the education and training agencies (Departments of Education, Education Services, Training and Workforce Development, and the School Curriculum and Standards Authority) to identify efficient delivery options for Vocational Education and Training in Schools (VETiS) from 2016 onwards, under the Government's reforms to the Western Australian Certificate of Education.

### **Government Trading Enterprises Reform**

- Treasury will continue to assist the electricity and water corporations and related policy agencies with ongoing reforms to reduce the cost of providing services and the operating subsidy provided by the State Government. Since the 2014-15 Budget, the operating subsidy provided to these corporations has been reduced by \$834.8 million over the period 2014-15 to 2017-18. Treasury also participates on the Steering Committee for the Electricity Market Review, supporting the broader reform of the energy sector to further reduce the cost of production and supply of electricity in Western Australia.

## Resource Agreement

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

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Financial and Economic Responsibility:  Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	Sustainable and transparent public sector finances.	1. Financial Management and Reporting 2. Manage the Government's Asset Sales Program (excluding land sales)
	A strong and competitive State economy.	3. 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.	4. 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.	5. Leads the Planning and Delivery of New Government Buildings

### Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Financial Management and Reporting .....	8,911	8,080	8,131	7,936	8,133	8,354	8,172
2. Manage the Government's Asset Sales Program (excluding land sales) .....	-	-	8,394	21,358	3,090	-	-
3. Economic and Revenue Forecasts and Policy Development .....	7,872	6,959	7,840	7,828	8,136	8,236	8,299
4. Evaluation and Planning of Government Service Delivery and Infrastructure Provision .....	31,730	30,010	27,986	28,583	28,945	29,272	29,073
5. Leads the Planning and Delivery of New Government Buildings .....	125,977	405,378	38,015	244,477	292,921	192,477	403,731
<b>Total Cost of Services .....</b>	<b>174,490</b>	<b>450,427</b>	<b>90,366</b>	<b>310,182</b>	<b>341,225</b>	<b>238,339</b>	<b>449,275</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14	2014-15	2014-15	2015-16	Note
	Actual	Budget	Estimated Actual	Budget Target	
<b>Outcome: Sustainable and transparent public sector finances:</b>					
Status of the State's credit rating.....	AA+/Aaa	AA+/Aaa	AA+/Aa1	AA+/Aa1	1
Unqualified audit opinion on the Annual Report on State Finances .....	Yes	Yes	Yes	Yes	
Percentage of approved Asset Sales Program completed within agreed timeframes .....	n/a	n/a	n/a	100%	2
<b>Outcome: A strong and competitive State economy:</b>					
Accuracy of key general government revenue forecasts:					
Tax revenue.....	-4.8%	+/-5.0%	-2.9%	+/-5.0%	3
Mining revenue.....	5.6%	+/-5.0%	-27.2%	+/-5.0%	
Accuracy of key economic forecasts (percentage point difference):					
Employment growth.....	-0.2	+/-0.5	1.0	+/-0.5	4
Real State Final Demand (SFD) growth.....	-2.0	+/-2.0	-2.5	+/-2.0	5
<b>Outcome: Value for money outcomes in service delivery and infrastructure provision:</b>					
Percentage of the Department's material resource allocation recommendations complying with the service provision analysis framework...	95%	100%	100%	100%	6
Percentage of highest value agencies complying with the Strategic Asset Management Framework or equivalent accredited mechanism .....	46%	75%	47%	75%	
<b>Outcome: Value for money from the management of the Government's non-residential buildings and public works:</b>					
Percentage of significant projects in the New Buildings program delivered within approved:					
Budget .....	94%	100%	100%	100%	7
Timeframe.....	94%	100%	86%	100%	

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

**Explanation of Significant Movements**

(Notes)

- Moody's downgraded Western Australia's credit rating from Aaa to Aa1 on 25 August 2014. The revised credit rating is equivalent to the AA+ credit rating assessment by Standard & Poor's. Standard & Poor's has placed the State's AA+ credit rating on 'negative credit watch'.
- The asset sales program involves a multi-year process. Sales are not expected to be completed in the 2014-15 year, therefore the 2014-15 Estimated Actual and 2014-15 target is not applicable, even though the program is underway.
- Mining revenue is expected to be significantly lower than projected in the 2014-15 Budget due to substantial declines in commodity prices over the past year. The assumed iron ore price for 2014-15 has been revised down by 44% while the assumed crude oil price has been revised down by 28% relative to the 2014-15 Budget. The impact of lower commodity prices is only partially offset by a lower exchange rate and higher than expected iron ore volumes.
- Employment growth is stronger than anticipated in the 2014-15 Budget underpinned by growth in services industry employment. Part-time employment has been the main contributor to total employment growth so far in 2014-15. Full-time employment growth has been more subdued, consistent with soft labour market conditions.
- State Final Demand is estimated to contract in 2014-15 rather than remaining unchanged as projected in the 2014-15 Budget. This reflects a combination of weaker than anticipated growth in household consumption and dwelling investment and a larger than projected decline in business investment.
- Seven of the fifteen highest value agencies are compliant with the Strategic Asset Management Framework (SAMF). A further seven of the fifteen are Government Trading Enterprises (GTEs) which were not required to comply until after a new SAMF mandate to that effect was agreed by Cabinet in September 2014. Treasury is conducting significant work with GTEs including the Water Corporation, Western Power and the Ports to support their compliance efforts. Treasury will also continue to reinforce the importance of SAMF compliance by general government agencies.
- Busselton Health Campus was completed in March 2015, five months later than its approved completion date of October 2014, due to construction and commissioning delays. The forecast date for Karratha Health Campus is April 2018, four months later than the approved December 2017 completion date, due to a decision to defer opening of the new hospital to avoid risk of seasonal impacts.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 8,911	\$'000 8,080	\$'000 8,131	\$'000 7,936	
Less Income .....	13	-	-	-	
Net Cost of Service.....	8,898	8,080	8,131	7,936	
<b>Employees (Full Time Equivalents).....</b>	<b>44</b>	<b>45</b>	<b>45</b>	<b>44</b>	
<b>Efficiency Indicators</b>					
Percentage of Financial Reports Released as per Agreed Timeframes.....	100%	100%	100%	100%	

### 2. Manage the Government's Asset Sales Program (excluding land sales) <sup>(a)</sup>

This service involves the management and coordination of the Government's approved asset sales program (excluding land sales).

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 -	\$'000 -	\$'000 8,394	\$'000 21,358	1
Less Income .....	-	-	-	-	
Net Cost of Service.....	-	-	8,394	21,358	
<b>Employees (Full Time Equivalents).....</b>	<b>n/a</b>	<b>n/a</b>	<b>15</b>	<b>23</b>	
<b>Efficiency Indicators</b>					
Percentage of Approved Asset Sales Program Completed within Agreed Budgets.....	n/a	n/a	n/a	100%	2

(a) New service commenced during 2014-15.

### Explanation of Significant Movements

(Notes)

1. The asset sales program commenced in late 2014 following Government approval on 28 August 2014.
2. The asset sales program involves a multi-year process. Sales are not expected to be completed in the 2014-15 year, therefore the 2014-15 Estimated Actual and 2014-15 target is not applicable, even though the program is underway.

### 3. Economic and Revenue Forecasts and Policy Development

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 7,872	\$'000 6,959	\$'000 7,840	\$'000 7,828	1
Less Income .....	9	-	-	-	
Net Cost of Service.....	7,863	6,959	7,840	7,828	
Employees (Full Time Equivalents).....	42	41	42	41	
<b>Efficiency Indicators</b>					
Number of Ministerials, Briefings or Reports Provided on Economic Issues.....	238	232	376	325	2

#### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2014-15 Budget and the 2014-15 Estimated Actual is due to a re-organisation within Treasury whereby some administration costs are now directly attributed to Service 3, while previously were split between every service. This has increased the direct costs of Service 3.
2. The higher than estimated Number of Ministerials, Briefings, or Reports Provided on Economic Issues for the 2014-15 Estimated Actual reflects the increasingly challenging economic and fiscal environment and a resulting increase in requests for advice.

### 4. Evaluation and Planning of Government Service Delivery and Infrastructure Provision

This service involves investigating agencies' operations in respect of efficiency and effectiveness and advising Government on the allocation of taxpayer resources. 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 31,730	\$'000 30,010	\$'000 27,986	\$'000 28,583	
Less Income .....	94	-	-	-	
Net Cost of Service.....	31,636	30,010	27,986	28,583	
Employees (Full Time Equivalents).....	135	150	148	147	
<b>Efficiency Indicators</b>					
Number of Economic and Expenditure Reform Committee Papers on Service Delivery and Infrastructure Advice.....	75	98	103	100	



## 5. 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 125,977	\$'000 405,378	\$'000 38,015	\$'000 244,477	1
Less Income .....	123,375	400,268	33,638	240,118	
Net Cost of Service.....	2,602	5,110	4,377	4,359	
Employees (Full Time Equivalents).....	54	57	56	57	
<b>Efficiency Indicators</b>					
Cost as a Percentage of the Total Annual Value of the Planning and Delivery of Capital Works Projects.....	0.5%	0.7%	0.7%	0.7%	

### Explanation of Significant Movements

(Notes)

- The Total Cost of Service has reduced significantly from the 2014-15 Budget to the 2014-15 Estimated Actual following adjustments made during the 2014-15 Mid-year Review process to align scheduling and cash flow of major capital works. This is primarily attributable to a recashflow of the new Perth Stadium, to revert the funding profile from an initially assumed publicly funded procurement to a design-build-finance-maintain payment profile.

## Asset Investment Program

Treasury's total approved Asset Investment Program was \$100,000 in 2014-15. The approved project enabled remediation works to be conducted on the OurStateBudget website.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Website Remediation							
OurStateBudget Website Remediation .....	100	100	100	-	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account.....			100	-	-	-	-
<b>Total Funding .....</b>			<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Financial Statements

### Income Statement

#### Expenses

The 2015-16 Budget Estimate for Total Cost of Services has increased by \$219.8 million compared to the 2014-15 Estimated Actual. This is primarily due to a recashflow of the new Perth Stadium, to revert the funding profile from an initially assumed publicly funded procurement to a design-build-finance-maintain payment profile.

#### Income

The 2015-16 Budget Estimate for total income has increased by \$206.5 million compared to the 2014-15 Estimated Actual. This is primarily attributable to a recashflow of the new Perth Stadium, to revert the funding profile from an initially assumed publicly funded procurement to a design-build-finance-maintain payment profile.

The 2015-16 Budget Estimate for Service Appropriations has increased by \$13.1 million compared to the 2014-15 Estimated Actual due to additional appropriation provided in 2015-16 to progress the approved Tranche 1 of the asset sales program.

### Statement of Cashflows

The 2015-16 Budget Estimate for total supplies and services payments has increased by \$217.1 million and sales of goods and services has increased by \$206.5 million respectively, compared to the 2014-15 Estimated Actual. This is primarily due to a recashflow of the new Perth Stadium, to revert the funding profile from an initially assumed publicly funded procurement to a design-build-finance-maintain payment profile.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	32,117	32,127	33,706	35,743	33,692	32,323	32,102
Grants and subsidies <sup>(c)</sup> .....	869	-	-	-	-	-	-
Supplies and services .....	138,773	411,184	50,128	267,671	299,779	198,092	409,175
Accommodation .....	386	4,410	4,173	4,374	5,360	5,528	5,611
Depreciation and amortisation .....	1,003	1,363	1,003	1,013	1,013	1,013	1,000
Other expenses .....	1,342	1,343	1,356	1,381	1,381	1,383	1,387
<b>TOTAL COST OF SERVICES .....</b>	<b>174,490</b>	<b>450,427</b>	<b>90,366</b>	<b>310,182</b>	<b>341,225</b>	<b>238,339</b>	<b>449,275</b>
<b>Income</b>							
Sale of goods and services .....	123,360	400,268	33,638	240,118	288,503	188,060	399,239
Other revenue .....	131	-	-	-	-	-	-
<b>Total Income .....</b>	<b>123,491</b>	<b>400,268</b>	<b>33,638</b>	<b>240,118</b>	<b>288,503</b>	<b>188,060</b>	<b>399,239</b>
<b>NET COST OF SERVICES .....</b>	<b>50,999</b>	<b>50,159</b>	<b>56,728</b>	<b>70,064</b>	<b>52,722</b>	<b>50,279</b>	<b>50,036</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	41,879	42,355	49,264	62,371	44,906	42,369	42,126
Resources received free of charge .....	13,493	8,147	7,686	7,912	8,032	8,123	8,123
Royalties for Regions Fund: Regional and State-wide Initiatives .....	-	-	121	124	127	130	130
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>55,372</b>	<b>50,502</b>	<b>57,071</b>	<b>70,407</b>	<b>53,065</b>	<b>50,622</b>	<b>50,379</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>4,373</b>	<b>343</b>	<b>343</b>	<b>343</b>	<b>343</b>	<b>343</b>	<b>343</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 275, 306 and 312 respectively. In some cases the figures for 2013-14 and 2014-15 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

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Aboriginal Affairs Coordinating Committee contribution .....	57	-	-	-	-	-	-
Australian Accounting Standards Board (AASB) .....	12	-	-	-	-	-	-
Grants to Metropolitan Redevelopment Authority and Curtin University .....	800	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>869</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>  
(Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	9,891	5,262	10,038	10,783	10,930	11,077	11,224
Restricted cash .....	-	-	1,263	-	-	-	-
Holding account receivables .....	-	1,363	-	-	-	-	-
Receivables .....	4,326	6,318	4,389	4,452	4,515	4,578	4,641
Other .....	5,933	8,209	5,933	5,933	5,933	5,933	5,933
Total current assets .....	20,150	21,152	21,623	21,168	21,378	21,588	21,798
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	8,245	8,245	9,148	10,161	11,174	12,187	13,187
Property, plant and equipment .....	87	39	67	47	27	7	-
Intangibles .....	8,107	6,368	7,224	6,231	5,238	4,245	3,252
Restricted cash .....	1,149	1,028	-	-	114	228	342
Total non-current assets .....	17,588	15,680	16,439	16,439	16,553	16,667	16,781
<b>TOTAL ASSETS .....</b>	<b>37,738</b>	<b>36,832</b>	<b>38,062</b>	<b>37,607</b>	<b>37,931</b>	<b>38,255</b>	<b>38,579</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	8,821	8,360	8,791	8,761	8,731	8,712	8,693
Payables .....	8,664	11,927	8,664	8,664	8,664	8,664	8,664
Other .....	773	740	784	16	27	27	27
Total current liabilities .....	18,258	21,027	18,239	17,441	17,422	17,403	17,384
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,975	2,260	1,975	1,975	1,975	1,975	1,975
Other .....	4	4	4	4	4	4	4
Total non-current liabilities .....	1,979	2,264	1,979	1,979	1,979	1,979	1,979
<b>TOTAL LIABILITIES .....</b>	<b>20,237</b>	<b>23,291</b>	<b>20,218</b>	<b>19,420</b>	<b>19,401</b>	<b>19,382</b>	<b>19,363</b>
<b>EQUITY</b>							
Contributed equity .....	62,711	62,730	62,711	62,711	62,711	62,711	62,711
Accumulated surplus/(deficit) .....	(45,210)	(49,189)	(44,867)	(44,524)	(44,181)	(43,838)	(43,495)
<b>Total equity .....</b>	<b>17,501</b>	<b>13,541</b>	<b>17,844</b>	<b>18,187</b>	<b>18,530</b>	<b>18,873</b>	<b>19,216</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>37,738</b>	<b>36,832</b>	<b>38,062</b>	<b>37,607</b>	<b>37,931</b>	<b>38,255</b>	<b>38,579</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	40,516	40,992	48,261	61,358	43,893	41,356	41,126
Holding account drawdowns.....	-	-	100	-	-	-	-
Royalties for Regions Fund: Regional and State-wide Initiatives .....	-	-	121	124	127	130	130
<b>Net cash provided by State Government.....</b>	<b>40,516</b>	<b>40,992</b>	<b>48,482</b>	<b>61,482</b>	<b>44,020</b>	<b>41,486</b>	<b>41,256</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(32,418)	(36,935)	(38,514)	(41,484)	(38,654)	(37,285)	(37,064)
Grants and subsidies.....	(869)	-	-	-	-	-	-
Supplies and services .....	(128,171)	(394,261)	(33,666)	(250,807)	(282,795)	(181,016)	(392,098)
Accommodation .....	(386)	(4,409)	(4,172)	(4,380)	(5,366)	(5,534)	(5,617)
Other payments.....	(18,299)	(17,404)	(17,417)	(17,457)	(17,457)	(17,460)	(17,465)
<b>Receipts <sup>(b)</sup></b>							
Sale of goods and services.....	125,730	399,268	32,638	239,118	287,503	187,060	398,239
GST receipts .....	17,687	13,010	13,010	13,010	13,010	13,010	13,010
Other receipts .....	243	-	-	-	-	-	-
<b>Net cash from operating activities .....</b>	<b>(36,483)</b>	<b>(40,731)</b>	<b>(48,121)</b>	<b>(62,000)</b>	<b>(43,759)</b>	<b>(41,225)</b>	<b>(40,995)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(62)	-	(100)	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(62)</b>	<b>-</b>	<b>(100)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings.....	(20,000)	-	-	-	-	-	-
Proceeds from borrowings.....	20,000	-	-	-	-	-	-
<b>Net cash from financing activities.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>3,971</b>	<b>261</b>	<b>261</b>	<b>(518)</b>	<b>261</b>	<b>261</b>	<b>261</b>
Cash assets at the beginning of the reporting period .....	7,084	6,029	11,040	11,301	10,783	11,044	11,305
Net cash transferred to/from other agencies ....	(15)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>11,040</b>	<b>6,290</b>	<b>11,301</b>	<b>10,783</b>	<b>11,044</b>	<b>11,305</b>	<b>11,566</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Sale of Goods and Services</b>							
Contract Services - Strategic Projects.....	125,730	399,268	32,638	239,118	287,503	187,060	398,239
<b>GST Receipts</b>							
GST Input Credits .....	4,484	1,010	1,010	1,010	1,010	1,010	1,010
GST Receipts on Sales .....	13,203	12,000	12,000	12,000	12,000	12,000	12,000
<b>Other Receipts</b>							
Other Receipts .....	243	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>143,660</b>	<b>412,278</b>	<b>45,648</b>	<b>252,128</b>	<b>300,513</b>	<b>200,070</b>	<b>411,249</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Commonwealth Grants</b>							
Compensation for Crude Oil Excise							
Condensate .....	65,392	58,000	49,800	39,700	43,700	44,400	43,900
GST Grants .....	2,506,823	2,214,700	2,262,400	1,934,100	2,403,700	3,500,100	5,196,200
Local Government (Financial Assistance Grants) .....	168,172	179,207	173,434	176,206	178,771	189,052	199,924
Local Government (Road Funding) .....	106,574	110,941	107,556	107,556	107,556	112,137	116,913
Non-Government Schools .....	973,057	1,048,071	1,074,528	1,173,862	1,275,538	1,362,064	1,454,459
North West Shelf Grants .....	1,103,157	1,055,300	906,000	722,200	794,300	807,700	798,800
Other .....	2,008,653	2,070,496	2,221,928	2,141,571	2,402,487	2,414,013	1,654,279
<b>Total Commonwealth Grants .....</b>	<b>6,931,828</b>	<b>6,736,715</b>	<b>6,795,646</b>	<b>6,295,195</b>	<b>7,206,052</b>	<b>8,429,466</b>	<b>9,464,475</b>
<b>GOVERNMENT ENTERPRISES</b>							
<b>Dividends</b>							
Bunbury Water Corporation .....	-	876	694	1,851	1,888	2,026	2,136
Busselton Water Corporation .....	-	1,587	-	833	843	787	780
Electricity Generation and Retail Corporation (Synergy) .....	38,840	57,575	111,188	29,629	42,622	43,959	55,790
Electricity Networks Corporation (Western Power) .....	124,395	20,260	245,999	98,079	80,451	97,298	75,506
Forest Products Commission .....	2,094	2,089	2,153	-	-	-	650
Fremantle Port Authority .....	18,795	27,243	37,981	19,072	20,775	22,299	24,113
Gold Corporation .....	19,278	15,757	13,051	14,701	15,700	16,099	17,129
Insurance Commission of Western Australia ..	65,790	35,914	34,441	37,685	39,725	41,944	45,073
Kimberley Ports Authority <sup>(a)</sup> .....	2,596	3,880	3,880	2,393	672	279	231
Land Information Authority .....	3,956	4,086	5,596	4,496	3,675	10,021	13,854
Mid West Ports Authority <sup>(b)</sup> .....	14,677	30,212	27,712	12,441	13,884	13,945	12,913
Pilbara Ports Authority <sup>(c)</sup> .....	42,519	104,775	164,356	94,095	99,381	96,489	92,062
Regional Power Corporation (Horizon Power) .....	33,292	46,069	64,585	8,917	14,950	44,845	22,529
Southern Ports Authority <sup>(d)</sup> .....	9,939	16,895	21,716	12,729	12,870	13,418	14,218
Water Corporation of Western Australia .....	486,764	469,333	508,002	519,919	565,949	612,805	677,795
Western Australian Land Authority .....	31,946	32,442	32,442	31,653	49,969	31,069	31,069
Western Australian Treasury Corporation...	10,410	9,372	9,356	6,692	6,890	8,444	10,207
Provision for Western Power <sup>(e)</sup> .....	-	64,951	-	53,855	73,894	75,712	78,300
Provision for Other Electricity <sup>(f)</sup> .....	-	(857)	(857)	576	(594)	(716)	447
<b>Total Dividends .....</b>	<b>905,291</b>	<b>942,459</b>	<b>1,282,295</b>	<b>949,616</b>	<b>1,043,544</b>	<b>1,130,723</b>	<b>1,174,802</b>

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Income Tax Equivalent Regime</b>							
Bunbury Water Corporation .....	696	483	662	1,242	1,267	1,359	1,432
Busselton Water Corporation .....	1,228	653	653	634	598	604	603
Chemistry Centre (WA) .....	-	27	-	-	-	-	-
Electricity Generation and Retail Corporation (Synergy) .....	107,874	70,511	28,202	13,897	33,729	27,426	39,904
Fremantle Port Authority .....	18,530	13,071	15,582	16,067	18,123	19,012	20,067
Gold Corporation .....	11,815	10,910	9,960	13,351	10,919	8,988	11,032
Insurance Commission of Western Australia ..	-	25,015	25,625	25,464	12,264	34,140	40,410
Kimberley Ports Authority <sup>(a)</sup> .....	1,070	1,487	1,217	443	184	152	117
Land Information Authority .....	12,632	7,592	9,260	5,532	11,339	12,417	15,577
Mid West Ports Authority <sup>(b)</sup> .....	10,129	9,979	7,427	8,246	9,129	9,188	8,515
Pilbara Ports Authority <sup>(c)</sup> .....	69,675	48,019	63,681	77,506	65,841	61,695	67,519
Regional Power Corporation (Horizon Power) .....	25,908	13,397	10,218	13,801	67,965	8,301	12,382
Southern Ports Authority <sup>(d)</sup> .....	7,309	4,597	5,002	8,548	8,507	9,432	9,825
Water Corporation of Western Australia .....	318,256	278,743	282,742	301,840	321,288	343,972	377,466
Western Australian Land Authority .....	16,320	28,846	19,878	22,494	20,392	20,395	20,595
Western Australian Treasury Corporation...	6,240	6,814	4,412	4,543	5,567	6,730	7,456
Provision for Other Electricity <sup>(f)</sup> .....	-	(283)	(270)	(266)	(358)	408	446
<b>Total Income Tax Equivalent Regime .....</b>	<b>607,682</b>	<b>519,861</b>	<b>484,251</b>	<b>513,342</b>	<b>586,754</b>	<b>564,219</b>	<b>633,346</b>
<b>Local Government Rates Equivalent</b>							
Bunbury Water Corporation .....	-	-	62	63	65	67	68
Busselton Water Corporation .....	-	31	31	27	27	28	29
Electricity Generation and Retail Corporation (Synergy) .....	690	501	690	690	690	690	690
Electricity Networks Corporation (Western Power) .....	1,236	1,520	1,520	1,580	1,627	1,668	1,710
Fremantle Port Authority .....	802	641	840	881	926	972	1,020
Gold Corporation .....	899	650	650	650	650	650	650
Kimberley Ports Authority <sup>(a)</sup> .....	80	166	166	102	104	106	108
Mid West Ports Authority <sup>(b)</sup> .....	629	700	653	673	693	714	735
Pilbara Ports Authority <sup>(c)</sup> .....	1,164	784	819	1,482	1,527	1,571	1,617
Regional Power Corporation (Horizon Power) .....	169	302	305	313	322	330	338
Southern Ports Authority <sup>(d)</sup> .....	350	433	433	442	462	483	505
Water Corporation of Western Australia .....	5,474	5,273	5,625	5,765	5,909	6,057	6,208
Western Australian Land Authority .....	8,290	6,515	7,381	6,564	6,508	6,426	5,998
<b>Total Local Government Rates Equivalent ....</b>	<b>19,783</b>	<b>17,516</b>	<b>19,175</b>	<b>19,232</b>	<b>19,510</b>	<b>19,762</b>	<b>19,676</b>
<b>Total Government Enterprises .....</b>	<b>1,532,756</b>	<b>1,479,836</b>	<b>1,785,721</b>	<b>1,482,190</b>	<b>1,649,808</b>	<b>1,714,704</b>	<b>1,827,824</b>
<b>Other</b>							
Consolidated Account Revenue Received from Agencies .....	14,482,088	15,211,922	13,798,567	13,038,069	13,810,080	14,877,007	15,982,778
Gold State Superannuation Reimbursement .....	154,968	159,926	159,926	159,928	159,929	159,931	159,933
Interest .....	139,130	139,227	121,027	105,243	104,826	106,122	108,279
Loan Guarantee Fees .....	120,360	126,020	123,691	164,208	169,078	175,086	183,590
Pension Recoups .....	14,763	14,190	12,481	12,329	12,474	13,305	13,488
Other Revenue .....	41,713	12,536	25,419	18,419	18,419	18,419	18,419
<b>Total Other Revenue .....</b>	<b>14,953,022</b>	<b>15,663,821</b>	<b>14,241,111</b>	<b>13,498,196</b>	<b>14,274,806</b>	<b>15,349,870</b>	<b>16,466,487</b>
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>23,417,606</b>	<b>23,880,372</b>	<b>22,822,478</b>	<b>21,275,581</b>	<b>23,130,666</b>	<b>25,494,040</b>	<b>27,758,786</b>
<b>EXPENSES</b>							
<b>Superannuation <sup>(g)</sup> .....</b>	<b>606,395</b>	<b>547,986</b>	<b>1,452,286</b>	<b>450,376</b>	<b>454,755</b>	<b>482,155</b>	<b>528,755</b>
<b>Interest .....</b>	<b>459,571</b>	<b>516,132</b>	<b>506,465</b>	<b>559,420</b>	<b>632,625</b>	<b>700,810</b>	<b>744,705</b>
<b>Appropriations for:</b>							
Operating Subsidies .....	1,968,039	1,982,059	1,899,401	1,837,990	1,833,678	1,759,563	1,779,826
Services .....	14,610,190	15,174,136	14,969,717	15,515,602	15,824,225	16,108,481	16,802,946
Salaries and Allowances .....	98,010	103,329	103,928	106,122	108,065	108,059	108,979
Other Appropriations .....	2,143,304	2,115,390	2,111,043	2,193,340	2,306,098	2,274,765	2,380,869
<b>Total Appropriations .....</b>	<b>18,819,543</b>	<b>19,374,914</b>	<b>19,084,089</b>	<b>19,653,054</b>	<b>20,072,066</b>	<b>20,250,868</b>	<b>21,072,620</b>

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>All Other Expenses</b>							
Commonwealth Grants On-Passed to Agencies.....	1,911,177	2,044,840	2,218,466	2,141,331	2,402,197	2,413,663	1,653,919
Local Government Financial Assistance Grants.....	168,172	179,207	173,434	176,206	178,771	189,052	199,924
Local Government Road Funding .....	106,574	110,941	107,556	107,556	107,556	112,137	116,913
Non-Government Schools.....	973,057	1,048,071	1,074,528	1,173,862	1,275,538	1,362,064	1,454,459
Royalties for Regions <sup>(h)</sup> .....	632,426	607,854	591,347	581,208	496,546	551,482	611,711
Other Expenses.....	763	-	-	-	-	-	-
<b>Total All Other Expenses .....</b>	<b>3,792,169</b>	<b>3,990,913</b>	<b>4,165,331</b>	<b>4,180,163</b>	<b>4,460,608</b>	<b>4,628,398</b>	<b>4,036,926</b>
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>23,677,678</b>	<b>24,429,945</b>	<b>25,208,171</b>	<b>24,843,013</b>	<b>25,620,054</b>	<b>26,062,231</b>	<b>26,383,006</b>

- (a) The Broome Port Authority was renamed the Kimberley Ports Authority on 1 July 2014.
- (b) The Geraldton Port Authority was renamed the Mid West Ports Authority on 1 July 2014.
- (c) The Dampier and Port Hedland Port Authorities were amalgamated to form the Pilbara Ports Authority on 1 July 2014.
- (d) The Albany, Bunbury and Esperance Port Authorities were amalgamated to form the Southern Ports Authority on 1 October 2014.
- (e) The Budget incorporates a provision for Western Power to undertake capital expenditure of \$399.6 million (exclusive of the remaining balance of savings measures) in 2015-16 related to network growth expenditure. 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.
- (f) The Budget incorporates a provision for Horizon Power to undertake capital expenditure of \$26.9 million in 2015-16 reflecting the contingency for the Pilbara transmission network upgrade. 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.
- (g) Includes non-cash costs (including actuarial valuation changes) that are not reflected in cash appropriations.
- (h) Represents the expensing of RfR moneys to agencies. As well as these expenses, there are also capital payments made by the RfR program. For accounting purposes, these capital costs are not reflected in the schedule of administered operating transactions.

## Division 52 Economic Regulation Authority

### Part 12 Treasurer; Minister for Energy; Citizenship and Multicultural Interests

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 89 Net amount appropriated to deliver services .....	5,289	2,486	3,967	2,438	2,254	2,208	2,153
Total appropriations provided to deliver services.....	5,289	2,486	3,967	2,438	2,254	2,208	2,153
<b>TOTAL APPROPRIATIONS .....</b>	5,289	2,486	3,967	2,438	2,254	2,208	2,153
<b>EXPENSES</b>							
Total Cost of Services .....	11,040	11,437	11,842	12,335	11,408	11,560	11,558
Net Cost of Services <sup>(a)</sup> .....	5,899	2,730	4,257	2,921	2,545	2,497	2,441
<b>CASH ASSETS <sup>(b)</sup> .....</b>	3,557	3,152	3,501	3,150	2,990	2,882	2,838

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding.....	-	48	-	-	-
CPI Increase in Expenditure Limit for Industry Funding.....	224	236	223	223	223
Water Audits .....	200	220	-	200	250
Workforce Renewal Policy .....	(19)	(126)	(229)	(339)	(455)



## Significant Issues Impacting the Agency

- Throughout the course of 2015-16 the Authority will:
  - complete third party access reviews currently underway for the Goldfields Gas Pipeline and Dampier to Bunbury Natural Gas Pipeline;
  - provide input into phase two of the Electricity Market Review being managed by the Public Utilities Office; in particular, the work stream to transfer the Authority's third party access regulatory functions, for both electricity and gas infrastructure, to the Australian Energy Regulator;
  - provide annual reports to the Minister for Energy on the effectiveness of the wholesale electricity market and the effectiveness of the regulatory scheme that constrains Synergy's market power;
  - complete the five-yearly review of the Railways (Access) Code 2000 and provide a report to the Treasurer;
  - complete 18 local government authority sewerage licence audits and reviews;
  - complete the biennial review of the Gas Marketing Code of Conduct 2014;
  - undertake the inaugural review of the Water Services Code of Conduct (Customer Service Standards) 2013; and
  - complete an inquiry into the efficiency and performance of Western Australian prisons.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Submissions to the Economic Regulation Authority Governing Body .....	11,040	11,437	11,842	12,335	11,408	11,560	11,558
<b>Total Cost of Services .....</b>	<b>11,040</b>	<b>11,437</b>	<b>11,842</b>	<b>12,335</b>	<b>11,408</b>	<b>11,560</b>	<b>11,558</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: The efficient, safe and equitable provision of utility services in Western Australia:</b>					
Number of submissions made to the Authority's Governing Body .....	236	260	280	240	1
Rating by the Authority's Governing Body as to the content, accuracy and presentation of these submissions <sup>(b)</sup> .....	4.2	4	4.2	4	
Number (percentage) of submissions provided by the required deadline .....	96	100	100	100	
Rating by the Authority's Governing Body as to their perception of the timeliness of submissions <sup>(b)</sup> .....	4	4	4.1	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 Authority's Governing Body: 1 = well below expectations; 2 = below expectations; 3 = satisfactory; 4 = above expectations and 5 = well above expectations.

**Explanation of Significant Movements**

(Notes)

1. The target number of submissions in 2015-16 is set at a level that is similar to the level in 2013-14.

**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 enquires into matters referred to it 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. In making its decisions, the Authority strives to benefit the Western Australian community by promoting an efficient and customer focused economy.

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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 11,040	\$'000 11,437	\$'000 11,842	\$'000 12,335	
Less Income .....	5,141	8,707	7,585	9,414	1
Net Cost of Service.....	5,899	2,730	4,257	2,921	
<b>Employees (Full Time Equivalents).....</b>	<b>51</b>	<b>56</b>	<b>52</b>	<b>52</b>	
<b>Efficiency Indicators</b>					
Cost per Submission Made to the Economic Regulation Authority Governing Body .....	\$46,779	\$43,988	\$42,292	\$51,395	2

**Explanation of Significant Movements**

(Notes)

1. Income in 2014-15 is less than budget due to the delay in the implementation of full cost recovery from electricity, gas and water licensees until 1 January 2015.
2. It is expected that there will be fewer submissions to the Authority's Governing Body in 2015-16 which will result in an increase in the cost per submission.

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Computer Hardware and Software Replacement.....	299	290	285	-	9	-	-
Office Equipment Replacement.....	33	16	16	17	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>332</b>	<b>306</b>	<b>301</b>	<b>17</b>	<b>9</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account.....			301	17	9	-	-
<b>Total Funding .....</b>			<b>301</b>	<b>17</b>	<b>9</b>	<b>-</b>	<b>-</b>

## Financial Statements

### Income Statement

#### Income

Total income for 2014-15 is estimated to be less than budgeted. This is due to the delay in the implementation of full cost recovery of the Authority's functions relating to electricity, gas and water licensees until 1 January 2015. Increased Service Appropriations were received to offset the shortfall in total income.

Service Appropriations will decrease in 2015-16 as the Authority will receive a full year's income from electricity, gas and water licensees.

### Statement of Cashflows

Service Appropriations are \$1.5 million more than the 2014-15 budgeted amount. The Authority required government funding due to the delay in the implementation of full cost recovery of the Authority's functions relating to electricity, gas and water licensees until 1 January 2015.

In 2015-16, Service Appropriations will decrease due to the Authority receiving a full year of income from electricity, gas and water licensees.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	7,772	7,735	7,696	7,999	7,934	7,999	7,940
Supplies and services .....	1,604	2,036	2,425	2,612	1,701	1,788	1,839
Accommodation .....	1,157	1,160	1,160	1,193	1,225	1,225	1,225
Depreciation and amortisation .....	52	68	68	69	71	71	68
Other expenses .....	455	438	493	462	477	477	486
<b>TOTAL COST OF SERVICES .....</b>	<b>11,040</b>	<b>11,437</b>	<b>11,842</b>	<b>12,335</b>	<b>11,408</b>	<b>11,560</b>	<b>11,558</b>
<b>Income</b>							
Regulatory fees and fines .....	5,056	8,581	7,505	9,333	8,778	8,978	9,028
Other revenue .....	85	126	80	81	80	82	83
<b>Total Income .....</b>	<b>5,141</b>	<b>8,707</b>	<b>7,585</b>	<b>9,414</b>	<b>8,858</b>	<b>9,060</b>	<b>9,111</b>
<b>NET COST OF SERVICES .....</b>	<b>5,899</b>	<b>2,730</b>	<b>4,257</b>	<b>2,921</b>	<b>2,545</b>	<b>2,497</b>	<b>2,441</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	5,289	2,486	3,967	2,438	2,254	2,208	2,153
Resources received free of charge .....	360	244	244	244	244	244	244
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>5,649</b>	<b>2,730</b>	<b>4,211</b>	<b>2,682</b>	<b>2,498</b>	<b>2,452</b>	<b>2,397</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(250)</b>	<b>-</b>	<b>(46)</b>	<b>(239)</b>	<b>(47)</b>	<b>(45)</b>	<b>(44)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 51, 52 and 52 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	3,334	2,959	3,198	3,040	2,860	2,732	2,688
Holding account receivables .....	301	-	301	301	301	301	301
Receivables .....	1,999	2,195	1,993	2,099	2,203	2,187	2,187
Other .....	110	102	110	110	110	110	110
Total current assets .....	5,744	5,256	5,602	5,550	5,474	5,330	5,286
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	287	369	68	155	251	306	306
Property, plant and equipment .....	27	256	255	166	71	16	16
Intangibles .....	1	-	-	-	-	-	-
Restricted cash .....	223	193	303	110	130	150	150
Total non-current assets .....	538	818	626	431	452	472	472
<b>TOTAL ASSETS .....</b>	<b>6,282</b>	<b>6,074</b>	<b>6,228</b>	<b>5,981</b>	<b>5,926</b>	<b>5,802</b>	<b>5,758</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,402	1,479	1,324	1,323	1,322	1,322	1,247
Payables .....	349	349	349	349	349	270	282
Other .....	200	139	228	228	228	228	228
Total current liabilities .....	1,951	1,967	1,901	1,900	1,899	1,820	1,757
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	389	341	431	424	417	417	480
Other .....	1	1	1	1	1	1	1
Total non-current liabilities .....	390	342	432	425	418	418	481
<b>TOTAL LIABILITIES .....</b>	<b>2,341</b>	<b>2,309</b>	<b>2,333</b>	<b>2,325</b>	<b>2,317</b>	<b>2,238</b>	<b>2,238</b>
<b>EQUITY</b>							
Contributed equity .....	773	773	773	773	773	773	773
Accumulated surplus/(deficit) .....	3,168	2,992	3,122	2,883	2,836	2,791	2,747
<b>Total equity .....</b>	<b>3,941</b>	<b>3,765</b>	<b>3,895</b>	<b>3,656</b>	<b>3,609</b>	<b>3,564</b>	<b>3,520</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>6,282</b>	<b>6,074</b>	<b>6,228</b>	<b>5,981</b>	<b>5,926</b>	<b>5,802</b>	<b>5,758</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	5,169	2,404	3,885	2,334	2,149	2,153	2,153
Holding account drawdowns.....	9	301	301	17	9	-	-
<b>Net cash provided by State Government.....</b>	<b>5,178</b>	<b>2,705</b>	<b>4,186</b>	<b>2,351</b>	<b>2,158</b>	<b>2,153</b>	<b>2,153</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(7,748)	(7,715)	(7,696)	(7,999)	(7,892)	(7,984)	(7,945)
Supplies and services .....	(1,139)	(2,016)	(2,385)	(2,656)	(1,782)	(1,844)	(1,870)
Accommodation .....	(940)	(928)	(928)	(961)	(993)	(993)	(992)
Other payments.....	(1,129)	(705)	(760)	(698)	(718)	(744)	(745)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines.....	5,384	8,543	7,467	9,295	8,739	8,939	8,989
GST receipts .....	277	290	290	262	267	293	293
Other receipts .....	85	117	71	72	70	72	73
<b>Net cash from operating activities .....</b>	<b>(5,210)</b>	<b>(2,414)</b>	<b>(3,941)</b>	<b>(2,685)</b>	<b>(2,309)</b>	<b>(2,261)</b>	<b>(2,197)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(5)	(301)	(301)	(17)	(9)	-	-
<b>Net cash from investing activities.....</b>	<b>(5)</b>	<b>(301)</b>	<b>(301)</b>	<b>(17)</b>	<b>(9)</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(37)</b>	<b>(10)</b>	<b>(56)</b>	<b>(351)</b>	<b>(160)</b>	<b>(108)</b>	<b>(44)</b>
Cash assets at the beginning of the reporting period .....	3,594	3,162	3,557	3,501	3,150	2,990	2,882
<b>Cash assets at the end of the reporting period .....</b>	<b>3,557</b>	<b>3,152</b>	<b>3,501</b>	<b>3,150</b>	<b>2,990</b>	<b>2,882</b>	<b>2,838</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Authority. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Regulatory Fees and Fines</b>							
Industry Funding .....	5,384	8,543	7,467	9,295	8,739	8,939	8,989
<b>GST Receipts</b>							
GST Input Credits .....	277	290	290	262	267	293	293
<b>Other Receipts</b>							
Other Receipts .....	85	117	71	72	70	72	73
<b>TOTAL .....</b>	<b>5,746</b>	<b>8,950</b>	<b>7,828</b>	<b>9,629</b>	<b>9,076</b>	<b>9,304</b>	<b>9,355</b>

(a) 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

## Part 12

## Treasurer; Minister for Energy; Citizenship and Multicultural Interests

### Asset Investment Program

The Commission's Asset Investment Program for 2015-16 and across the forward estimates period totals \$20.2 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Information Technology (IT) Hardware .....	18,628	13,010	1,235	1,243	1,180	1,065	1,065
IT Software .....	41,101	27,619	2,450	4,487	2,610	2,695	2,895
Motor Vehicles .....	9,131	6,462	651	669	500	500	500
Plant and Equipment.....	2,016	1,088	341	148	155	185	220
Telephone and Communication Equipment.....	180	80	20	20	20	20	20
<b>Total Cost of Asset Investment Program.....</b>	<b>71,056</b>	<b>48,259</b>	<b>4,697</b>	<b>6,567</b>	<b>4,465</b>	<b>4,465</b>	<b>4,700</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			4,697	6,567	4,465	4,465	4,700
<b>Total Funding.....</b>			<b>4,697</b>	<b>6,567</b>	<b>4,465</b>	<b>4,465</b>	<b>4,700</b>

## Division 53 Office of the Auditor General

### Part 12 Treasurer; Minister for Energy; Citizenship and Multicultural Interests

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 90 Net amount appropriated to deliver services .....	6,096	6,212	6,188	<b>6,310</b>	6,134	6,065	5,988
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	694	714	714	<b>734</b>	753	753	753
Total appropriations provided to deliver services.....	6,790	6,926	6,902	<b>7,044</b>	6,887	6,818	6,741
<b>CAPITAL</b>							
Item 150 Capital Appropriation.....	300	300	300	<b>300</b>	250	300	300
<b>TOTAL APPROPRIATIONS</b> .....	<b>7,090</b>	<b>7,226</b>	<b>7,202</b>	<b>7,344</b>	<b>7,137</b>	<b>7,118</b>	<b>7,041</b>
<b>EXPENSES</b>							
Total Cost of Services .....	23,379	23,698	23,674	<b>23,986</b>	25,355	25,718	25,643
Net Cost of Services <sup>(a)</sup> .....	6,566	6,875	6,851	<b>6,726</b>	7,318	7,253	7,178
<b>CASH ASSETS</b> <sup>(b)</sup> .....	<b>3,157</b>	<b>3,309</b>	<b>3,083</b>	<b>2,648</b>	<b>2,162</b>	<b>1,294</b>	<b>808</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
15% Procurement Savings.....	-	(217)	(226)	(231)	(231)
2015-16 Streamlined Budget Process Incentive Funding .....	-	113	-	-	-
Workforce Renewal Policy .....	(24)	(198)	(405)	(620)	(848)

#### Significant Issues Impacting the Agency

- Changes to accounting and auditing standards continue to affect the Office's business environment. These changes add to the complexity of audit tasks across the Office and directly impact the level of work conducted by audit staff.
- The performance and legislative review of the *Auditor General Act 2006* (the Act) and the Auditor General's functions by the Joint Standing Committee on Audit will be undertaken in 2015-16. The review is expected to provide important assurance to the Parliament about the performance of the Office and the suitability of the Act.
- The Office's legislative obligation to undertake audits of the public sector will challenge its capacity to stay within the Office's approved salaries budget over the forward estimates. However, the Office is cognisant of the State's overall economic environment and associated fiscal challenges. Accordingly, serious and concerted efforts will be made to achieve the target, in addition to identifying opportunities to reduce other costs.



## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

The Office 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Public Sector Auditing .....	23,379	23,698	23,674	23,986	25,355	25,718	25,643
<b>Total Cost of Services .....</b>	<b>23,379</b>	<b>23,698</b>	<b>23,674</b>	<b>23,986</b>	<b>25,355</b>	<b>25,718</b>	<b>25,643</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: An informed Parliament on public sector accountability and performance:</b>					
The extent that the Office of the Auditor General is effective in informing the Parliament about the 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:					1
Service Delivery - reports tabled .....	5	5	7	5	
Economic Development - reports tabled .....	4	3	3	3	
Social and Environment - reports tabled .....	2	3	2	3	
Governance - reports tabled .....	15	14	17	14	

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

### Explanation of Significant Movements

(Notes)

- The Office aims to provide Parliament with advice and assurance across all four categories of public sector activity. A crucial element of the key effectiveness indicator is the establishment of a three-year target for each category of report. Targets are one factor in the selection of topics. Other factors include the significance of identified issues and regards for matters referred to the Office by Parliament. For this reason, category targets may not always be met in any one year. Accordingly, individual targets must be considered in conjunction with the three-year target.

The current target over three years encompasses the 2012-13 to 2014-15 cycle.

	2012-13 to 2014-15 Three-year Budget Target	2012-13 to 2014-15 Three-year Estimated Actual	2015-16 to 2017-18 Three-year Budget Target
Reports Tabled:			
Service Delivery .....	15	16	15
Economic Development .....	9	9	9
Social and Environment .....	9	7	9
Governance .....	42	47	42

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 23,379	\$'000 23,698	\$'000 23,674	\$'000 23,986	
Less Income .....	16,813	16,823	16,823	17,260	
Net Cost of Service.....	6,566	6,875	6,851	6,726	
<b>Employees (Full Time Equivalents).....</b>	127	130	132	132	
<b>Efficiency Indicators</b>					
Total Audit Cost per \$ Million of Gross Government Expenditure.....	\$472	\$466	\$487	\$478	
Attest Audit Cost per \$ Million of Gross Government Expenditure.....	\$355	\$326	\$341	\$335	
Performance Audit Cost per \$ Million of Gross Government Expenditure.....	\$117	\$140	\$146	\$143	
Average Number of Days Taken After Balance Date to Issue Financial Audit Opinions.....	67	70	70	70	

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Computer Hardware and Software - 2014-15 Program .....	597	597	597	-	-	-	-
<b>NEW WORKS</b>							
Computer Hardware and Software							
2015-16 Program .....	614	-	-	614	-	-	-
2016-17 Program .....	640	-	-	-	640	-	-
2017-18 Program .....	1,012	-	-	-	-	1,012	-
2018-19 Program .....	690	-	-	-	-	-	690
<b>Total Cost of Asset Investment Program.....</b>	3,553	597	597	614	640	1,012	690
<b>FUNDED BY</b>							
Capital Appropriation .....			300	300	250	300	300
Drawdowns from the Holding Account.....			297	314	390	330	390
Internal Funds and Balances.....			-	-	-	382	-
<b>Total Funding.....</b>			597	614	640	1,012	690

## Financial Statements

INCOME STATEMENT <sup>(a)</sup>  
(Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	14,593	14,678	14,654	14,585	15,605	15,767	15,633
Supplies and services .....	5,156	5,171	5,166	5,408	5,641	5,770	5,829
Accommodation .....	2,216	2,154	2,154	2,222	2,294	2,339	2,339
Depreciation and amortisation .....	442	694	694	721	721	721	721
Other expenses .....	972	1,001	1,006	1,050	1,094	1,121	1,121
<b>TOTAL COST OF SERVICES .....</b>	<b>23,379</b>	<b>23,698</b>	<b>23,674</b>	<b>23,986</b>	<b>25,355</b>	<b>25,718</b>	<b>25,643</b>
<b>Income</b>							
Other revenue .....	16,813	16,823	16,823	17,260	18,037	18,465	18,465
<b>Total Income .....</b>	<b>16,813</b>	<b>16,823</b>	<b>16,823</b>	<b>17,260</b>	<b>18,037</b>	<b>18,465</b>	<b>18,465</b>
<b>NET COST OF SERVICES .....</b>	<b>6,566</b>	<b>6,875</b>	<b>6,851</b>	<b>6,726</b>	<b>7,318</b>	<b>7,253</b>	<b>7,178</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	6,790	6,926	6,902	7,044	6,887	6,818	6,741
Resources received free of charge .....	531	467	467	467	467	467	467
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>7,321</b>	<b>7,393</b>	<b>7,369</b>	<b>7,511</b>	<b>7,354</b>	<b>7,285</b>	<b>7,208</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>755</b>	<b>518</b>	<b>518</b>	<b>785</b>	<b>36</b>	<b>32</b>	<b>30</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 127, 132 and 132 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	2,619	2,762	2,505	2,648	2,107	1,180	633
Restricted cash .....	-	-	578	-	-	-	-
Holding account receivables.....	297	314	314	390	330	390	421
Receivables .....	7,346	8,533	7,968	8,743	9,320	10,233	11,146
Other.....	535	282	535	535	535	535	535
<b>Total current assets .....</b>	<b>10,797</b>	<b>11,891</b>	<b>11,900</b>	<b>12,316</b>	<b>12,292</b>	<b>12,338</b>	<b>12,735</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables.....	1,708	2,088	2,088	2,419	2,810	3,141	3,441
Property, plant and equipment.....	750	173	424	351	351	434	405
Intangibles .....	232	398	461	427	346	554	552
Restricted cash .....	538	547	-	-	55	114	175
<b>Total non-current assets .....</b>	<b>3,228</b>	<b>3,206</b>	<b>2,973</b>	<b>3,197</b>	<b>3,562</b>	<b>4,243</b>	<b>4,573</b>
<b>TOTAL ASSETS .....</b>	<b>14,025</b>	<b>15,097</b>	<b>14,873</b>	<b>15,513</b>	<b>15,854</b>	<b>16,581</b>	<b>17,308</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	2,551	2,856	2,551	2,551	2,551	2,551	2,551
Payables .....	628	752	610	610	610	946	1,282
Other.....	480	616	528	83	138	197	258
<b>Total current liabilities .....</b>	<b>3,659</b>	<b>4,224</b>	<b>3,689</b>	<b>3,244</b>	<b>3,299</b>	<b>3,694</b>	<b>4,091</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	874	980	874	874	874	874	874
<b>Total non-current liabilities .....</b>	<b>874</b>	<b>980</b>	<b>874</b>	<b>874</b>	<b>874</b>	<b>874</b>	<b>874</b>
<b>TOTAL LIABILITIES.....</b>	<b>4,533</b>	<b>5,204</b>	<b>4,563</b>	<b>4,118</b>	<b>4,173</b>	<b>4,568</b>	<b>4,965</b>
<b>EQUITY</b>							
Contributed equity .....	7,481	7,781	7,781	8,081	8,331	8,631	8,931
Accumulated surplus/(deficit).....	2,011	2,112	2,529	3,314	3,350	3,382	3,412
<b>Total equity .....</b>	<b>9,492</b>	<b>9,893</b>	<b>10,310</b>	<b>11,395</b>	<b>11,681</b>	<b>12,013</b>	<b>12,343</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>14,025</b>	<b>15,097</b>	<b>14,873</b>	<b>15,513</b>	<b>15,854</b>	<b>16,581</b>	<b>17,308</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	6,124	6,232	6,208	6,323	6,166	6,097	6,020
Capital appropriation .....	300	300	300	300	250	300	300
Holding account drawdowns.....	297	297	297	314	390	330	390
<b>Net cash provided by State Government.....</b>	<b>6,721</b>	<b>6,829</b>	<b>6,805</b>	<b>6,937</b>	<b>6,806</b>	<b>6,727</b>	<b>6,710</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(14,535)	(14,630)	(14,606)	(15,030)	(15,550)	(15,708)	(15,572)
Supplies and services .....	(5,514)	(4,951)	(4,946)	(5,290)	(5,289)	(5,418)	(5,477)
Accommodation .....	(1,723)	(1,703)	(1,703)	(1,771)	(1,843)	(1,888)	(1,888)
Other payments.....	(2,993)	(2,801)	(2,806)	(2,850)	(2,894)	(2,921)	(2,921)
<b>Receipts <sup>(b)</sup></b>							
GST receipts.....	1,958	1,800	1,800	1,800	1,800	1,800	1,800
Other receipts .....	16,673	15,979	15,979	16,383	17,124	17,552	17,552
<b>Net cash from operating activities .....</b>	<b>(6,134)</b>	<b>(6,306)</b>	<b>(6,282)</b>	<b>(6,758)</b>	<b>(6,652)</b>	<b>(6,583)</b>	<b>(6,506)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(686)	(597)	(597)	(614)	(640)	(1,012)	(690)
<b>Net cash from investing activities.....</b>	<b>(686)</b>	<b>(597)</b>	<b>(597)</b>	<b>(614)</b>	<b>(640)</b>	<b>(1,012)</b>	<b>(690)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(99)</b>	<b>(74)</b>	<b>(74)</b>	<b>(435)</b>	<b>(486)</b>	<b>(868)</b>	<b>(486)</b>
Cash assets at the beginning of the reporting period .....	3,256	3,383	3,157	3,083	2,648	2,162	1,294
<b>Cash assets at the end of the reporting period .....</b>	<b>3,157</b>	<b>3,309</b>	<b>3,083</b>	<b>2,648</b>	<b>2,162</b>	<b>1,294</b>	<b>808</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Other Receipts</b>							
Audit Fees.....	16,673	15,979	15,979	16,383	17,124	17,552	17,552
<b>GST Receipts</b>							
GST Input Credits .....	248	170	170	170	170	170	170
GST Receipts on Sales .....	1,710	1,630	1,630	1,630	1,630	1,630	1,630
<b>TOTAL .....</b>	<b>18,631</b>	<b>17,779</b>	<b>17,779</b>	<b>18,183</b>	<b>18,924</b>	<b>19,352</b>	<b>19,352</b>

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

# Western Australian Treasury Corporation

## Part 12

## Treasurer; Minister for Energy; Citizenship and Multicultural Interests

### Asset Investment Program

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

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Computer Hardware/Software - 2014-15 Program .....	1,844	1,844	1,844	-	-	-	-
<b>NEW WORKS</b>							
Computer Hardware/Software							
2015-16 Program .....	1,838	-	-	1,838	-	-	-
2016-17 Program .....	1,644	-	-	-	1,644	-	-
2017-18 Program .....	1,388	-	-	-	-	1,388	-
2018-19 Program .....	1,469	-	-	-	-	-	1,469
<b>Total Cost of Asset Investment Program.....</b>	<b>8,183</b>	<b>1,844</b>	<b>1,844</b>	<b>1,838</b>	<b>1,644</b>	<b>1,388</b>	<b>1,469</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			1,844	1,838	1,644	1,388	1,469
<b>Total Funding .....</b>			<b>1,844</b>	<b>1,838</b>	<b>1,644</b>	<b>1,388</b>	<b>1,469</b>

# Independent Market Operator

## Part 12

## Treasurer; Minister for Energy; Citizenship and Multicultural Interests

### Asset Investment Program

The Independent Market Operator's Asset Investment Program for 2015-16 is \$2.4 million with the majority of this funding assigned to projects designed to enhance the Wholesale Electricity Market Systems and to improve the provision of data and information on the Wholesale Energy Market. It includes funding of \$0.2 million for maintenance and enhancements of infrastructure for the Gas Services Information.

This funding is consistent with the forecast capital expenditure outlined in the Economic Regulation Authority determination for the period 2013-14 to 2015-16 as part of the triennium funding arrangements.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Enterprise Monitoring Solution .....	225	75	75	75	75	-	-
Gas Information Services New Project .....	461	245	157	216	-	-	-
Infrastructure Upgrade .....	2,237	1,697	170	270	270	-	-
Market Regulator System .....	35,991	33,679	2,089	1,812	500	-	-
Standard Operating Environment Upgrade .....	150	50	50	50	50	-	-
<b>COMPLETED WORKS</b>							
Accounting System .....	100	100	100	-	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>39,164</b>	<b>35,846</b>	<b>2,641</b>	<b>2,423</b>	<b>895</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Borrowings .....			2,641	2,423	895	-	-
<b>Total Funding .....</b>			<b>2,641</b>	<b>2,423</b>	<b>895</b>	<b>-</b>	<b>-</b>

# Horizon Power

## **Part 12                    Treasurer; Minister for Energy; Citizenship and Multicultural Interests**

### **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 the statutory and regulatory obligations and maintains the adequacy and quality of electricity to regional customers. Horizon Power will invest a further \$124 million during 2015-16.

#### **Asset Management Plan**

Horizon Power is forecast to invest \$33 million in 2015-16 and a total of \$79.6 million over the forward estimates period to mitigate extreme and high risk 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.

#### **Advanced Metering Infrastructure**

Horizon Power is forecast to invest \$34.1 million to roll-out the Advanced Metering Infrastructure (AMI). The AMI is an integrated system of advanced meters, communications networks, and data management systems that will enable two-way communication between Horizon Power and its customers. Advanced meters measure and record how much electricity a household or business is using at 30 minute intervals and automatically sends this data to the central system, thereby eliminating manual meter reads and enabling disconnections and reconnections in real time.

#### **Pilbara Underground Power Project**

The Pilbara Underground Power Project aims to provide cyclone-prone North West towns with a safer and more reliable power supply by replacing ageing overhead electricity infrastructure with underground networks in the areas of Karratha, South Hedland, Wedgefield, Onslow and Roebourne.

The project is a partnership between the State and local governments and has an expenditure limit of \$230 million. Horizon Power is forecast to invest \$26.9 million in 2015-16 and a total of \$50 million over the forward estimates period.

#### **Onslow Power Station Network Connection**

Horizon Power is forecast to invest \$6.7 million in 2015-16 to fund electricity distribution network upgrades in the town of Onslow. These upgrades are essential to connect the new power station to be built by Chevron under a State Development Agreement signed between the State and Chevron to provide essential infrastructure to accommodate the forecast population growth in Onslow.

#### **Mid West and Norseman Network Augmentation**

Horizon Power is investing in generation in the Mid West towns and Norseman. Combining Norseman into the new Midwest Power Purchase Agreement provides for economies of scale for the counter-party and procurement cost savings to Horizon Power. Horizon Power will invest \$3.7 million in 2015-16 for network augmentation works, connecting the new power stations to the distribution networks in the Mid West towns and Norseman.

#### **Murchison Radio-astronomy Observatory**

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



The MRO project is being funded by a \$10 million contribution from Royalties for Regions and \$5.5 million equity contribution by the State Government. Horizon Power is currently forecast to invest \$12.6 million in 2015-16 to complete the project.

### South Hedland Transmission Works

The Hedland Precinct Power Project has two stages being generation and transmission. The generation stage was completed in 2014-15. Horizon Power will invest \$12.6 million in 2015-16 to complete Stage Two of the project for development of the North West Interconnected System 220 kilovolt transmission network.

### Aboriginal and Remote Community Power Supply Project – Phase Two

Horizon Power continues to progress with the \$26.5 million project to improve the safety, quality and reliability of electricity supply in Kalumburu and Yungngora (Nookanbah) communities. Horizon Power is forecast to invest the remaining \$1 million during 2015-16.

The project involves the upgrade of the existing distribution network in the communities, ensuring community houses and buildings conform to the Australian Electrical Wiring standards, establishing a direct retail arrangement with customers instead of the existing master meter arrangement and regularising the community by introducing a pay as you go electricity retail system using pre-payment meters.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Asset Management Plan							
Asset Replacement .....	84,212	26,307	6,148	14,910	12,835	14,852	15,308
Capacity .....	15,939	4,902	1,070	1,046	3,935	2,982	3,074
Regulatory Compliance .....	31,213	26,283	5,135	3,938	306	338	348
Reliability .....	32,046	19,179	3,837	6,513	2,867	1,717	1,770
Safety .....	109,413	83,587	8,295	6,555	7,162	5,963	6,146
Customer Funded Works - Other Customer Driven Works.....	94,827	85,618	11,979	2,994	3,069	3,146	-
Major Projects							
Advanced Metering Infrastructure .....	34,137	11,387	11,387	14,400	8,152	198	-
Mid West and Norseman Network Augmentation .....	5,667	1,980	1,980	3,687	-	-	-
Murchison Radio Observatory Power Station <sup>(a)</sup> .....	15,724	3,166	1,113	12,558	-	-	-
Onslow Power Infrastructure Project .....	3,000	1,950	1,200	1,050	-	-	-
Onslow Temporary Generation .....	2,883	2,697	1,383	186	-	-	-
Pilbara Underground Power Project .....	230,001	153,107	27,178	26,894	24,000	26,000	-
South Hedland Site and Transmission Works .....	134,776	122,188	16,987	12,588	-	-	-
Other Works							
Knowledge and Technology Investment .....	25,549	6,069	3,097	4,741	4,123	5,098	5,518
Mobile Plant and Operational Fleet .....	31,211	19,177	2,261	1,569	2,782	3,316	4,367
Onslow Power Station Network Connection .....	7,498	846	450	6,652	-	-	-
Property Management .....	22,601	10,846	2,657	1,049	3,182	3,855	3,669
Regularisation							
Aboriginal and Remote Community Power Supply Project - Phase 2 .....	26,505	25,457	2,011	1,048	-	-	-
<b>COMPLETED WORKS</b>							
Major Projects - Carnarvon Power Station Redevelopment .....	77,029	77,029	3,035	-	-	-	-
Other Works - Esperance LED Streetlights .....	3,435	3,435	3,435	-	-	-	-
<b>NEW WORKS</b>							
Major Projects - Pilbara Power Project .....	1,697	-	-	1,697	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>989,363</b>	<b>685,210</b>	<b>114,638</b>	<b>124,075</b>	<b>72,413</b>	<b>67,465</b>	<b>40,200</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			8,559	799	40,129	-	-
Borrowings .....			92,809	56,694	45,344	38,319	40,200
Internal Funds and Balances .....			5,800	41,582	(37,060)	3,146	-
Drawdowns from Royalties for Regions Fund <sup>(b)</sup> .....			7,470	25,000	24,000	26,000	-
<b>Total Funding .....</b>			<b>114,638</b>	<b>124,075</b>	<b>72,413</b>	<b>67,465</b>	<b>40,200</b>

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

(b) Regional Infrastructure and Headworks Fund.

# Synergy

## Part 12      Treasurer; Minister for Energy; Citizenship and Multicultural Interests

### Asset Investment Program

Over the forward estimates period Synergy will spend \$232.1 million on its Asset Investment Program, broadly allocated to generation, retail and corporate programs.

#### Generation

A total of \$186.9 million will be used to sustain Synergy's generation portfolio which utilises coal, gas, liquid fuel and renewable energy sources. Major items include:

- \$87 million for projects to support safety, reliability, efficiency and environmental targets at its Muja C and D Power Station, including:
  - \$52.6 million for projects to maintain efficient operations, with the major allocation of \$22.2 million to sustain and upgrade the boiler systems;
  - \$8.9 million to ensure regulatory compliance with the major allocation of \$4.6 million to construct a temporary dam to store ash and increase the capacity of the existing ash storage dam; and
  - \$25.5 million on projects to enhance the capability of the Station to meet changing generation demands, including \$6 million to upgrade the Station's coal milling facilities and \$3.7 million for the installation of electro hydraulic valve control systems to accommodate overnight plant shut down and efficiently operate the plant at low load;
- \$61.5 million for works to improve Synergy's gas turbine fleet's reliability and security of supply. Major items include:
  - \$24.7 million for strategic spares for the Cockburn Gas Turbine; and
  - \$36.8 million for the Pinjar Gas Turbines, including \$11 million for replacement turbine rotors and stack upgrades, \$12.6 million for control systems upgrades on the open cycle gas turbine fleet, and \$13.1 million on various other smaller projects; and
- the remaining \$38.4 million is allocated to deliver effective operations and management of the remainder of Synergy's generation portfolio, including its Kwinana Power Station, Collie Power Station and Other Generation Infrastructure Projects.

#### Retail

A total of \$37.1 million has been primarily allocated to various information technology related projects to support the development of new products and services to better manage and serve Synergy's more than one million customers.

#### Corporate

A total of \$8.1 million has been allocated for the following corporate projects:

- \$5.6 million has been allocated for the replacement of a number of legacy finance and human resources systems to better manage its financial position, workforce planning and management requirements; and
- \$2.5 million has been allocated to manage and support Synergy's fleet of vehicles, including heavy vehicles used at power stations.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Corporate							
Business Systems Replacement .....	10,600	5,000	5,000	4,000	1,300	300	-
Property Plant and Equipment .....	3,510	1,010	500	500	500	500	1,000
Generation							
Cockburn Gas Turbine .....	33,054	8,355	8,355	622	7,820	434	15,823
Collie Power Station .....	25,784	12,351	8,018	9,152	2,529	980	772
Kwinana Power Station .....	6,222	3,397	-	1,431	500	500	394
Muja C and D Power Station .....	144,238	57,272	29,725	23,149	20,170	20,364	23,283
Other Generation Infrastructure Projects .....	40,005	17,764	8,044	14,628	6,111	1,002	500
Pinjar Gas Turbine .....	45,594	8,826	6,812	8,650	7,683	9,726	10,709
Retail							
Asset Replacement Program and Critical Core Server							
Disaster Recovery .....	8,873	6,468	3,610	2,405	-	-	-
Customer Information and Billing System .....	13,682	9,507	8,072	1,027	1,030	1,030	1,088
Product and Software Development .....	8,546	4,689	4,036	709	1,030	1,030	1,088
System Enhancements .....	38,334	11,659	9,282	2,418	7,938	7,938	8,381
<b>COMPLETED WORKS</b>							
Generation - High Efficiency Gas Turbines .....	2,206	2,206	1,442	-	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>380,648</b>	<b>148,504</b>	<b>92,896</b>	<b>68,691</b>	<b>56,611</b>	<b>43,804</b>	<b>63,038</b>
<b>FUNDED BY</b>							
Internal Funds and Balances .....			92,896	68,691	56,611	43,804	63,038
<b>Total Funding .....</b>			<b>92,896</b>	<b>68,691</b>	<b>56,611</b>	<b>43,804</b>	<b>63,038</b>

# Western Power Networks

## Part 12 Treasurer; Minister for Energy; Citizenship and Multicultural Interests

### 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.

To achieve the optimal balance between risk-based investment prioritisation and efficient delivery, Western Power is moving towards a Zone Based Asset Management approach, which is initially focused on distribution overhead network assets. This approach aims to do as much work as possible in target geographical zones for maximum delivery efficiency. Targeted zones are selected on the basis of the greatest risk reduction per dollar spent following risk assessments in Western Power's Network Risk Management Tool.

Western Power is expected to achieve the service performance targets and the majority of the outcomes planned in the third access arrangement and will invest \$650.7 million in 2015-16 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.

### 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 \$393.8 million in 2015-16 to continue a number of important safety programs, including:

- pole management, including \$239.2 million on:
  - the replacement and reinforcement of wood poles to address safety concerns associated with pole failures;
  - the replacement of wood pole cross arms to mitigate consequences of cross arm failure including the ignition of pole top fires, or which result in fallen conductors and network outages; and
- \$153.5 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.

### Connecting Customers

Western Power continues to focus on connecting customers and investing in infrastructure to support the State.

Western Power has recently completed the construction of the Mid West Energy Project, which is a 330 kilovolt double circuit transmission line connecting Perth to Three Springs. In 2015-16, Western Power will invest \$4.1 million on this project for easement and crop loss compensation.

## 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 2015-16. The partnership between the State Government, Western Power and participating local governments proposes Western Power underground powerlines in the suburbs of Ardross East, Melville South, Kalamunda (town centre), Pinjarra (Pinjarra Road), Albany (Albany Highway), Katanning (Clive Street), Laverton (Horizon Power funded) and Perth (Brookman and Moir Street precinct).

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 \$63 million has been allocated for asset replacement in 2015-16 for transmission and distribution assets such as transformers, circuit breakers and surge arrestors.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Capitalised Borrowing Costs .....	64,942	55,434	2,380	2,143	2,312	2,398	2,655
Government Initiative - State Underground Power Program .....	154,461	71,752	22,224	20,435	22,736	19,069	20,469
Growth							
Distribution - Customer Access .....	521,794	521,793	149,200	-	-	-	-
Major Projects - Mid West Energy Project .....	404,235	400,173	152,190	4,062	-	-	-
Transmission - Customer Driven .....	81,836	81,835	6,306	-	-	-	-
Other Asset Investment							
Motor Vehicle Fleet and Mobile Plant .....	252,624	99,933	25,628	35,638	42,547	36,793	37,713
System Management .....	19,408	8,048	910	2,814	2,956	2,706	2,884
Safety							
Bushfire Mitigation <sup>(a)</sup> .....	108,558	77,606	22,091	7,353	7,695	7,821	8,083
Conductor Management <sup>(a)</sup> .....	703,906	215,584	83,906	146,128	124,130	107,240	110,824
Connection Management .....	137,262	132,641	65,346	1,098	1,149	1,168	1,206
Pole Management .....	1,631,506	798,001	246,334	239,229	169,604	208,834	215,838
Security - Thermal Management .....	43,963	1,714	1,148	9,300	12,597	19,195	1,157
Service							
Business Support and Information Technology .....	368,016	132,313	55,372	57,358	52,944	60,391	65,010
Corporate Real Estate .....	145,332	47,169	17,500	22,908	24,670	28,380	22,205
Metering .....	103,486	43,926	19,427	15,418	14,977	14,343	14,822
Regulatory Compliance .....	150,484	74,922	21,835	21,893	18,082	17,497	18,090
Reliability Driven Asset Replacement .....	447,407	172,149	63,608	62,977	65,639	75,434	71,208
<b>COMPLETED WORKS</b>							
Growth							
Distribution - Capacity Expansion .....	113,214	113,214	23,965	-	-	-	-
Transmission - Capacity Expansion .....	76,341	76,341	34,880	-	-	-	-
<b>NEW WORKS</b>							
Security - Voltage and Fault Level Management .....	11,064	-	-	1,950	3,089	5,559	466
<b>Total Cost of Asset Investment Program .....</b>	<b>5,539,839</b>	<b>3,124,548</b>	<b>1,014,250</b>	<b>650,704</b>	<b>565,127</b>	<b>606,828</b>	<b>592,630</b>
<b>FUNDED BY</b>							
Borrowings .....			501,813	146,204	24,070	63,307	(862)
Internal Funds and Balances .....			512,437	504,500	541,057	543,521	593,492
<b>Total Funding .....</b>			<b>1,014,250</b>	<b>650,704</b>	<b>565,127</b>	<b>606,828</b>	<b>592,630</b>

(a) Expenditure for the conductor replacement and remediation projects of ageing or deteriorating distribution overhead power lines in high and extreme bushfire zones was previously funded through bushfire mitigation, and has been moved to conductor management from 2015-16.

# Western Power Provisions

## Part 12

## Treasurer; Minister for Energy; Citizenship and Multicultural Interests

### Asset Investment Program

Western Power is committed to connecting customers and investing in infrastructure to support the State. A provision of \$399.6 million has been made in 2015-16 (prior to the application of the balance of savings 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.

Western Power is planning to invest \$97.9 million in capacity expansion to facilitate customers connecting to the transmission and distribution networks in 2015-16. Significant projects include:

- the provision of new substation and feeder capacity in the Shenton Park, East Perth, Nedlands and Busselton areas, providing improved reliability and greater capacity for customers to connect;
- improvements to the transmission line from Kojonup to Albany and installation of electrical components in the Albany substation to increase power transfer capacity to the Albany area;
- the installation of a new 132 kilovolt transmission cable in the Perth CBD between the Hay Street and Milligan Street substations, which will improve transmission capacity and free up large amounts of distribution capacity for new CBD customers; and
- generally across the transmission substations, replacement of components that cannot meet current power flows during fault conditions, including in the Kwinana Terminal and Southern Terminal switchyards.

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 2015-16, Western Power is forecasting \$62.3 million for substation upgrades, new connections and line relocations.

Distribution customer driven works typically reflect a large number of small projects to facilitate customer requests for connection to the network. Western Power is forecasting \$239.4 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 Mid-year Review, the Government extended the range of savings measures first introduced in the 2014-15 Budget, including a further 5% reduction in the cost of delivering the AIP across the period 2015-16 to 2017-18. Of the \$321.7 million of total savings required over the period 2014-15 to 2017-18, Western Power allocated \$254.9 million to specific projects as part of the 2015-16 Budget, with the remaining \$66.8 million of these savings to be allocated to projects prior to the 2015-16 Mid-year Review.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>NEW WORKS</b>							
Growth							
Distribution							
Capacity Expansion.....	189,083	-	-	63,342	41,334	35,602	48,805
Customer Driven.....	851,519	-	-	239,430	199,580	202,870	209,639
Transmission							
Capacity Expansion.....	120,076	-	-	34,602	34,412	32,751	18,311
Customer Driven.....	176,697	-	-	62,274	31,821	39,866	42,736
Balance of AIP Efficiency Measures.....	(66,755)	-	-	(34,809)	(15,898)	(16,048)	-
<b>Total Cost of Asset Investment Program.....</b>	<b>1,270,620</b>	<b>-</b>	<b>-</b>	<b>364,839</b>	<b>291,249</b>	<b>295,041</b>	<b>319,491</b>
<b>FUNDED BY</b>							
Borrowings.....			-	336,289	273,408	277,530	299,931
Internal Funds and Balances.....			-	28,550	17,841	17,511	19,560
<b>Total Funding.....</b>			<b>-</b>	<b>364,839</b>	<b>291,249</b>	<b>295,041</b>	<b>319,491</b>

# Electricity Sector Provisions

## Part 12

## Treasurer; Minister for Energy; Citizenship and Multicultural Interests

### Asset Investment Program

#### South Hedland Site and Transmission Works

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 a total of \$17.5 million, and anticipates that the project expenditure will remain within the total funding approved of \$138 million.

#### Pilbara Power Project – Upgrade Transmission Network

As part of 2015-16 Budget, the Government approved up to \$30.1 million over 2015-16 and 2016-17 for the transmission network augmentation related to the new power station site in South Hedland. Release of this contingency is subject to Horizon Power providing its cost business case to the satisfaction of the State Government.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Horizon Power							
South Hedland Site and Transmission Works							
Contingency .....	3,208	3,208	3,208	-	-	-	-
<b>NEW WORKS</b>							
Horizon Power							
Pilbara Power Project - Upgrade Transmission Network ....	30,105	-	-	26,941	3,164	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>33,313</b>	<b>3,208</b>	<b>3,208</b>	<b>26,941</b>	<b>3,164</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Borrowings.....			3,208	26,941	3,164	-	-
<b>Total Funding.....</b>			<b>3,208</b>	<b>26,941</b>	<b>3,164</b>	<b>-</b>	<b>-</b>



## Part 13

### Minister for Local Government; Community Services; Seniors and Volunteering; Youth

#### Summary of Portfolio Appropriations

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
623	Local Government and Communities			
	– Delivery of Services .....	123,397	81,111	93,322
	– Capital Appropriation .....	-	-	870
	<b>Total</b> .....	<b>123,397</b>	<b>81,111</b>	<b>94,192</b>
	<b>GRAND TOTAL</b>			
	– Delivery of Services .....	123,397	81,111	93,322
	– Capital Appropriation .....	-	-	870
	<b>Total</b> .....	<b>123,397</b>	<b>81,111</b>	<b>94,192</b>



## Division 54 Local Government and Communities

### Part 13 Minister for Local Government; Community Services; Seniors and Volunteering; Youth

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 91 Net amount appropriated to deliver services .....	130,693	122,810	80,524	<b>92,724</b>	99,536	102,491	105,852
Item 92 Contribution to the Western Australian Family Foundation Trust Account .....	250	250	250	<b>250</b>	250	250	250
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	328	337	337	<b>348</b>	358	358	358
Total appropriations provided to deliver services.....	131,271	123,397	81,111	<b>93,322</b>	100,144	103,099	106,460
<b>ADMINISTERED TRANSACTIONS</b>							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments .....	1,520	-	-	-	-	-	-
<b>CAPITAL</b>							
Item 151 Capital Appropriation.....	615	-	-	<b>870</b>	832	769	721
<b>TOTAL APPROPRIATIONS .....</b>	<b>133,406</b>	<b>123,397</b>	<b>81,111</b>	<b>94,192</b>	<b>100,976</b>	<b>103,868</b>	<b>107,181</b>
<b>EXPENSES</b>							
Total Cost of Services .....	138,119	137,222	111,262	<b>110,622</b>	111,727	109,706	111,568
Net Cost of Services <sup>(a)</sup> .....	133,739	135,011	106,998	<b>108,216</b>	109,673	107,652	109,514
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>40,682</b>	<b>24,887</b>	<b>19,608</b>	<b>13,157</b>	<b>13,136</b>	<b>13,211</b>	<b>13,286</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(900)	(1,300)	(1,300)	(1,300)	(1,300)
15% Procurement Savings .....	-	(466)	(455)	(455)	(455)
Capping of Leave Liabilities at 2011-12 Levels .....	(25)	(25)	(25)	(25)	(25)
Enhanced Transition to School Project .....	900	300	-	-	-
Grandcarers Support Scheme .....	-	260	404	510	600
ICT Savings and Reform .....	(67)	(138)	(141)	(144)	-
Metropolitan Local Government Reform .....	(5,000)	(5,000)	(5,000)	-	-
National Quality Agenda for Early Childhood and Care (Commonwealth Funding) .....	880	-	-	-	-
Non-Government Human Services Sector Indexation Adjustment .....	(165)	-	-	-	-
Off Road Vehicles Program .....	5	50	50	20	20

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Royalties for Regions - Caravan Parks and Camping Grounds Act 1995 Review.....	40	-	-	-	-
Seniors Cost of Living Rebate.....	(21,370)	(22,938)	(24,610)	(23,124)	(21,634)
Seniors Safety and Security Rebate.....	-	(1,000)	(1,000)	-	-
Seniors Western Australian Photo Card Concession.....	-	(139)	-	-	-
Transfer of Corporate Services Functions from the Department for Child Protection and Family Support.....	465	477	489	501	513
Workforce Renewal Policy .....	(78)	(648)	(1,338)	(2,065)	(2,828)

## Significant Issues Impacting the Agency

- The need for closer collaboration and stronger partnerships between the State Government, local governments and community service organisations provided the foundation for establishing the Department in July 2013. The Department is working with leaders from peak bodies in the community and local government sectors to promote quality and coordination of services, improve links between the sectors and empower communities to determine local priorities and strategies in response to their particular social challenges. A key vehicle is the Community Development Roundtable, comprising leadership from the Department, Western Australian Council of Social Services, Western Australian Local Government Association and Local Government Managers Australia.
- The Government is committed to building a genuine partnership in the policy, planning and delivery of community services in Western Australia. The Department provides significant funding to the community sector, delivering over \$25.6 million in funded services. Through its membership of the Partnership Forum, the Department is seeking to maximise the impact of its investment in community services. A review of procurement planning for its community services recurrent funding program will identify any gaps and highlight best practices. A comprehensive stakeholder consultation process across government and non-government sectors has been undertaken and the outcomes will be implemented from 2015-16 onwards.
- The number of Western Australians aged 60 years and over is expected to increase by more than 180% by 2050. Population growth, demographic change and ageing are placing increased demands on services, including the costs of concessions and benefits available to seniors. The government will continue to ensure that concessions are well targeted and sustainable. Support is provided to seniors to become active participants in the community, and to prevent elder abuse.
- The number of families with children grew by 13% between 2006 and 2011. The Department is committed to delivering high quality services to parents across Western Australia and to supporting the development of Aboriginal children and families. Parenting programs, resources, advice and support are offered across the State. In addition, targeted support is provided to grandcarers and to Aboriginal early years services.
- There are more than 480,000 young people aged 12–25 years in Western Australia, with young people comprising 16% of the State's regional population. There is a need to improve young people's health and wellbeing, education and economic outcomes, and to meet the unique challenges for young people and their families living in regional Western Australia. This is a specific focus of the Department as it develops programs and policies in collaboration with other agencies and organisations.
- In response to the growing demand for skilled volunteers, the Department partners with Volunteering WA to support organisations with recruitment, retention, training, screening and management of volunteers. The value of volunteers across the wider community is recognised and acknowledged in annual awards.
- An estimated 310,000 people provide unpaid care throughout Western Australia and this number is expected to rise in response to the ageing population, the incidence of disability and the number of children being raised by their grandparents. The Department partners with Carers WA to develop programs and initiatives which raise awareness of carers in the community and workplace. Engagement mechanisms are provided for carers and care organisations to ensure their rights are addressed.
- There is a growing community demand for high standard and consistent early childhood education and care services. The National Quality Framework (NQF) is addressing this need and, as the State Regulatory Authority for early childhood education and care services, the Department assesses and rates services under the NQF. A quality rating for each early childhood education and care service provides parents with the information they need when looking for care for their children. The Department has made structural and procedural changes to meet the increasing resource requirements of monitoring services against the NQF.

- 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 councillors and staff to exercise good governance and undertake the required strategic and corporate planning, and asset and financial management, through the provision of targeted training, advice and support.
- Legislation administered by the Department to enable the effective functioning of local governments, and to provide for related matters including caravan parks and camping grounds, off road vehicles and cemeteries and crematoria, requires ongoing review and reform. Amendments are being progressed to ensure that this legislation meets evolving community expectations and quality standards.
- There is a continuing need to promote women in leadership and women's economic independence to support life long workforce opportunities. Impediments to women's workforce participation contribute to low representation in scientific, technical and trade occupations, and under representation in senior leadership roles and on boards. These factors contribute to the gender pay gap in Western Australia. The Department supports a range of programs and initiatives to address these issues.
- The Western Australian community is experiencing a 'super diversity', with over 31% of the State's population born overseas. This high level of diversity provides social and economic opportunities and challenges. The impact of overseas conflicts is increasingly posing risks to social cohesion and there is a growing need for strategies that encourage shared values and develop a sense of belonging across different communities. Ongoing support is required for institutions and agencies that connect diverse communities and promote respect and tolerance. At the same time, programs continue to be supported that progress equal access to resources and services, and participation in social, civic and political structures and systems.

## 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

The Department has revised its Outcome Based Management (OBM) structure to provide a more transparent view of its operations. The revised structure includes an expansion from three to five services as well as new effectiveness and efficiency indicators.

The 2013-14 Actual, 2014-15 Budget and 2014-15 Estimated Actual have been restated where possible for comparability purposes.

## 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 Early Education and Care sector met required quality standards.	1. Regulation and Support of the Early Education and Care Sector
	Local governments were capable and well-governed.	2. Regulation and Support of Local Government
	Seniors received concessions and rebates administered by the Department.	3. Payments to Individuals
	Local community services and community building programs met the identified needs of individuals and families.	4. Delivery of Community Services, Grants and Resources
	Western Australia was recognised as a vibrant and effective multicultural society.	5. Promotion and Support of Multiculturalism

## Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Regulation and Support of the Early Education and Care Sector .....	16,860	15,416	16,288	15,382	14,634	15,018	13,875
2. Regulation and Support of Local Government.....	16,631	19,914	15,436	16,963	16,897	11,858	12,137
3. Payments to Individuals .....	46,923	46,945	25,465	26,281	27,951	29,642	31,316
4. Delivery of Community Services, Grants and Resources .....	52,186	48,820	47,910	45,694	45,817	46,672	47,633
5. Promotion and Support of Multiculturalism.....	5,519	6,127	6,163	6,302	6,428	6,516	6,607
<b>Total Cost of Services .....</b>	<b>138,119</b>	<b>137,222</b>	<b>111,262</b>	<b>110,622</b>	<b>111,727</b>	<b>109,706</b>	<b>111,568</b>

## Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: The Early Education and Care sector met required quality standards:</b>					
Percentage of assessed early childhood education and care services that met or exceeded national standards <sup>(b)</sup> .....	59%	n/a	65%	67%	
<b>Outcome: Local governments were capable and well-governed:</b>					
Percentage of local governments that did not have an action taken against them under the Department's compliance framework <sup>(b)</sup> .....	55%	n/a	56%	60%	
Percentage of local governments with Integrated Planning and Reporting plans reviewed <sup>(b)</sup> .....	99%	n/a	n/a	75%	1,2
<b>Outcome: Seniors received concessions and rebates administered by the Department:</b>					
The take-up rate of Seniors Card <sup>(b)</sup> .....	93%	n/a	94%	94%	
<b>Outcome: Local community services and community building programs met the identified needs of individuals and families:</b>					
Percentage of service users that had their identified needs met <sup>(b)</sup> .....	96%	n/a	96%	96%	
Percentage of community building grants that were acquitted against identified outcomes <sup>(b)</sup> .....	70%	n/a	75%	85%	
<b>Outcome: Western Australia was recognised as a vibrant and effective multicultural society:</b>					
Percentage of organisations and individuals who report that the Office of Multicultural Interests had a positive impact on the promotion and support of multiculturalism .....	78%	80%	80%	80%	
Percentage of community grants for multicultural organisations that were acquitted against identified outcomes <sup>(b)</sup> .....	84%	n/a	76%	85%	

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

(b) This is a new effectiveness indicator resulting from the Department's revised OBM structure. There is therefore no result for the 2014-15 Budget.

## Explanation of Significant Movements

(Notes)

1. Fewer reviews of Integrated Planning and Reporting are planned in 2015-16 compared to 2013-14 as 2013-14 was the first year that Integrated Planning and Reporting was required and reviews were conducted across the sector.
2. A 2014-15 Estimated Actual is not applicable as local governments update Integrated Planning and Reporting plans biennially and the Department will next undertake reviews in 2015-16.

## Services and Key Efficiency Indicators

### 1. Regulation and Support of the Early Education and Care Sector

Regulation and quality assurance of early education and care services against required service standards. This includes development of planning, capacity building and support for early education and care services.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 16,860	\$'000 15,416	\$'000 16,288	\$'000 15,382	
Less Income .....	1,027	469	1,349	474	1
Net Cost of Service.....	15,833	14,947	14,939	14,908	
Employees (Full Time Equivalents).....	83	80	80	79	
<b>Efficiency Indicators</b>					
Average Cost per Licensed Service for Regulation and Support <sup>(a)</sup> .....	\$15,671	n/a	\$13,655	\$11,291	2

(a) This is a new efficiency indicator resulting from the Department's revised OBM structure. There is therefore no result for the 2014-15 Budget.

### Explanation of Significant Movements

(Notes)

1. The 2014-15 Budget is less than the 2014-15 Estimated Actual due to a reduction in funding associated with the Early Childhood Education and Care National Partnership.
2. The 2015-16 Budget Target is less than the 2014-15 Estimated Actual due to a reduction in expenditure associated with the Early Childhood Education and Care National Partnership and the Regional Community Child Care Development Fund.

### 2. Regulation and Support of Local Government

Supporting local governments' to fulfil their statutory obligations and to improve capability in the sector.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 16,631	\$'000 19,914	\$'000 15,436	\$'000 16,963	1
Less Income .....	534	215	265	244	
Net Cost of Service.....	16,097	19,699	15,171	16,719	
Employees (Full Time Equivalents).....	79	76	80	79	
<b>Efficiency Indicators</b>					
Average Cost per Local Government for Regulation and Support <sup>(a)</sup> .....	\$97,121	n/a	\$96,567	\$96,391	

(a) This is a new efficiency indicator resulting from the Department's revised OBM structure. There is therefore no result for the 2014-15 Budget.

### Explanation of Significant Movements

(Notes)

1. The 2014-15 Estimated Actual is less than the 2014-15 Budget due to the withdrawal of funding for Metropolitan Local Government Reform.

### 3. Payments to Individuals

Delivery of benefits and concessions administered by the Department, including the Seniors Card.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 46,923	\$'000 46,945	\$'000 25,465	\$'000 26,281	1
Less Income .....	114	4	4	63	
Net Cost of Service.....	46,809	46,941	25,461	26,218	
<b>Employees (Full Time Equivalents).....</b>	<b>16</b>	<b>15</b>	<b>16</b>	<b>16</b>	
<b>Efficiency Indicators</b>					
Average Management Cost per Seniors Card <sup>(a)</sup> .....	\$6.88	n/a	\$7.26	\$7.12	

(a) This is a new efficiency indicator resulting from the Department's revised OBM structure. There is therefore no result for the 2014-15 Budget.

#### Explanation of Significant Movements

(Notes)

1. The 2014-15 Estimated Actual is less than the 2014-15 Budget due to changes to the Seniors' Cost of Living Rebate.

### 4. Delivery of Community Services, Grants and Resources

Development, planning and provision of information, programs and support for Western Australians across community services and local governments.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 52,186	\$'000 48,820	\$'000 47,910	\$'000 45,694	1
Less Income .....	2,613	1,518	2,641	1,621	
Net Cost of Service.....	49,573	47,302	45,269	44,073	
<b>Employees (Full Time Equivalents).....</b>	<b>108</b>	<b>104</b>	<b>108</b>	<b>106</b>	
<b>Efficiency Indicators</b>					
Number of Grants and Service Agreements per Full Time Equivalent (FTE) <sup>(a)</sup> .....	36.65	n/a	37.5	38.1	
Proportion of Administrative and Management Expenditure to Service Delivery Expenditure <sup>(a)</sup> .....	12%	n/a	9%	9%	

(a) This is a new efficiency indicator resulting from the Department's revised OBM structure. There is therefore no result for the 2014-15 Budget.

#### Explanation of Significant Movements

(Notes)

1. The 2015-16 Budget Target is less than the 2014-15 Estimated Actual due to a reduction in funding associated with the Universal Access to Early Childhood Education program.



## 5. Promotion and Support of Multiculturalism

Development and implementation of policies, programs and services that achieve the full potential of multiculturalism.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 5,519	\$'000 6,127	\$'000 6,163	\$'000 6,302	
Less Income .....	92	5	5	4	
Net Cost of Service.....	5,427	6,122	6,158	6,298	
Employees (Full Time Equivalents).....	23	22	22	22	
<b>Efficiency Indicators</b>					
Average Cost per Project to Support and Promote Multiculturalism <sup>(a)</sup> .....	\$101,134	n/a	\$110,753	\$101,315	1
Number of Grants and Service Agreements per FTE <sup>(a)</sup> .....	45.6	n/a	30.9	37.1	

(a) This is a new efficiency indicator resulting from the Department's revised OBM structure. There is therefore no result for the 2014-15 Budget.

### Explanation of Significant Movements

(Notes)

- The 2015-16 grants include the anticipated reintroduction of the Harmony Champions Program, that was run in 2013-14 but not in 2014-15, and the expansion of the Community Languages Program.

## Asset Investment Program

The Asset Investment Program comprises funding for the ongoing replacement of computers and office equipment and upgrades to the Department's various child care and family centres.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Computer and Office Equipment Replacement 2014-15 Program .....	103	103	103	-	-	-	-
Upgrades to Child Care, Family and Neighbourhood Centres - 2014-15 Program .....	1,000	1,000	1,000	-	-	-	-
<b>NEW WORKS</b>							
Computer and Office Equipment Replacement 2015-16 Program .....	103	-	-	103	-	-	-
2016-17 Program .....	103	-	-	-	103	-	-
2017-18 Program .....	103	-	-	-	-	103	-
2018-19 Program .....	103	-	-	-	-	-	103
Upgrades to Child Care, Family and Neighbourhood Centres							
2015-16 Program .....	870	-	-	870	-	-	-
2016-17 Program .....	832	-	-	-	832	-	-
2017-18 Program .....	769	-	-	-	-	769	-
2018-19 Program .....	721	-	-	-	-	-	721
<b>Total Cost of Asset Investment Program.....</b>	<b>4,707</b>	<b>1,103</b>	<b>1,103</b>	<b>973</b>	<b>935</b>	<b>872</b>	<b>824</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			-	870	832	769	721
Drawdowns from the Holding Account.....			103	103	103	103	103
Internal Funds and Balances.....			1,000	-	-	-	-
<b>Total Funding.....</b>			<b>1,103</b>	<b>973</b>	<b>935</b>	<b>872</b>	<b>824</b>

## Financial Statements

### Income Statement

#### *Expenses*

The reduction in the 2014-15 Estimated Actual grants expenditure of \$24.6 million, when compared to the 2014-15 Budget reflects withdrawal of funding for Metropolitan Local Government Reform and changes to the Seniors' Cost of Living Rebate.

The increases in Total Cost of Services across the forward estimates period relate to escalation in both salaries and non-salaries funding in line with the Government's escalation policies for these expenditure categories, offset by approved changes in expenditure as outlined in the Spending Changes table.

#### *Income*

In addition to the funding changes outlined above, the reduction in income from the State Government includes reduced appropriation as a result of the Government's policy for agencies to return surplus cash holdings to the Consolidated Account. This measure has been implemented by drawing down on the surplus cash, with an offsetting reduction in appropriation of \$15.4 million.

The total income for 2015-16 reduces by \$1.9 million when compared to the 2014-15 Estimated Actual. This largely reflects the cessation of Commonwealth funding of \$880,000 under the Early Childhood Education Care National Partnership Agreement in 2014-15, subject to the negotiation of a new Agreement and reduced funding of \$825,000 associated with completion of Universal Access to Early Childhood Education programs.

### Statement of Financial Position

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

The 2015-16 Budget Estimate for restricted cash reduces by \$6.4 million from the 2014-15 Estimated Actual due to the drawdown of \$873,000 of the cash balance for the Royalties for Regions (RfR) Country Local Government Fund initiative, \$1.1 million for the 27<sup>th</sup> Pay period that occurs in 2015-16 and a return to Government of \$4.4 million of unspent Social Innovation Grant funds and Social Enterprise Funds. In line with the Department's depreciation policy, intangible assets also reduces by \$383,000 in 2015-16 and then is fully depreciated by 2017-18.

### Statement of Cashflows

The reduction in the Department's cash assets between the 2013-14 Actual and the 2014-15 Estimated Actual resulted from the Department drawing down surplus cash identified as part of the Government's Cash Management Policy, with an offsetting reduction in appropriation.

The Department's net cash holdings in the 2015-16 Budget Estimate is \$13.2 million, representing a reduction of \$6.4 million (or 33%) from the 2014-15 Estimated Actual. As noted in the Statement of Financial Position section, \$873,000 of the reduction is due to the drawdown on cash reserves for the RfR Country Local Government Fund initiative, \$1.1 million for the 27<sup>th</sup> Pay period that occurs in 2015-16 and a return to Government of \$4.4 million of unspent Social Innovation Grant funds and Social Enterprise Funds.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	36,552	31,998	32,385	32,395	31,787	30,255	30,132
Grants and subsidies <sup>(c)</sup> .....	58,379	58,252	33,631	33,823	33,123	31,219	32,314
Supplies and services .....	34,530	39,892	38,155	36,908	39,029	40,350	41,374
Accommodation .....	5,078	4,938	4,638	4,997	5,233	5,296	5,344
Depreciation and amortisation .....	1,350	1,083	1,375	1,395	1,483	1,514	1,332
Other expenses .....	2,230	1,059	1,078	1,104	1,072	1,072	1,072
<b>TOTAL COST OF SERVICES .....</b>	<b>138,119</b>	<b>137,222</b>	<b>111,262</b>	<b>110,622</b>	<b>111,727</b>	<b>109,706</b>	<b>111,568</b>
<b>Income</b>							
Sale of goods and services .....	538	638	688	738	686	686	686
Grants and subsidies .....	2,972	1,184	2,964	1,273	973	973	973
Other revenue .....	870	389	612	395	395	395	395
<b>Total Income .....</b>	<b>4,380</b>	<b>2,211</b>	<b>4,264</b>	<b>2,406</b>	<b>2,054</b>	<b>2,054</b>	<b>2,054</b>
<b>NET COST OF SERVICES .....</b>	<b>133,739</b>	<b>135,011</b>	<b>106,998</b>	<b>108,216</b>	<b>109,673</b>	<b>107,652</b>	<b>109,514</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	131,271	123,397	81,111	93,322	100,144	103,099	106,460
Resources received free of charge .....	2,413	2,841	2,841	2,953	3,069	3,069	3,069
Royalties for Regions Fund:							
Country Local Government Fund .....	-	38	1,440	4,059	4,765	-	-
Regional Community Services Fund .....	3,251	2,882	2,284	2,408	1,557	1,559	60
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>136,935</b>	<b>129,158</b>	<b>87,676</b>	<b>102,742</b>	<b>109,535</b>	<b>107,727</b>	<b>109,589</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>3,196</b>	<b>(5,853)</b>	<b>(19,322)</b>	<b>(5,474)</b>	<b>(138)</b>	<b>75</b>	<b>75</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 309, 306 and 302 respectively. In some cases the figures for 2013-14 and 2014-15 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

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Aboriginal Early Years.....	-	-	100	100	100	100	100
Beyond Gambling Grants.....	719	460	460	460	460	460	460
Cat Act 2011 Implementation.....	341	-	-	-	-	-	-
Community Gardens.....	99	100	100	100	100	100	100
Community Languages Program.....	1,051	1,058	1,058	1,058	1,058	1,058	1,058
Companion Animal Shelters.....	200	200	200	200	-	-	-
Country High School Hostels Ex Gratia Scheme.....	3,061	-	-	-	-	-	-
Enhanced Transition to School Project.....	-	-	900	300	-	-	-
Grandcarers Assistance (Respite) Program.....	125	-	125	125	125	125	-
Grandcarers Support Scheme.....	251	450	450	710	854	960	1,050
Local Government Scholarship Fund.....	26	29	29	29	29	29	29
Metropolitan Local Government Reform.....	1,773	5,000	-	-	-	-	-
Office of Multicultural Interests - Community Grants.....	827	786	786	786	786	786	786
Other Grants.....	1,190	38	-	-	-	100	100
Other Local Government Grants.....	8	9	-	-	-	-	-
Redress Scheme.....	13	-	-	-	-	-	-
Regional Local Government Amalgamations...	26	721	721	-	-	-	-
Royalties for Regions							
Country Local Government Fund Capacity Building.....	1,057	982	1,360	3,632	3,426	-	-
Regional Community Childcare Development Fund.....	796	1,200	1,200	1,935	360	360	-
Seniors Cost of Living Rebate.....	39,628	42,740	21,370	22,819	24,256	25,742	27,232
Seniors Housing Information Service.....	-	100	100	100	100	-	-
Seniors Recreation Council.....	-	-	70	70	70	-	-
Seniors Safety and Security Rebate.....	1,227	927	927	-	-	-	-
Social Enterprise Fund.....	1,573	2,053	2,053	-	-	-	-
Social Innovation Grants.....	2,880	-	223	-	-	-	-
Western Australia Family Foundation.....	187	250	250	250	250	250	250
Youth Grants.....	1,321	1,149	1,149	1,149	1,149	1,149	1,149
<b>TOTAL .....</b>	<b>58,379</b>	<b>58,252</b>	<b>33,631</b>	<b>33,823</b>	<b>33,123</b>	<b>31,219</b>	<b>32,314</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	26,387	14,870	7,121	7,022	7,019	7,082	7,145
Restricted cash .....	13,384	8,900	12,487	6,135	6,117	6,129	6,141
Holding account receivables .....	103	103	103	103	103	103	103
Receivables .....	1,454	1,346	1,454	1,454	1,454	1,454	1,454
Other .....	32	49	32	32	32	32	32
<b>Total current assets .....</b>	<b>41,360</b>	<b>25,268</b>	<b>21,197</b>	<b>14,746</b>	<b>14,725</b>	<b>14,800</b>	<b>14,875</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	17,540	18,545	18,812	20,104	21,484	22,895	24,124
Property, plant and equipment .....	40,277	45,782	40,095	39,521	39,017	38,565	38,288
Intangibles .....	1,686	921	1,299	916	533	173	-
Restricted cash .....	911	1,117	-	-	-	-	-
Other .....	3,753	58	4,077	4,612	4,951	5,121	5,063
<b>Total non-current assets .....</b>	<b>64,167</b>	<b>66,423</b>	<b>64,283</b>	<b>65,153</b>	<b>65,985</b>	<b>66,754</b>	<b>67,475</b>
<b>TOTAL ASSETS .....</b>	<b>105,527</b>	<b>91,691</b>	<b>85,480</b>	<b>79,899</b>	<b>80,710</b>	<b>81,554</b>	<b>82,350</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	5,893	6,739	5,893	5,893	5,893	5,893	5,893
Payables .....	242	402	242	242	242	242	242
Other .....	5,094	3,196	4,342	3,365	3,482	3,482	3,482
<b>Total current liabilities .....</b>	<b>11,229</b>	<b>10,337</b>	<b>10,477</b>	<b>9,500</b>	<b>9,617</b>	<b>9,617</b>	<b>9,617</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,473	1,742	1,473	1,473	1,473	1,473	1,473
Other .....	5	30	5	5	5	5	5
<b>Total non-current liabilities .....</b>	<b>1,478</b>	<b>1,772</b>	<b>1,478</b>	<b>1,478</b>	<b>1,478</b>	<b>1,478</b>	<b>1,478</b>
<b>TOTAL LIABILITIES .....</b>	<b>12,707</b>	<b>12,109</b>	<b>11,955</b>	<b>10,978</b>	<b>11,095</b>	<b>11,095</b>	<b>11,095</b>
<b>EQUITY</b>							
Contributed equity .....	62,686	66,520	62,713	63,583	64,415	65,184	65,905
Accumulated surplus/(deficit) .....	14,498	(5,592)	(4,824)	(10,298)	(10,436)	(10,361)	(10,286)
Reserves .....	15,636	18,654	15,636	15,636	15,636	15,636	15,636
<b>Total equity .....</b>	<b>92,820</b>	<b>79,582</b>	<b>73,525</b>	<b>68,921</b>	<b>69,615</b>	<b>70,459</b>	<b>71,255</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>105,527</b>	<b>91,691</b>	<b>85,480</b>	<b>79,899</b>	<b>80,710</b>	<b>81,554</b>	<b>82,350</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	130,263	122,289	79,736	91,927	98,661	101,585	105,128
Capital appropriation .....	615	-	-	870	832	769	721
Holding account drawdowns.....	103	103	103	103	103	103	103
Royalties for Regions Fund:							
Country Local Government Fund .....	-	38	1,440	4,059	4,765	-	-
Regional Community Services Fund .....	3,251	2,882	2,284	2,408	1,557	1,559	60
<b>Net cash provided by State Government.....</b>	<b>134,232</b>	<b>125,312</b>	<b>83,563</b>	<b>99,367</b>	<b>105,918</b>	<b>104,016</b>	<b>106,012</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(37,320)	(31,828)	(32,240)	(33,323)	(31,651)	(30,236)	(30,113)
Grants and subsidies.....	(57,250)	(58,252)	(34,479)	(33,823)	(33,123)	(31,219)	(32,314)
Supplies and services .....	(32,972)	(36,921)	(35,184)	(33,825)	(35,811)	(37,132)	(38,156)
Accommodation .....	(4,506)	(4,934)	(4,634)	(4,993)	(5,229)	(5,292)	(5,340)
Other payments.....	(6,792)	(5,584)	(5,603)	(5,629)	(5,586)	(5,586)	(5,586)
<b>Receipts <sup>(b)</sup></b>							
Grants and subsidies.....	2,870	1,184	2,964	1,273	973	973	973
Sale of goods and services.....	538	638	688	738	686	686	686
GST receipts .....	5,141	4,342	4,342	4,342	4,342	4,342	4,342
Other receipts .....	984	389	612	395	395	395	395
<b>Net cash from operating activities .....</b>	<b>(129,307)</b>	<b>(130,966)</b>	<b>(103,534)</b>	<b>(104,845)</b>	<b>(105,004)</b>	<b>(103,069)</b>	<b>(105,113)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(1,760)	(103)	(1,103)	(973)	(935)	(872)	(824)
<b>Net cash from investing activities.....</b>	<b>(1,760)</b>	<b>(103)</b>	<b>(1,103)</b>	<b>(973)</b>	<b>(935)</b>	<b>(872)</b>	<b>(824)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>3,165</b>	<b>(5,757)</b>	<b>(21,074)</b>	<b>(6,451)</b>	<b>(21)</b>	<b>75</b>	<b>75</b>
Cash assets at the beginning of the reporting period .....	13,525	30,644	40,682	19,608	13,157	13,136	13,211
Net cash transferred to/from other agencies .....	23,992	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>40,682</b>	<b>24,887</b>	<b>19,608</b>	<b>13,157</b>	<b>13,136</b>	<b>13,211</b>	<b>13,286</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Sale of Goods and Services</b>							
Regulatory Fees and Services Rendered.....	538	638	688	738	686	686	686
<b>Grants and Subsidies</b>							
Commonwealth Grants and Contributions.....	843	459	1,339	473	473	473	473
Other Grants and Contributions.....	2,027	725	1,625	800	500	500	500
<b>GST Receipts</b>							
GST Input Credits .....	147	61	61	61	61	61	61
GST Receipts on Sales .....	4,994	4,281	4,281	4,281	4,281	4,281	4,281
<b>Other Receipts</b>							
Other Receipts .....	984	389	612	395	395	395	395
<b>TOTAL .....</b>	<b>9,533</b>	<b>6,553</b>	<b>8,606</b>	<b>6,748</b>	<b>6,396</b>	<b>6,396</b>	<b>6,396</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Other</b>							
Administered Appropriation.....	1,520	-	-	-	-	-	-
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>1,520</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>							
<b>Other</b>							
Employee Expenses .....	351	-	-	-	-	-	-
Supplies and Services .....	918	-	-	-	-	-	-
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>1,269</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Agency Special Purpose Account Details****WESTERN AUSTRALIAN FAMILY FOUNDATION SPECIAL PURPOSE ACCOUNT**

Account Purpose: The purpose of the Account is to hold funds for development, implementation and administration initiatives and activities regarding the family and community.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	196	196	259	259
Receipts:				
Appropriations.....	250	250	250	250
	446	446	509	509
Payments .....	187	250	250	250
<b>CLOSING BALANCE .....</b>	<b>259</b>	<b>196</b>	<b>259</b>	<b>259</b>

**LOCAL GOVERNMENT SCHOLARSHIP ACCOUNT**

Account Purpose: To hold funds for the purpose of awarding scholarships to local government officers for attendance at managerial study courses.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	-	-	-	-
Receipts: Appropriations.....	26	29	29	29
	26	29	29	29
Payments .....	26	29	29	29
<b>CLOSING BALANCE .....</b>	-	-	-	-



# Metropolitan Cemeteries Board

## Part 13 Minister for Local Government; Community Services; Seniors and Volunteering; Youth

### Asset Investment Program

The Board will spend \$4.6 million on its Asset Investment Program in 2015-16.

Development of Rockingham Regional Memorial Park will continue with the construction of a cremator complex in response to the community demand for improved facilities in the south eastern and south western corridors.

Initial planning work will commence on the Karrakatta Stage 7 Mausoleum. Building is expected to start in 2017-18, and be completed in 2018-19. The project is to ensure continued supply of Mausoleum crypts to the community.

The redevelopment of burial areas will continue at Karrakatta and Fremantle in line with continued community need for improved access and amenities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Cemetery Renewal Program - Karrakatta.....	5,902	4,299	295	317	310	420	556
Cremators.....	5,666	3,618	780	645	411	223	769
Major Building Upgrade and Construction - Rockingham Regional Memorial Park .....	1,860	1,545	265	315	-	-	-
Minor Works on Cemeteries and On-site Facilities							
Fremantle.....	9,634	8,528	5,251	265	300	500	41
Guildford .....	4,080	1,607	75	331	685	793	664
Karrakatta .....	22,555	20,459	4,161	388	660	600	448
Midland .....	2,670	1,849	107	55	260	390	116
Pinnaroo Valley Memorial Park.....	6,753	4,412	376	359	700	700	582
Office Building.....	4,239	2,551	445	349	545	280	514
Whitby Falls Cemetery Development.....	1,955	104	54	243	655	555	398
<b>COMPLETED WORKS</b>							
Minor Works on Cemeteries and On-site Facilities							
Rockingham Regional Memorial Park.....	1,662	1,662	106	-	-	-	-
Pinnaroo Lake Development .....	1,637	1,637	190	-	-	-	-
<b>NEW WORKS</b>							
Major Building Upgrade and Construction - Rockingham Regional Memorial Park .....	1,989	-	-	1,291	100	100	498
Stock - Karrakatta Mausoleum Stage 7 .....	5,215	-	-	-	-	2,850	2,365
<b>Total Cost of Asset Investment Program.....</b>	<b>75,817</b>	<b>52,271</b>	<b>12,105</b>	<b>4,558</b>	<b>4,626</b>	<b>7,411</b>	<b>6,951</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			12,105	4,558	4,626	7,411	6,951
<b>Total Funding .....</b>			<b>12,105</b>	<b>4,558</b>	<b>4,626</b>	<b>7,411</b>	<b>6,951</b>



## Part 14

### Minister for Environment; Heritage

#### Summary of Portfolio Appropriations

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
641	Parks and Wildlife			
	– Delivery of Services .....	211,941	217,179	209,694
	– Capital Appropriation .....	704	704	932
	Total .....	212,645	217,883	210,626
654	Environment Regulation			
	– Delivery of Services .....	2,734	2,734	2,807
	– Capital Appropriation .....	865	865	875
	Total .....	3,599	3,599	3,682
665	Botanic Gardens and Parks Authority			
	– Delivery of Services .....	14,346	14,315	14,641
	Total .....	14,346	14,315	14,641
672	Office of the Environmental Protection Authority			
	– Delivery of Services .....	14,725	14,996	14,150
	– Capital Appropriation .....	59	59	194
	Total .....	14,784	15,055	14,344
680	Zoological Parks Authority			
	– Delivery of Services .....	11,272	11,246	11,639
	– Capital Appropriation .....	735	735	735
	Total .....	12,007	11,981	12,374
688	Heritage Council of Western Australia			
	– Delivery of Services .....	1,430	1,430	1,461
	– Capital Appropriation .....	1,750	1,000	1,000
	Total .....	3,180	2,430	2,461

## Part 14

### Minister for Environment; Heritage

#### Summary of Portfolio Appropriations

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
695	State Heritage Office			
	– Delivery of Services .....	8,960	9,549	8,632
	Total .....	8,960	9,549	8,632
703	National Trust of Australia (WA)			
	– Delivery of Services .....	2,878	2,878	3,216
	– Capital Appropriation .....	435	435	435
	Total .....	3,313	3,313	3,651
<b>GRAND TOTAL</b>				
	– Delivery of Services .....	268,286	274,327	266,240
	– Capital Appropriation .....	4,548	3,798	4,171
	<b>Total .....</b>	<b>272,834</b>	<b>278,125</b>	<b>270,411</b>

## Division 55 Parks and Wildlife

### Part 14 Minister for Environment; Heritage

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual <sup>(a)</sup> \$'000	2014-15 Budget <sup>(a)</sup> \$'000	2014-15 Estimated Actual <sup>(a)</sup> \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 93 Net amount appropriated to deliver services .....	224,827	211,401	216,639	<b>209,136</b>	211,798	212,511	214,332
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	523	540	540	<b>558</b>	573	588	604
Total appropriations provided to deliver services.....	225,350	211,941	217,179	<b>209,694</b>	212,371	213,099	214,936
<b>CAPITAL</b>							
Item 152 Capital Appropriation.....	5,614	704	704	<b>932</b>	1,386	2,249	3,617
<b>TOTAL APPROPRIATIONS</b> .....	<b>230,964</b>	<b>212,645</b>	<b>217,883</b>	<b>210,626</b>	<b>213,757</b>	<b>215,348</b>	<b>218,553</b>
<b>EXPENSES</b>							
Total Cost of Services .....	308,244	304,059	299,300	<b>297,322</b>	301,744	298,105	303,973
Net Cost of Services <sup>(b)</sup> .....	217,026	215,950	217,191	<b>216,185</b>	220,221	219,814	225,648
<b>CASH ASSETS <sup>(c)</sup></b> .....	<b>83,312</b>	<b>83,917</b>	<b>81,196</b>	<b>77,462</b>	<b>79,729</b>	<b>79,026</b>	<b>79,026</b>

(a) The Swan River Trust will merge with the Department from 1 July 2015. The related estimated amounts have been included in the Department's 2015-16 Budget Statements, to ensure across-year comparability.

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(1,300)	(1,900)	(1,900)	(1,900)	(1,951)
15% Procurement Savings.....	-	(4,547)	(4,419)	(4,152)	(4,152)
Agency Expenditure Review Savings Measure					
Biodiversity Audit and Hydrological Monitoring, Off-Reserve Conservation.....	-	(1,555)	(1,585)	(1,608)	(1,633)
Reduction in Research Funded by Third Parties .....	-	(1,579)	(1,493)	(1,443)	(1,431)
Social Research and Forestry Modelling.....	-	(1,166)	(1,189)	(1,206)	(1,225)
Public Liability Insurance Premiums .....	1,100	1,200	1,300	1,400	1,500
Revisions to Own Source Revenue Estimates .....	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Royalties for Regions - Prescribed Burning .....	-	3,500	5,500	5,500	5,500
Strategic Assessment of Perth and Peel Regions .....	500	-	-	-	-
Targeted Voluntary Separation Scheme <sup>(a)</sup> .....	3,855	-	-	-	-
Workforce Renewal Policy .....	(133)	(1,084)	(2,226)	(3,443)	(4,729)

(a) Preliminary cost required to make payments to staff departing prior to the closure of the Targeted Voluntary Separation Scheme at 30 April 2015. The final cost of the Scheme will be known once staff leave the public sector and will be published in the 2014-15 Annual Report on State Finances. Agency savings flowing from the Scheme will be dependent on the final costs and will be allocated to agency budgets as part of the 2015-16 Mid-year Review.

## Significant Issues Impacting the Agency

- Implementation of the Government's new Parks for People Caravan and Camping initiative will continue, directed at parks in the State's South West and Mid West with a total project budget of \$21 million. The number of low cost camping and caravanning facilities in those regions is being significantly expanded, to promote the State's world class parks system, and help people enjoy their parks safely by providing a range of facilities and services.
- 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 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 at Horizontal Falls and in the North Kimberley, along with an extension to the proposed North Kimberley marine reserve to the Northern Territory border. 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.
- New funding has been allocated to undertake additional prescribed burning to enhance protection of communities. 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.
- Priority will continue to be given to facilitating preparation of a new Biodiversity Conservation Act to replace the *Wildlife Conservation Act 1950*. 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 State's forests will continue to be managed to conserve plants and animals they contain, to protect water catchments, for recreation, for a sustainable timber industry, for mining and other public uses. This will be done under the framework of the Forest Management Plan 2014-2023 (the plan) with a number of initiatives incorporated into the plan. Further research and monitoring, consistent with the plan, will be conducted.
- 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.
- Integration of the operations of the Swan River Trust and the Department will commence from 1 July 2015 to improve management of Western Australia's environment and the Swan-Canning Riverpark. The continuing pressures of low oxygen levels, reduced flushing, high salinity and algal blooms in the rivers will be tackled through programs ranging from land management and restoration in upper catchments to in-river interventions such as artificial oxygenation.
- Detailed design will be undertaken for the first stage of the new Bunbury Headquarters building for the Department and related conservation and recreation facilities as a significant Government commitment to regional development.

## 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 the State's national parks, marine parks, State forest and other reserves.	1. Provision of Parks and Visitor Services
	The State's native plants and animals are conserved and habitat, ecosystem and landscape-scale conservation are based on best practice science.	2. Conserving Habitats, Species and Ecological Communities 3. Conservation Partnerships
	The State's plants and animals and the lands and waters under the Department's care are managed for tourism, water and wood production, and other approved uses.	4. Forest Management Plan Implementation 5. Provision of Services for Commercial Forestry
	Lands under the Department's care are managed to protect communities, visitors and built and natural assets from bushfire damage and planned fire is used to achieve other land, forest and wildlife management objectives.	6. Prescribed Burning and Fire Management 7. Bushfire Suppression
	The ecological health and community benefit of the Swan and Canning rivers is protected.	8. Protection of the Swan and Canning Rivers System

### Service Summary <sup>(a)</sup>

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Provision of Parks and Visitor Services .....	85,497	81,546	82,627	81,379	83,208	81,065	83,082
2. Conserving Habitats, Species and Ecological Communities.....	79,889	79,124	76,011	73,044	73,197	74,408	78,256
3. Conservation Partnerships .....	29,586	34,604	31,720	32,952	33,049	33,110	33,133
4. Forest Management Plan Implementation ...	16,683	14,581	14,445	13,512	13,606	13,926	14,015
5. Provision of Services for Commercial Forestry .....	10,550	11,094	11,142	10,346	10,350	10,354	10,358
6. Prescribed Burning and Fire Management .....	34,679	33,417	33,548	37,560	39,604	38,317	38,692
7. Bushfire Suppression .....	33,430	31,624	31,746	31,791	31,768	31,779	31,790
8. Protection of the Swan and Canning Rivers System .....	17,930	18,069	18,061	16,738	16,962	15,146	14,647
<b>Total Cost of Services .....</b>	<b>308,244</b>	<b>304,059</b>	<b>299,300</b>	<b>297,322</b>	<b>301,744</b>	<b>298,105</b>	<b>303,973</b>

(a) In 2014-15, the Department revised its Outcome Based Management (OBM) framework as part of the Government's broader Budget Framework Reform initiative. The revised OBM framework will apply from the 2015-16 reporting period.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Community enjoyment of the State's national parks, marine parks, State forest and other reserves:</b>					
Average level of visitor satisfaction with their visit.....	89.1%	85%	88.6%	85%	
<b>Outcome: The State's native plants and animals are conserved and habitat, ecosystem and landscape-scale conservation are based on best practice science:</b>					
Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan.....	69.4%	68%	68.2%	69%	
<b>Outcome: The State's plants and animals and the lands and waters under the Department's care are managed for tourism, water and wood production, and other approved uses:</b>					
Cumulative removal of jarrah sawlogs by approved harvesting operations compared to limits in the Forest Management Plan.....	1,157,348m <sup>3</sup>	132,000m <sup>3</sup>	71,583m <sup>3</sup>	264,000m <sup>3</sup>	1
Cumulative removal of karri sawlogs by approved harvesting operations compared to limits in the Forest Management Plan.....	539,540m <sup>3</sup>	59,000m <sup>3</sup>	44,696m <sup>3</sup>	118,000m <sup>3</sup>	1
<b>Outcome: Lands under the Department's care are managed to protect communities, visitors and built and natural assets from bushfire damage and planned fire is used to achieve other land, forest and wildlife management objectives:</b>					
Proportion of South West bushfires contained to less than two hectares.....	76%	75%	76%	75%	
Proportion of planned Priority 1 prescribed burns achieved .....	43%	45%	45%	50%	2
<b>Outcome: The ecological health and community benefit of the Swan and Canning rivers is protected:</b>					
Proportion of river ecosystem health targets achieved.....	55%	55%	55%	55%	

(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 Actual is the cumulative removal over the 10 year period of the 2004-2013 Forest Management Plan. The 2014-15 Budget is 10% of the cumulative 10 year limit in the 2014-2023 Forest Management Plan. The 2014-15 Estimated Actual removals are lower than the pro-rata limit reflecting market conditions. The 2015-16 Budget Target is 20% of the cumulative 10 year limit in the 2014-2023 Forest Management Plan.
2. Plans are prepared for more burns than can actually be achieved, to provide flexibility in the selection of burns to be implemented under prevailing weather and fuel conditions. The 2015-16 Budget Target is higher than previous years reflecting the provision of additional funds in the 2015-16 Budget that are anticipated to allow an increased level of prescribed burning to be achieved.



## Services and Key Efficiency Indicators

### 1. Provision of Parks and Visitor Services

Working with the community and volunteers to facilitate public involvement, visitation and appreciation of the natural and cultural environment on lands and waters managed by the Department.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 85,497	\$'000 81,546	\$'000 82,627	\$'000 81,379	
Less Income .....	27,223	27,376	27,381	27,579	
Net Cost of Service .....	58,274	54,170	55,246	53,800	
<b>Employees (Full Time Equivalents).....</b>	<b>430</b>	<b>430</b>	<b>420</b>	<b>410</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare of Parks .....	\$3.00	\$2.86	\$2.89	\$2.85	

### 2. Conserving Habitats, Species and Ecological Communities

Developing and implementing programs for the conservation of biodiversity.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 79,889	\$'000 79,124	\$'000 76,011	\$'000 73,044	
Less Income .....	8,423	10,468	7,463	6,463	
Net Cost of Service .....	71,466	68,656	68,548	66,581	
<b>Employees (Full Time Equivalents).....</b>	<b>466</b>	<b>460</b>	<b>440</b>	<b>430</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare of Wildlife Habitat.....	\$2.80	\$2.75	\$2.66	\$2.55	

### 3. Conservation Partnerships

Working with the community, industry, traditional owners and other stakeholders to deliver conservation outcomes.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 29,586	\$'000 34,604	\$'000 31,720	\$'000 32,952	
Less Income .....	40,091	35,297	32,297	33,518	
Net Cost of Service .....	(10,505)	(693)	(577)	(566)	
<b>Employees (Full Time Equivalents).....</b>	<b>130</b>	<b>130</b>	<b>122</b>	<b>103</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare of Wildlife Habitat.....	\$1.04	\$1.22	\$1.11	\$1.15	

#### 4. Forest Management Plan Implementation

Managing State forests in accordance with the approved Forest Management Plan.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 16,683	\$'000 14,581	\$'000 14,445	\$'000 13,512	
Less Income .....	4,004	3,448	3,448	3,448	
Net Cost of Service.....	12,679	11,133	10,997	10,064	
<b>Employees (Full Time Equivalents).....</b>	<b>116</b>	<b>115</b>	<b>100</b>	<b>90</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare of Forest.....	\$12.91	\$11.28	\$11.18	\$10.46	

#### 5. Provision of Services for Commercial Forestry

Undertaking works and services that directly support forest production activities.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 10,550	\$'000 11,094	\$'000 11,142	\$'000 10,346	
Less Income .....	4,400	3,911	3,911	3,111	
Net Cost of Service.....	6,150	7,183	7,231	7,235	
<b>Employees (Full Time Equivalents).....</b>	<b>67</b>	<b>65</b>	<b>60</b>	<b>55</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare of Forest Available for Timber Harvesting.....	\$11.00	\$11.56	\$11.61	\$10.78	

#### 6. Prescribed Burning and Fire Management

Delivering prescribed burning and fire management to protect the community and enhance natural values.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 34,679	\$'000 33,417	\$'000 33,548	\$'000 37,560	1
Less Income .....	231	230	230	230	
Net Cost of Service.....	34,448	33,187	33,318	37,330	
<b>Employees (Full Time Equivalents).....</b>	<b>229</b>	<b>230</b>	<b>230</b>	<b>240</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare Burnt.....	\$10.02	\$9.66	\$9.70	\$10.86	

1. The 2015-16 Budget Target is higher than previous years reflecting the provision of additional funds in the 2015-16 Budget to undertake prescribed burning.

## 7. Bushfire Suppression

Suppressing bushfires that threaten or occur on lands managed by the Department.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 33,430	\$'000 31,624	\$'000 31,746	\$'000 31,791	
Less Income .....	962	3,028	3,028	3,028	
Net Cost of Service.....	32,468	28,596	28,718	28,763	
<b>Employees (Full Time Equivalents).....</b>	<b>132</b>	<b>130</b>	<b>130</b>	<b>130</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare Burnt.....	\$15.13	\$14.31	\$14.37	\$14.39	

## 8. Protection of the Swan and Canning Rivers System

Managing the Swan Canning Riverpark including assessing development proposals and delivering environmental management programs.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 17,930	\$'000 18,069	\$'000 18,061	\$'000 16,738	
Less Income .....	5,884	4,351	4,351	3,760	
Net Cost of Service.....	12,046	13,718	13,710	12,978	
<b>Employees (Full Time Equivalents).....</b>	<b>50</b>	<b>57</b>	<b>48</b>	<b>52</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare of Managing the Swan Canning Riverpark.....	\$2.52	\$2.54	\$2.54	\$2.35	

## 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. Detailed planning for the new Bunbury Headquarters will commence in 2015-16 with a total project budget of \$18 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Park Improvement Program							
Capes and Dampier Marine Parks <sup>(a)</sup>	716	415	220	301	-	-	-
Parks for People Caravan and Camping <sup>(a)</sup>	21,050	8,842	7,000	6,250	5,958	-	-
Great Kimberley Marine Park <sup>(a)</sup>	2,740	1,250	-	80	1,410	-	-
New Kimberley National Parks <sup>(a)</sup>	1,030	440	440	400	190	-	-
Kimberley Tourism Initiatives <sup>(a)</sup>	3,125	2,600	1,453	-	525	-	-
<b>COMPLETED WORKS</b>							
Bunbury Headquarters Business Plan	250	250	250	-	-	-	-
Conservation Land Acquisition - 2014-15 Program	280	280	280	-	-	-	-
Conservation Parks Infrastructure and Roads <sup>(a)</sup>	19,977	19,977	3,199	-	-	-	-
Firefighting Fleet Replacement							
2014-15 Program	3,791	3,791	3,791	-	-	-	-
Firefighting and Fleet Equipment - Carryover	361	361	361	-	-	-	-
Park Improvement							
2014-15 Program	3,300	3,300	3,300	-	-	-	-
Gnangara Park Development - 2014-15 Program	400	400	400	-	-	-	-
Kimberley Science and Conservation Strategy Eighty							
Mile Beach Marine Park - Carryover	120	120	120	-	-	-	-
Plant and Equipment							
2014-15 Program	4,087	4,087	4,087	-	-	-	-
Plant and Equipment - Carryover	104	104	104	-	-	-	-
Retro Fitting Heavy Fleet - Carryover	1,240	1,240	1,240	-	-	-	-
Plant and Equipment for the Swan Canning Riverpark	162	162	160	-	-	-	-
Tourism Road Improvement - 2014-15 Program	1,250	1,250	1,250	-	-	-	-
<b>NEW WORKS</b>							
Bunbury Headquarters and Public Access Facilities <sup>(a)</sup>	18,000	-	-	1,250	14,030	2,720	-
Conservation Land Acquisition							
2015-16 Program	290	-	-	290	-	-	-
2016-17 Program	305	-	-	-	305	-	-
2017-18 Program	320	-	-	-	-	320	-
2018-19 Program	340	-	-	-	-	-	340
Firefighting Fleet Replacement							
2015-16 Program	3,839	-	-	3,839	-	-	-
2016-17 Program	3,888	-	-	-	3,888	-	-
2017-18 Program	3,939	-	-	-	-	3,939	-
2018-19 Program	3,991	-	-	-	-	-	3,991
Park Improvement							
2015-16 Program	3,350	-	-	3,350	-	-	-
2016-17 Program	3,550	-	-	-	3,550	-	-
2017-18 Program	3,700	-	-	-	-	3,700	-
2018-19 Program	3,900	-	-	-	-	-	3,900
Gnangara Park Development							
2015-16 Program	400	-	-	400	-	-	-
2016-17 Program	400	-	-	-	400	-	-
2017-18 Program	400	-	-	-	-	400	-
2018-19 Program	400	-	-	-	-	-	400
Torndirrup National Park Visitor Infrastructure <sup>(a)</sup>	1,200	-	-	1,200	-	-	-
Plant and Equipment							
2015-16 Program	3,423	-	-	3,423	-	-	-
2016-17 Program	3,645	-	-	-	3,645	-	-
2017-18 Program	4,534	-	-	-	-	4,534	-
2018-19 Program	5,556	-	-	-	-	-	5,556
Plant and Equipment for the Swan Canning Riverpark	923	-	-	251	51	432	189
Tourism Road Improvement Program							
2015-16 Program	1,455	-	-	1,455	-	-	-
2016-17 Program	1,500	-	-	-	1,500	-	-
2017-18 Program	1,650	-	-	-	-	1,650	-
2018-19 Program	1,750	-	-	-	-	-	1,750
<b>Total Cost of Asset Investment Program</b>	<b>140,631</b>	<b>48,869</b>	<b>27,655</b>	<b>22,489</b>	<b>35,452</b>	<b>17,695</b>	<b>16,126</b>
<b>FUNDED BY</b>							
Capital Appropriation			704	932	1,386	2,249	3,617
Asset Sales			510	580	500	578	500
Drawdowns from the Holding Account			9,554	8,646	8,503	9,098	8,859
Internal Funds and Balances			6,278	2,850	2,950	3,050	3,150
Drawdowns from Royalties for Regions Fund <sup>(b)</sup>			10,609	9,481	22,113	2,720	-
<b>Total Funding</b>			<b>27,655</b>	<b>22,489</b>	<b>35,452</b>	<b>17,695</b>	<b>16,126</b>

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund and Regional Community Services Fund.

## Financial Statements

### Income Statement

#### *Expenses*

The Total Cost of Services is estimated to decrease from \$299.3 million in 2014-15 to \$297.3 million in 2015-16. This represents a \$2 million overall decrease primarily due to increased expenses for prescribed burning (\$3.5 million) offset by the Agency Expenditure Review savings measures (-\$4.3 million), and the Workforce Renewal Policy (-\$0.9 million).

#### *Income*

The Department's total income, other than income from the State Government, is estimated to reduce from \$82.1 million in 2014-15 to \$81.1 million in 2015-16. This represents a \$1 million decrease due mainly to a fall in expected revenue from grants.

The Department's surpluses across the forward estimates will help fund its Asset Investment Program.

### Statement of Financial Position

The largest asset for the Department is land held for conservation and multiple uses and is 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 funded by external parties.

### Statement of Cashflows

Total cash assets are expected to reduce from \$81.2 million in 2014-15 to \$77.5 million in 2015-16, due largely to the payment of the 27<sup>th</sup> Pay in 2015-16.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	177,846	182,039	184,237	184,566	186,581	188,395	190,360
Grants and subsidies <sup>(c)</sup> .....	5,619	6,549	6,914	6,482	6,246	3,187	3,187
Supplies and services .....	80,216	73,410	66,411	63,805	66,506	64,064	67,967
Accommodation .....	4,904	3,931	5,331	5,471	5,361	5,361	5,361
Depreciation and amortisation .....	23,373	19,904	19,904	19,908	19,874	19,874	19,874
Other expenses .....	16,286	18,226	16,503	17,090	17,176	17,224	17,224
<b>TOTAL COST OF SERVICES .....</b>	<b>308,244</b>	<b>304,059</b>	<b>299,300</b>	<b>297,322</b>	<b>301,744</b>	<b>298,105</b>	<b>303,973</b>
<b>Income</b>							
Sale of goods and services .....	20,228	16,423	19,223	19,723	19,723	19,723	19,723
Grants and subsidies .....	43,680	35,897	32,897	30,657	30,733	27,323	27,335
Other revenue .....	27,310	35,789	29,989	30,757	31,067	31,245	31,267
<b>Total Income .....</b>	<b>91,218</b>	<b>88,109</b>	<b>82,109</b>	<b>81,137</b>	<b>81,523</b>	<b>78,291</b>	<b>78,325</b>
<b>NET COST OF SERVICES .....</b>	<b>217,026</b>	<b>215,950</b>	<b>217,191</b>	<b>216,185</b>	<b>220,221</b>	<b>219,814</b>	<b>225,648</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	225,350	211,941	217,179	209,694	212,371	213,099	214,936
Resources received free of charge .....	1,578	1,493	1,493	1,493	1,493	1,493	1,493
Assets not previously recognised	573						
Royalties for Regions Fund:							
Regional Community Services Fund .....	1,844	6,737	3,046	7,313	10,775	7,375	12,097
Regional Infrastructure and Headworks Fund .....	270	-	-	-	-	-	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>229,615</b>	<b>220,171</b>	<b>221,718</b>	<b>218,500</b>	<b>224,639</b>	<b>221,967</b>	<b>228,526</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>12,589</b>	<b>4,221</b>	<b>4,527</b>	<b>2,315</b>	<b>4,418</b>	<b>2,153</b>	<b>2,878</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 1,620, 1,550 and 1,510 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Healthy Rivers Action Plan .....	5,229	5,649	5,649	5,152	5,227	3,187	3,187
Western Australian Museum (Species Identification in the Pilbara) .....	-	-	1,265	1,330	1,019	-	-
Other .....	390	900	-	-	-	-	-
<b>TOTAL .....</b>	<b>5,619</b>	<b>6,549</b>	<b>6,914</b>	<b>6,482</b>	<b>6,246</b>	<b>3,187</b>	<b>3,187</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	6,314	5,067	6,775	6,072	5,369	4,666	4,666
Restricted cash .....	71,178	78,084	73,702	69,871	71,941	71,041	70,141
Holding account receivables .....	9,554	9,680	8,646	8,503	9,098	8,859	-
Receivables .....	10,406	17,071	10,403	10,398	10,393	10,393	10,393
Other .....	8,285	18,697	7,685	7,085	6,585	6,585	6,585
<b>Total current assets .....</b>	<b>105,737</b>	<b>128,599</b>	<b>107,211</b>	<b>101,929</b>	<b>103,386</b>	<b>101,544</b>	<b>91,785</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	111,555	121,779	122,813	134,218	144,994	156,009	175,883
Property, plant and equipment .....	3,703,885	3,673,338	3,711,136	3,713,217	3,728,295	3,725,616	3,721,368
Restricted cash .....	5,820	766	719	1,519	2,419	3,319	4,219
<b>Total non-current assets .....</b>	<b>3,821,260</b>	<b>3,795,883</b>	<b>3,834,668</b>	<b>3,848,954</b>	<b>3,875,708</b>	<b>3,884,944</b>	<b>3,901,470</b>
<b>TOTAL ASSETS .....</b>	<b>3,926,997</b>	<b>3,924,482</b>	<b>3,941,879</b>	<b>3,950,883</b>	<b>3,979,094</b>	<b>3,986,488</b>	<b>3,993,255</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	26,897	31,734	25,723	25,765	25,807	25,819	25,831
Payables .....	5,968	4,183	5,969	5,969	5,969	5,969	5,969
Other .....	12,617	15,200	12,832	9,066	9,318	9,578	9,838
<b>Total current liabilities .....</b>	<b>45,482</b>	<b>51,117</b>	<b>44,524</b>	<b>40,800</b>	<b>41,094</b>	<b>41,366</b>	<b>41,638</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	9,375	9,982	9,375	9,375	9,375	9,375	9,375
<b>Total non-current liabilities .....</b>	<b>9,375</b>	<b>9,982</b>	<b>9,375</b>	<b>9,375</b>	<b>9,375</b>	<b>9,375</b>	<b>9,375</b>
<b>TOTAL LIABILITIES .....</b>	<b>54,857</b>	<b>61,099</b>	<b>53,899</b>	<b>50,175</b>	<b>50,469</b>	<b>50,741</b>	<b>51,013</b>
<b>EQUITY</b>							
Contributed equity .....							
Accumulated surplus/(deficit) .....	2,971,166	2,905,499	2,982,479	2,992,892	3,016,391	3,021,360	3,024,977
Reserves .....	20,588	103,687	25,115	27,430	31,848	34,001	36,879
	880,386	854,197	880,386	880,386	880,386	880,386	880,386
<b>Total equity .....</b>	<b>3,872,140</b>	<b>3,863,383</b>	<b>3,887,980</b>	<b>3,900,708</b>	<b>3,928,625</b>	<b>3,935,747</b>	<b>3,942,242</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>3,926,997</b>	<b>3,924,482</b>	<b>3,941,879</b>	<b>3,950,883</b>	<b>3,979,094</b>	<b>3,986,488</b>	<b>3,993,255</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	205,434	192,037	197,275	189,786	192,497	193,225	195,062
Capital appropriation .....	5,614	704	704	932	1,386	2,249	3,617
Holding account drawdowns.....	9,027	9,554	9,554	8,646	8,503	9,098	8,859
Royalties for Regions Fund:							
Regional Community Services Fund .....	5,694	15,808	11,131	14,344	18,858	7,375	12,097
Regional Infrastructure and Headworks Fund .....	7,770	1,800	2,524	2,450	14,030	2,720	-
<b>Net cash provided by State Government.....</b>	<b>233,539</b>	<b>219,903</b>	<b>221,188</b>	<b>216,158</b>	<b>235,274</b>	<b>214,667</b>	<b>219,635</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(181,499)	(181,767)	(185,181)	(188,212)	(186,309)	(188,123)	(190,088)
Grants and subsidies.....	(5,829)	(5,949)	(6,314)	(5,882)	(5,646)	(3,187)	(3,187)
Supplies and services .....	(62,605)	(60,446)	(50,447)	(47,918)	(50,619)	(48,071)	(51,974)
Accommodation .....	(4,904)	(3,931)	(5,331)	(5,469)	(5,359)	(5,359)	(5,359)
Other payments.....	(45,329)	(41,121)	(42,398)	(42,886)	(42,972)	(43,053)	(43,053)
<b>Receipts <sup>(b)</sup></b>							
Grants and subsidies.....	43,340	35,897	32,897	30,657	30,733	27,323	27,335
Sale of goods and services.....	20,234	16,423	19,223	19,723	19,723	19,723	19,723
GST receipts .....	14,494	11,420	11,420	11,327	11,327	11,327	11,327
Other receipts .....	34,307	35,772	29,972	30,677	31,067	31,167	31,267
<b>Net cash from operating activities .....</b>	<b>(187,791)</b>	<b>(193,702)</b>	<b>(196,159)</b>	<b>(197,983)</b>	<b>(198,055)</b>	<b>(198,253)</b>	<b>(204,009)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(46,558)	(24,389)	(27,655)	(22,489)	(35,452)	(17,695)	(16,126)
Proceeds from sale of non-current assets.....	842	510	510	580	500	578	500
<b>Net cash from investing activities.....</b>	<b>(45,716)</b>	<b>(23,879)</b>	<b>(27,145)</b>	<b>(21,909)</b>	<b>(34,952)</b>	<b>(17,117)</b>	<b>(15,626)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>32</b>	<b>2,322</b>	<b>(2,116)</b>	<b>(3,734)</b>	<b>2,267</b>	<b>(703)</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	109,569	81,595	83,312	81,196	77,462	79,729	79,026
Net cash transferred to/from other agencies ....	(26,289)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>83,312</b>	<b>83,917</b>	<b>81,196</b>	<b>77,462</b>	<b>79,729</b>	<b>79,026</b>	<b>79,026</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.



**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Grants and Subsidies</b>							
Grants and Subsidies .....	43,340	35,897	32,897	30,657	30,733	27,323	27,335
<b>Sale of Goods and Services</b>							
Sale of Goods and Services .....	20,234	16,423	19,223	19,723	19,723	19,723	19,723
<b>GST Receipts</b>							
GST Input Credits .....	9,247	5,920	5,920	5,827	5,827	5,827	5,827
GST Receipts on Sales .....	5,247	5,500	5,500	5,500	5,500	5,500	5,500
<b>Other Receipts</b>							
Other Receipts .....	31,908	32,784	26,984	27,689	28,079	28,179	28,279
Interest Received .....	2,399	2,988	2,988	2,988	2,988	2,988	2,988
<b>TOTAL .....</b>	<b>112,375</b>	<b>99,512</b>	<b>93,512</b>	<b>92,384</b>	<b>92,850</b>	<b>89,540</b>	<b>89,652</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Royalties</b>							
Fauna Royalties.....	42	60	60	60	60	60	60
<b>Fines</b>							
Receipts from Regulatory Fees and Fines.....	31	30	30	30	30	30	30
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>73</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>
<b>EXPENSES</b>							
<b>Other</b>							
Receipts Paid into the Consolidated Account .....	73	90	90	90	90	90	90
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>73</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>

## Division 56 Environment Regulation

### Part 14 Minister for Environment; Heritage

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 94 Net amount appropriated to deliver services .....	5,158	2,453	2,453	2,517	2,540	2,540	2,540
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	-	281	281	290	298	298	298
Total appropriations provided to deliver services.....	5,158	2,734	2,734	2,807	2,838	2,838	2,838
<b>CAPITAL</b>							
Item 153 Capital Appropriation.....	855	865	865	875	885	885	885
<b>TOTAL APPROPRIATIONS</b> .....	6,013	3,599	3,599	3,682	3,723	3,723	3,723
<b>EXPENSES</b>							
Total Cost of Services .....	68,868	72,181	72,888	79,383	79,900	80,565	81,533
Net Cost of Services <sup>(a)</sup> .....	(7,861)	(16,424)	(16,340)	(54,895)	(55,817)	(59,082)	(59,080)
<b>CASH ASSETS</b> <sup>(b)</sup> .....	33,308	26,109	32,112	27,812	24,870	22,944	21,018

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
15% Procurement Savings.....	-	(512)	(530)	(530)	(530)
2015-16 Tariffs, Fees and Charges .....	623	646	13	(162)	804

#### Significant Issues Impacting the Agency

- The Department is developing amendments to the *Environmental Protection Act 1986* and its regulations to streamline the processes for regulation of emissions and discharges, and clearing of native vegetation. These amendments complement the Department's ongoing program to improve its regulatory performance and processes.
- A bilateral agreement to accredit the Department's clearing permit assessment for matters of national environmental significance commenced on 1 January 2015. The Department is continuing to support the Government's negotiations with the Commonwealth on a further bilateral agreement to accredit the clearing permit decision, as this will remove all duplication with the Commonwealth's environmental approval process and decision under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*.
- The Department is reviewing the *Waste Avoidance and Resource Recovery Act 2007* to identify improvements in waste management to support achievement of the recycling targets in the Government's Waste Strategy: Creating the right environment.

## 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 to which they contribute. 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.	Emissions and discharges met acceptable criteria.	1. Environmental Regulation
	Development and implementation of strategic policy and legislation that promoted sustainable environmental outcomes.	2. Environment Policy
	Waste avoided and the recovery of materials from landfill maximised.	3. Waste Strategies

### Service Summary <sup>(a)</sup>

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Environmental Regulation .....	39,165	40,665	41,063	39,620	40,449	41,289	41,786
2. Environment Policy .....	13,573	13,273	13,403	10,198	8,790	8,057	8,153
3. Waste Strategies.....	16,130	18,243	18,422	29,565	30,661	31,219	31,594
<b>Total Cost of Services .....</b>	<b>68,868</b>	<b>72,181</b>	<b>72,888</b>	<b>79,383</b>	<b>79,900</b>	<b>80,565</b>	<b>81,533</b>

(a) The Department introduced a new Outcome Based Management structure for 2015-16, and estimates for prior periods have been developed for comparative purposes.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Emissions and discharges met acceptable criteria:</b>					
Percentage of major resource project works approvals and licences applications decided within 60 working days .....	93%	100%	82%	100%	1
Percentage of other project works approvals and licences applications decided within 60 working days .....	80%	80%	75%	80%	1
Percentage of native vegetation clearing permit applications decided within 60 calendar days .....	59%	80%	59%	80%	2
Percentage of investigations finalised within 60 working days.....	59%	n/a	87%	80%	3
<b>Outcome: Development and implementation of strategic policy and legislation that promoted sustainable environmental outcomes:</b>					
Percentage of advice and recommendations that met Ministerial approval, without the need for significant modification.....	n/a	n/a	n/a	95%	4
<b>Outcome: Waste avoided and the recovery of materials from landfill maximised:</b>					
Percentage of Municipal Solid Waste reported as diverted from landfill through recycling compared to the Waste Strategy target in the Perth Metropolitan Region .....	45%	n/a	41%	50%	3,5
Percentage of Commercial and Industrial Waste reported as diverted from landfill through recycling compared to the State-wide Waste Strategy target.....	45%	n/a	45%	55%	3,5
Percentage of Construction and Demolition Waste reported as diverted from landfill through recycling compared to the State-wide Waste Strategy target.....	40%	n/a	38%	60%	3,5

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

**Explanation of Significant Movements**

(Notes)

1. In 2014-15, a number of major projects and other works approval and licence applications required additional information and led to a longer assessment time.
2. In 2014-15, a number of native vegetation clearing permit applications required additional information and led to a longer assessment processing time.
3. This indicator was introduced in the 2015-16 year and there is no corresponding data available for the 2014-15 Budget.
4. The collection of information to support this indicator commenced part way through 2014-15 and there is no corresponding data available prior to 2015-16.
5. The recycling rate presented in these indicators utilises the most recent and accurate data available. The data for the 2014-15 Estimated Actual is based on 2013-14 data and shows a slight reduction in the diversion rate as a result of a number of market factors.

## Services and Key Efficiency Indicators

### 1. Environmental Regulation

Regulate activities with potential impacts on the environment.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 39,165	\$'000 40,665	\$'000 41,063	\$'000 39,620	
Less Income .....	29,276	27,755	28,378	29,429	
Net Cost of Service.....	9,889	12,910	12,685	10,191	
<b>Employees (Full Time Equivalents).....</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	
<b>Efficiency Indicators <sup>(a)</sup></b>					
Average Cost per Works Approval and Licence Application.....	\$37,450	n/a	\$38,079	\$39,031	1
Average Cost per Native Vegetation Clearing Permit Application.....	\$6,010	n/a	\$6,076	\$5,689	2

(a) The efficiency indicators were introduced in 2015-16 and were not available in the 2014-15 Budget.

### Explanation of Significant Movements

(Notes)

1. The Average Cost per Works Approval and Licence Application is calculated by dividing the total cost of Works Approval and Licence services by the total number of applications decided.
2. The Average Cost per Native Vegetation Clearing Permit Application is calculated by dividing the total cost of Native Vegetation activities by the total number of applications decided.

### 2. Environment Policy <sup>(a)</sup>

Develop and implement policies and strategies that promote environmental outcomes.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 13,573	\$'000 13,273	\$'000 13,403	\$'000 10,198	1
Less Income .....	-	-	-	-	
Net Cost of Service.....	13,573	13,273	13,403	10,198	
<b>Employees (Full Time Equivalents).....</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hour of Policy Advice and Recommendations .....	\$100	n/a	\$101	\$100	

(a) This Service has been renamed Environment Policy and the efficiency indicator was introduced in 2015-16 with estimates for prior years developed for comparative purposes.

### Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service from 2014-15 Estimated Actual to the 2015-16 Budget Target is primarily due to a reduction in grants and subsidies expenditure from the Low Emissions Energy Development Fund.

### 3. Waste Strategies

Reduce the environmental impact of waste.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	16,130	18,243	18,422	29,565	1
Less Income .....	47,453	60,850	60,850	104,849	1
Net Cost of Service.....	(31,323)	(42,607)	(42,428)	(75,284)	
Employees (Full Time Equivalents).....	33	33	33	33	
<b>Efficiency Indicators <sup>(a)</sup></b>					
Cost of Landfill Levy Compliance as a Percentage of Landfill Levy Income Collected.....	3%	n/a	2.4%	1.4%	2

(a) This is a new Service and the efficiency indicator was introduced in 2015-16 with estimates for prior years developed for comparative purposes.

#### Explanation of Significant Movements

(Notes)

1. The Government announced increases to the landfill levy in May 2014 which commenced on 1 January 2015, with a part year impact in 2014-15 and full year impact in 2015-16. There is a significant increase in the Total Cost of Service in 2015-16, predominantly as grants, as at least 25% of the landfill levy is credited to the Waste Avoidance and Resource Recovery Account to fund waste initiatives.
2. The cost of landfill levy compliance as a percentage of landfill levy income collected has reduced as a result of the significant increase in the estimated landfill levy income due to the increases in the landfill levy rates.

### Asset Investment Program

The Department's Asset Investment Program reflects minor investment in plant and equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Plant and Equipment - 2014-15 Program.....	865	865	865	-	-	-	-
<b>NEW WORKS</b>							
Plant and Equipment							
2015-16 Program .....	875	-	-	875	-	-	-
2016-17 Program .....	885	-	-	-	885	-	-
2017-18 Program .....	885	-	-	-	-	885	-
2018-19 Program .....	885	-	-	-	-	-	885
<b>Total Cost of Asset Investment Program.....</b>	<b>4,395</b>	<b>865</b>	<b>865</b>	<b>875</b>	<b>885</b>	<b>885</b>	<b>885</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			865	875	885	885	885
<b>Total Funding.....</b>			<b>865</b>	<b>875</b>	<b>885</b>	<b>885</b>	<b>885</b>

## Financial Statements

### Income Statement

#### *Expenses*

The Total Cost of Services is estimated to increase by \$6.5 million (8.9%) between the 2014-15 Estimated Actual and 2015-16 Budget Estimate, mainly due to the increase in Waste Avoidance and Resource Recovery Account grants of \$11 million offsetting a reduction in both the Low Emissions Energy Development Fund grants (\$3.5 million), and Contaminated Sites Management Account grants (\$2.3 million).

#### *Income*

Landfill levy income is estimated to increase by \$44 million (73.3%) between the 2014-15 Estimated Actual and the 2015-16 Budget Estimate, due to the full year impact of the increases in the landfill levy rates, effective 1 January 2015. At least 25% of this income is credited to the Waste Avoidance and Resource Recovery Account to fund waste initiatives.

### Statement of Financial Position

The increase in the Accumulated surplus between the 2014-15 Estimated Actual and 2015-16 Budget Estimate is mainly due to the additional landfill levy income. Contributed equity decreases accordingly as this increased surplus is paid to the Consolidated Account.

### Statement of Cashflows

Movements in payments and receipts reflect movements in expenses and income in the Income Statement.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	36,694	36,750	36,834	37,928	38,329	38,332	38,334
Grants and subsidies <sup>(c)</sup> .....	16,045	19,028	19,028	24,122	22,760	22,492	22,492
Supplies and services .....	6,101	8,081	7,527	7,953	9,298	10,228	11,194
Accommodation .....	4,724	4,790	4,790	4,900	5,010	5,010	5,010
Depreciation and amortisation .....	382	433	433	433	433	433	433
Other expenses .....	4,922	3,099	4,276	4,047	4,070	4,070	4,070
<b>TOTAL COST OF SERVICES .....</b>	<b>68,868</b>	<b>72,181</b>	<b>72,888</b>	<b>79,383</b>	<b>79,900</b>	<b>80,565</b>	<b>81,533</b>
<b>Income</b>							
Sale of goods and services .....	5,460	4,108	4,108	4,108	4,108	4,108	4,108
Regulatory fees .....	23,643	23,747	24,370	25,420	25,859	26,789	27,755
Grants and subsidies .....	248	-	-	-	-	-	-
Landfill Levy .....	46,661	60,000	60,000	104,000	105,000	108,000	108,000
Other revenue .....	717	750	750	750	750	750	750
<b>Total Income .....</b>	<b>76,729</b>	<b>88,605</b>	<b>89,228</b>	<b>134,278</b>	<b>135,717</b>	<b>139,647</b>	<b>140,613</b>
<b>NET COST OF SERVICES .....</b>	<b>(7,861)</b>	<b>(16,424)</b>	<b>(16,340)</b>	<b>(54,895)</b>	<b>(55,817)</b>	<b>(59,082)</b>	<b>(59,080)</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	5,158	2,734	2,734	2,807	2,838	2,838	2,838
Resources received free of charge .....	999	130	130	130	130	130	130
Royalties for Regions Fund:							
Regional Community Services Fund .....	125	-	-	-	-	-	-
Regional Infrastructure and Headworks Fund .....	-	-	84	52	53	54	56
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>6,282</b>	<b>2,864</b>	<b>2,948</b>	<b>2,989</b>	<b>3,021</b>	<b>3,022</b>	<b>3,024</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>14,143</b>	<b>19,288</b>	<b>19,288</b>	<b>57,884</b>	<b>58,838</b>	<b>62,104</b>	<b>62,104</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 340, 340 and 340 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Contaminated Sites Management Account .....	1,780	2,973	2,973	662	442	442	442
Low Emissions Energy Development Fund .....	6,231	5,905	5,905	2,360	1,018	-	-
Waste Avoidance and Resource Recovery Account .....	8,034	10,150	10,150	21,100	21,300	22,050	22,050
<b>TOTAL .....</b>	<b>16,045</b>	<b>19,028</b>	<b>19,028</b>	<b>24,122</b>	<b>22,760</b>	<b>22,492</b>	<b>22,492</b>



**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	6,996	5,794	10,681	9,351	9,379	10,423	10,953
Restricted cash .....	25,295	20,202	21,318	18,206	15,077	11,693	9,237
Receivables .....	1,845	266	1,845	1,845	1,845	1,845	1,845
Other.....	12,028	-	12,028	12,028	12,028	12,028	12,028
<b>Total current assets .....</b>	<b>46,164</b>	<b>26,262</b>	<b>45,872</b>	<b>41,430</b>	<b>38,329</b>	<b>35,989</b>	<b>34,063</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables.....	433	866	866	1,299	1,732	2,165	2,598
Property, plant and equipment.....	2,955	2,864	3,387	3,829	4,281	4,703	5,125
Intangibles .....	564	-	564	564	564	564	564
Restricted cash .....	1,017	113	113	255	414	828	828
Other.....	1,032	-	1,032	1,032	1,032	1,032	1,032
<b>Total non-current assets .....</b>	<b>6,001</b>	<b>3,843</b>	<b>5,962</b>	<b>6,979</b>	<b>8,023</b>	<b>9,292</b>	<b>10,147</b>
<b>TOTAL ASSETS .....</b>	<b>52,165</b>	<b>30,105</b>	<b>51,834</b>	<b>48,409</b>	<b>46,352</b>	<b>45,281</b>	<b>44,210</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	4,638	5,090	4,638	4,638	4,638	4,638	4,638
Payables .....	1,318	1,223	1,318	1,318	1,318	1,318	1,318
Other.....	3,646	-	3,646	3,646	3,646	3,646	3,646
<b>Total current liabilities .....</b>	<b>9,602</b>	<b>6,313</b>	<b>9,602</b>	<b>9,602</b>	<b>9,602</b>	<b>9,602</b>	<b>9,602</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	2,927	2,961	2,927	2,927	2,927	2,927	2,927
<b>Total non-current liabilities .....</b>	<b>2,927</b>	<b>2,961</b>	<b>2,927</b>	<b>2,927</b>	<b>2,927</b>	<b>2,927</b>	<b>2,927</b>
<b>TOTAL LIABILITIES.....</b>	<b>12,529</b>	<b>9,274</b>	<b>12,529</b>	<b>12,529</b>	<b>12,529</b>	<b>12,529</b>	<b>12,529</b>
<b>EQUITY</b>							
Contributed equity .....	25,423	(28,988)	5,804	(55,505)	(116,400)	(179,575)	(242,750)
Accumulated surplus/(deficit).....	14,143	49,819	33,431	91,315	150,153	212,257	274,361
Reserves.....	70	-	70	70	70	70	70
<b>Total equity .....</b>	<b>39,636</b>	<b>20,831</b>	<b>39,305</b>	<b>35,880</b>	<b>33,823</b>	<b>32,752</b>	<b>31,681</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>52,165</b>	<b>30,105</b>	<b>51,834</b>	<b>48,409</b>	<b>46,352</b>	<b>45,281</b>	<b>44,210</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	4,725	2,301	2,301	2,374	2,405	2,405	2,405
Capital appropriation .....	855	865	865	875	885	885	885
Royalties for Regions Fund:							
Regional Community Services Fund .....	125	-	-	-	-	-	-
Regional Infrastructure and Headworks Fund .....	-	-	84	52	53	54	56
Equity contribution repayments to agency.....	(1,000)	-	-	-	-	-	-
Receipts paid into Consolidated Account.....	(5,910)	(20,484)	(20,484)	(62,184)	(61,780)	(64,030)	(64,030)
<b>Net cash provided by State Government .....</b>	<b>(1,205)</b>	<b>(17,318)</b>	<b>(17,234)</b>	<b>(58,883)</b>	<b>(58,437)</b>	<b>(60,686)</b>	<b>(60,684)</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(36,382)	(36,750)	(36,834)	(37,928)	(38,329)	(38,332)	(38,334)
Grants and subsidies.....	(15,993)	(19,028)	(19,028)	(24,122)	(22,760)	(22,492)	(22,492)
Supplies and services .....	(4,954)	(9,041)	(7,397)	(7,823)	(9,168)	(10,098)	(11,064)
Accommodation .....	(4,833)	(4,790)	(4,790)	(4,900)	(5,010)	(5,010)	(5,010)
Other payments.....	(5,125)	(6,009)	(8,276)	(8,047)	(8,070)	(8,070)	(8,070)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees.....	23,474	23,747	24,370	25,420	25,859	26,789	27,755
Grants and subsidies.....	248	-	-	-	-	-	-
Sale of goods and services.....	4,426	4,108	4,108	4,108	4,108	4,108	4,108
Landfill Levy.....	45,995	60,000	60,000	104,000	105,000	108,000	108,000
GST receipts.....	1,434	4,000	4,000	4,000	4,000	4,000	4,000
Other receipts .....	717	750	750	750	750	750	750
<b>Net cash from operating activities .....</b>	<b>9,007</b>	<b>16,987</b>	<b>16,903</b>	<b>55,458</b>	<b>56,380</b>	<b>59,645</b>	<b>59,643</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(1,658)	(865)	(865)	(875)	(885)	(885)	(885)
<b>Net cash from investing activities.....</b>	<b>(1,658)</b>	<b>(865)</b>	<b>(865)</b>	<b>(875)</b>	<b>(885)</b>	<b>(885)</b>	<b>(885)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>6,144</b>	<b>(1,196)</b>	<b>(1,196)</b>	<b>(4,300)</b>	<b>(2,942)</b>	<b>(1,926)</b>	<b>(1,926)</b>
Cash assets at the beginning of the reporting period .....	-	27,305	33,308	32,112	27,812	24,870	22,944
Net cash transferred to/from other agencies .....	27,164	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>33,308</b>	<b>26,109</b>	<b>32,112</b>	<b>27,812</b>	<b>24,870</b>	<b>22,944</b>	<b>21,018</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Regulatory Fees</b>							
Regulatory Fees.....	23,474	23,747	24,370	25,420	25,859	26,789	27,755
<b>Grants and Subsidies</b>							
Grants and Subsidies.....	248	-	-	-	-	-	-
<b>Sales of Goods and Services</b>							
Receipts from Sale of Goods and Services...	4,426	4,108	4,108	4,108	4,108	4,108	4,108
<b>Landfill Levy</b>							
Landfill Levy <sup>(b)</sup> .....	45,995	60,000	60,000	104,000	105,000	108,000	108,000
<b>GST Receipts</b>							
GST Input Credits .....	1,365	3,700	3,700	3,700	3,700	3,700	3,700
GST Receipts.....	69	300	300	300	300	300	300
<b>Other Receipts</b>							
Interest Received .....	717	750	750	750	750	750	750
<b>TOTAL .....</b>	<b>76,294</b>	<b>92,605</b>	<b>93,228</b>	<b>138,278</b>	<b>139,717</b>	<b>143,647</b>	<b>144,613</b>

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

(b) 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), \$64 million (2017-18) and \$64 million (2018-19).

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Fines</b>							
Receipts from Regulatory Fines .....	4	30	30	30	30	30	30
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>4</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>
<b>EXPENSES</b>							
<b>Other</b>							
Receipts Paid into the Consolidated Account .....	4	30	30	30	30	30	30
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>4</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>

## Agency Special Purpose Account Details

### CONTAMINATED SITES MANAGEMENT ACCOUNT

Account Purpose: 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.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	4,681	3,270	3,268	680
Receipts:				
Other .....	393	385	385	335
	5,074	3,655	3,653	1,015
Payments .....	1,806	2,973	2,973	662
<b>CLOSING BALANCE</b> .....	3,268	682	680	353

### WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

Account Purpose: 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.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	18,238	14,538	16,114	13,442
Receipts:				
Other .....	11,445	15,750	15,750	26,750
	29,683	30,288	31,864	40,192
Payments .....	13,569	18,720	18,422	29,720
<b>CLOSING BALANCE</b> .....	16,114	11,568	13,442	10,472

## Division 57 Botanic Gardens and Parks Authority

### Part 14 Minister for Environment; Heritage

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 95 Net amount appropriated to deliver services .....	14,252	14,102	14,071	<b>14,389</b>	14,158	14,203	14,257
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	237	244	244	<b>252</b>	260	260	267
Total appropriations provided to deliver services.....	14,489	14,346	14,315	<b>14,641</b>	14,418	14,463	14,524
<b>TOTAL APPROPRIATIONS .....</b>	<b>14,489</b>	<b>14,346</b>	<b>14,315</b>	<b>14,641</b>	<b>14,418</b>	<b>14,463</b>	<b>14,524</b>
<b>EXPENSES</b>							
Total Cost of Services .....	23,503	21,767	21,736	<b>22,367</b>	22,370	22,961	23,217
Net Cost of Services <sup>(a)</sup> .....	14,952	14,429	14,398	<b>14,934</b>	14,787	15,224	15,286
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>10,315</b>	<b>7,513</b>	<b>5,119</b>	<b>4,825</b>	<b>4,486</b>	<b>3,756</b>	<b>3,026</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
15% Procurement Savings.....	-	(410)	(420)	(441)	(441)
2015-16 Streamlined Budget Process Incentive Funding .....	-	258	-	-	-
Workforce Renewal Policy .....	(31)	(251)	(515)	(792)	(1,083)

#### Significant Issues Impacting the Agency

- Kings Park and Botanic Garden remains the State's single most visited tourist destination, with about 5.6 million visits in 2013-14.
- 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 manage risks. Given the urban interface of these significant bushland reserves, fire risk management is a key consideration that is integrated into ongoing bushland management activities, including research programs to assess the best methods of managing bushfire risk and conserving the natural environment in Swan Coastal Plain's vegetation. 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 mainly through fee for service arrangements.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Customer Service and Cultural Heritage.....	12,113	11,219	11,203	11,528	11,529	11,834	11,966
2. Biodiversity Conservation and Scientific Research.....	11,390	10,548	10,533	10,839	10,841	11,127	11,251
<b>Total Cost of Services .....</b>	<b>23,503</b>	<b>21,767</b>	<b>21,736</b>	<b>22,367</b>	<b>22,370</b>	<b>22,961</b>	<b>23,217</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Awareness and appreciation of recreation and tourist resources, and cultural heritage for visitors' enjoyment:</b>					
The level of visitor satisfaction with Kings Park and Botanic Garden facilities and the Western Australian Botanic Garden .....	99%	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 .....	0.4%	6%	-6%	-5%	1
The percentage change in the number attending customer awareness and education forums held at Kings Park and Botanic Garden compared to previous years .....	-3.4%	12%	0%	3%	2
<b>Outcome: Conservation and enhancement of Western Australia's bushland and other flora:</b>					
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 .....	59%	61%	60%	60%	
Percentage of accessions in living collections in Kings Park and Botanic Garden. ....	34%	35%	35%	35%	
Percentage of accessions lost in living collections in Kings Park and Botanic Garden. ....	6%	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 .....	0.49	0.47	0.71	0.5	3
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 cultural events for the year 2013-14 was 277. The budgeted number for 2014-15 is 264, however, it is estimated that 247 will take place in 2014-15 and 251 in 2015-16.
2. The actual number of people attending customer awareness and education forums for the year 2013-14 was 112,223. The budgeted number for 2014-15 is 98,850 however, it is estimated that 99,140 will attend in 2014-15 and 101,400 in 2015-16.
3. This indicator exceeds the budget estimated for this year due to a significant increase in weed cover in high management areas. This resulted from reduced weed control in the long term monitoring areas to enable resources to be assigned to other priority areas, including sites impacted by bushfire, in accordance with the five year restoration plan.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 12,113	\$'000 11,219	\$'000 11,203	\$'000 11,528	
Less Income .....	5,456	4,682	4,682	4,742	
Net Cost of Service.....	6,657	6,537	6,521	6,786	
Employees (Full Time Equivalents).....	62	62	62	62	
<b>Efficiency Indicators <sup>(a)</sup></b>					
Average Cost per Attendee at Education Forums Held at Kings Park and Botanic Garden .....	\$4.18	\$1.76	\$1.59	\$1.60	
Average Cost per Attendee at Cultural Events Held at Kings Park and Botanic Garden .....	\$0.12	\$0.15	\$0.15	\$0.16	
Average Cost per Visitor to Kings Park and Botanic Garden.....	\$2.02	\$1.64	\$1.76	\$1.81	
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.....	9.25%	5%	1%	1%	

(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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 11,390	\$'000 10,548	\$'000 10,533	\$'000 10,839	
Less Income .....	3,095	2,656	2,656	2,691	
Net Cost of Service.....	8,295	7,892	7,877	8,148	
Employees (Full Time Equivalents).....	73	73	73	73	
<b>Efficiency Indicators</b>					
Average Cost of Representative Native Plant Taxa in Kings Park Bushland.....	\$3,882	\$4,754	\$4,754	\$4,884	
Average Cost of the Number of Representative Native Plant Species in Bold Park .....	\$4,684	\$5,738	\$5,738	\$5,895	
Average Cost per Research Grant Project.....	\$14,400	\$18,500	\$19,650	\$23,500	
Percentage Change in Number of Refereed Scientific Publications Published per Government Funded Position Compared to Previous Years....	15%	1%	2.5%	-5%	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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Asset Replacement Program - 2014-15 Program .....	2,387	2,387	2,387	-	-	-	-
Biodiversity Conservation Centre Stage 2 .....	1,582	1,582	1,428	-	-	-	-
Nursery Depot Redevelopment .....	2,620	2,620	2,297	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement Program							
2015-16 Program .....	1,000	-	-	1,000	-	-	-
2016-17 Program .....	1,000	-	-	-	1,000	-	-
2017-18 Program .....	1,000	-	-	-	-	1,000	-
2018-19 Program .....	1,000	-	-	-	-	-	1,000
<b>Total Cost of Asset Investment Program .....</b>	<b>10,589</b>	<b>6,589</b>	<b>6,112</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account .....			1,000	1,000	1,000	1,000	1,000
Internal Funds and Balances .....			5,112	-	-	-	-
<b>Total Funding .....</b>			<b>6,112</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	10,920	12,263	12,232	12,310	12,361	12,610	12,875
Supplies and services .....	7,908	5,390	5,381	5,802	5,687	5,894	5,748
Accommodation .....	741	670	670	686	703	733	763
Depreciation and amortisation .....	1,650	1,470	1,470	1,470	1,470	1,470	1,470
Other expenses .....	2,284	1,974	1,983	2,099	2,149	2,254	2,361
<b>TOTAL COST OF SERVICES .....</b>	<b>23,503</b>	<b>21,767</b>	<b>21,736</b>	<b>22,367</b>	<b>22,370</b>	<b>22,961</b>	<b>23,217</b>
<b>Income</b>							
Sale of goods and services .....	2,394	2,463	2,463	2,537	2,613	2,691	2,758
Regulatory fees and fines .....	997	799	799	818	839	860	882
Grants and subsidies .....	2,182	2,010	2,010	2,010	2,010	2,010	2,060
Other revenue .....	2,978	2,066	2,066	2,068	2,121	2,176	2,231
<b>Total Income .....</b>	<b>8,551</b>	<b>7,338</b>	<b>7,338</b>	<b>7,433</b>	<b>7,583</b>	<b>7,737</b>	<b>7,931</b>
<b>NET COST OF SERVICES .....</b>	<b>14,952</b>	<b>14,429</b>	<b>14,398</b>	<b>14,934</b>	<b>14,787</b>	<b>15,224</b>	<b>15,286</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	14,489	14,346	14,315	14,641	14,418	14,463	14,524
Resources received free of charge .....	23	29	29	29	30	31	32
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>14,512</b>	<b>14,375</b>	<b>14,344</b>	<b>14,670</b>	<b>14,448</b>	<b>14,494</b>	<b>14,556</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(440)</b>	<b>(54)</b>	<b>(54)</b>	<b>(264)</b>	<b>(339)</b>	<b>(730)</b>	<b>(730)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 135, 135 and 135 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	8,447	5,508	3,251	2,957	2,618	1,888	1,158
Restricted cash .....	1,868	2,005	1,868	1,868	1,868	1,868	1,868
Holding account receivables .....	1,000	975	1,000	1,000	1,000	1,000	1,000
Receivables .....	1,524	906	1,524	1,524	1,524	1,524	1,524
Other .....	960	867	960	960	960	960	960
<b>Total current assets .....</b>	<b>13,799</b>	<b>10,261</b>	<b>8,603</b>	<b>8,309</b>	<b>7,970</b>	<b>7,240</b>	<b>6,510</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	5,057	5,552	5,527	5,997	6,467	6,937	7,407
Property, plant and equipment .....	36,675	39,621	41,531	41,343	41,125	40,907	40,689
Other .....	13,238	13,303	13,054	12,802	12,550	12,298	12,046
<b>Total non-current assets .....</b>	<b>54,970</b>	<b>58,476</b>	<b>60,112</b>	<b>60,142</b>	<b>60,142</b>	<b>60,142</b>	<b>60,142</b>
<b>TOTAL ASSETS .....</b>	<b>68,769</b>	<b>68,737</b>	<b>68,715</b>	<b>68,451</b>	<b>68,112</b>	<b>67,382</b>	<b>66,652</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,395	1,670	1,395	1,395	1,395	1,395	1,395
Payables .....	297	486	297	297	297	297	297
Other .....	1,137	3,625	1,137	1,137	1,137	1,137	1,137
<b>Total current liabilities .....</b>	<b>2,829</b>	<b>5,781</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	639	652	639	639	639	639	639
Other .....	2,133	19	2,133	2,133	2,133	2,133	2,133
<b>Total non-current liabilities .....</b>	<b>2,772</b>	<b>671</b>	<b>2,772</b>	<b>2,772</b>	<b>2,772</b>	<b>2,772</b>	<b>2,772</b>
<b>TOTAL LIABILITIES .....</b>	<b>5,601</b>	<b>6,452</b>	<b>5,601</b>	<b>5,601</b>	<b>5,601</b>	<b>5,601</b>	<b>5,601</b>
<b>EQUITY</b>							
Contributed equity .....	30,365	30,022	30,365	30,365	30,365	30,365	30,365
Accumulated surplus/(deficit) .....	12,102	11,921	12,048	11,784	11,445	10,715	9,985
Reserves .....	20,701	20,342	20,701	20,701	20,701	20,701	20,701
<b>Total equity .....</b>	<b>63,168</b>	<b>62,285</b>	<b>63,114</b>	<b>62,850</b>	<b>62,511</b>	<b>61,781</b>	<b>61,051</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>68,769</b>	<b>68,737</b>	<b>68,715</b>	<b>68,451</b>	<b>68,112</b>	<b>67,382</b>	<b>66,652</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	13,019	12,876	12,845	13,171	12,948	12,993	13,054
Holding account drawdowns.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Net cash provided by State Government.....</b>	<b>14,019</b>	<b>13,876</b>	<b>13,845</b>	<b>14,171</b>	<b>13,948</b>	<b>13,993</b>	<b>14,054</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(10,213)	(12,263)	(12,232)	(12,310)	(12,361)	(12,611)	(12,874)
Supplies and services .....	(8,374)	(5,260)	(5,251)	(5,669)	(5,520)	(5,754)	(5,612)
Accommodation .....	(741)	(670)	(670)	(686)	(707)	(733)	(762)
Other payments.....	(4,359)	(2,610)	(2,619)	(2,738)	(2,788)	(2,867)	(2,985)
<b>Receipts</b>							
Regulatory fees and fines.....	979	799	799	818	839	860	882
Grants and subsidies.....	3,139	2,010	2,010	2,010	2,010	2,010	2,060
Sale of goods and services.....	1,931	2,463	2,463	2,537	2,613	2,691	2,758
GST receipts .....	1,250	505	505	505	505	505	518
Other receipts .....	2,037	2,066	2,066	2,068	2,121	2,176	2,231
<b>Net cash from operating activities .....</b>	<b>(14,351)</b>	<b>(12,960)</b>	<b>(12,929)</b>	<b>(13,465)</b>	<b>(13,288)</b>	<b>(13,723)</b>	<b>(13,784)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(1,254)	(1,000)	(6,112)	(1,000)	(1,000)	(1,000)	(1,000)
Proceeds from sale of non-current assets.....	21	-	-	-	1	-	-
<b>Net cash from investing activities.....</b>	<b>(1,233)</b>	<b>(1,000)</b>	<b>(6,112)</b>	<b>(1,000)</b>	<b>(999)</b>	<b>(1,000)</b>	<b>(1,000)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(1,565)</b>	<b>(84)</b>	<b>(5,196)</b>	<b>(294)</b>	<b>(339)</b>	<b>(730)</b>	<b>(730)</b>
Cash assets at the beginning of the reporting period .....	11,537	7,597	10,315	5,119	4,825	4,486	3,756
Net cash transferred to/from other agencies.....	343	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>10,315</b>	<b>7,513</b>	<b>5,119</b>	<b>4,825</b>	<b>4,486</b>	<b>3,756</b>	<b>3,026</b>

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

# Division 58 Office of the Environmental Protection Authority

## Part 14 Minister for Environment; Heritage

### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 96 Net amount appropriated to deliver services .....	14,533	14,725	14,996	<b>14,150</b>	14,037	14,126	14,330
Total appropriations provided to deliver services.....	14,533	14,725	14,996	<b>14,150</b>	14,037	14,126	14,330
<b>CAPITAL</b>							
Item 154 Capital Appropriation.....	-	59	59	<b>194</b>	106	180	68
<b>TOTAL APPROPRIATIONS</b> .....	14,533	14,784	15,055	<b>14,344</b>	14,143	14,306	14,398
<b>EXPENSES</b>							
Total Cost of Services .....	16,043	14,947	15,506	<b>14,448</b>	14,187	14,246	14,292
Net Cost of Services <sup>(a)</sup> .....	15,955	14,797	15,347	<b>14,150</b>	14,037	14,126	14,192
<b>CASH ASSETS <sup>(b)</sup></b> .....	711	845	451	<b>89</b>	89	89	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.

### Spending Changes

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding .....	-	279	-	-	-
Royalties for Regions - North West Planning Program Assessments .....	188	-	-	-	-
Sale of Marine Vessel - Proceeds Paid into the Consolidated Account .....	100	-	-	-	-
Strategic Assessment of Perth and Peel Regions .....	288	148	-	-	-
Workforce Renewal Policy .....	(17)	(136)	(278)	(427)	(584)

## Significant Issues Impacting the Agency

- With economic conditions slowing, the pace at which companies are seeking approvals for new development proposals has reduced. However, there is still a considerable assessment workload particularly in the iron ore and uranium sectors. Strategic assessments will continue long-term (50 year horizon) for iron ore mining in the Pilbara.
- While the number of new development proposals has slowed, there has been a greater focus by proponents on applications to expand existing facilities and infrastructure to maximise their production.
- The Office will continue to implement initiatives to further streamline procedures for the Environmental Impact Assessment (EIA) approvals process to improve timelines and efficiency. As part of this, a new online lodgement system will be introduced for development proposals. Work will continue on finalising and implementing one stop shop arrangements for EIA and approval of major development proposals under bilateral agreements with the Commonwealth Government.
- The Office will continue to contribute to the key Government project on strategic planning and environmental assessment of long-term development in the Perth and Peel regions to prepare for growth of the regions population to 3.1 million people.

## 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	2013-14 Actual <sup>(a)</sup> \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Environmental Impact Assessment Services to the EPA.....	14,111	9,983	9,913	9,227	9,060	9,098	9,127
2. Environmental Management Services to the EPA.....	-	2,896	3,626	3,384	3,323	3,337	3,348
3. Compliance Monitoring Services to the Minister.....	1,932	2,068	1,967	1,837	1,804	1,811	1,817
<b>Total Cost of Services .....</b>	<b>16,043</b>	<b>14,947</b>	<b>15,506</b>	<b>14,448</b>	<b>14,187</b>	<b>14,246</b>	<b>14,292</b>

(a) New services were established in 2014-15. In previous years, Services 1 and 2 were combined as one service. Information is not available separately for Services 1 and 2 in 2013-14.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Quality advice to the Environmental Protection Authority (EPA) and Minister for Environment (the Minister) on significant proposals, compliance and environmental issues:</b>					
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	75%	85%	80%	1
Percentage of project-specific conditions which did not require significant change following the appeal process .....	n/a	75%	85%	80%	2
Percentage of assessments that met agreed timelines .....	88%	80%	81%	80%	
The EPA's satisfaction with the OEPA's provision of environmental management services during the year .....	n/a	80%	85%	80%	1
Percentage of all projects that have been audited that are compliant with the Ministerial conditions .....	87%	80%	90%	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	80%	80%	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)

- 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 for the 2014-15 year, comparative data is not available for prior years.
- These indicators were introduced for the 2014-15 year and there is not comparative data available for prior years.
- 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 assessment of significant proposals and schemes.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 14,111	\$'000 9,983	\$'000 9,913	\$'000 9,227	1
Less Income .....	73	150	159	150	
Net Cost of Service.....	14,038	9,833	9,754	9,077	
<b>Employees (Full Time Equivalents).....</b>	<b>82</b>	<b>57</b>	<b>55</b>	<b>51</b>	
<b>Efficiency Indicators</b>					
Cost per Standardised Unit of Assessment Output.....	n/a	\$28,094	\$31,062	\$30,253	2,3

### Explanation of Significant Movements

(Notes)

1. New services were established in 2014-15. In previous years, Services 1 and 2 were combined as one Service. The 2013-14 Total and Net Cost of Service and Full Time Equivalents (FTE) reported in this table is for Services 1 and 2 combined. Information is not available separately on Total and Net Cost of Service and FTEs for Services 1 and 2 in 2013-14.
2. A new methodology was introduced in 2014-15 to better reflect the variation in complexity of EIA services in calculating the Cost per Standardised Unit of Assessment Output. For this reason, no comparable data is available for previous years.
3. In the 2014-15 Budget Papers, the Budget Target Cost per Standardised Unit of Assessment Output was incorrectly shown as \$14,261. This should have been \$28,094 as shown in the Budget for 2014-15 in these Budget Papers.

### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 -	\$'000 2,896	\$'000 3,626	\$'000 3,384	1
Less Income .....	-	-	-	148	
Net Cost of Service.....	-	2,896	3,626	3,236	
<b>Employees (Full Time Equivalents).....</b>	<b>n/a</b>	<b>24</b>	<b>20</b>	<b>19</b>	
<b>Efficiency Indicators</b>					
Cost per Standardised Unit of Environmental Management Services Output.....	n/a	\$39,136	\$20,723	\$32,365	2

### Explanation of Significant Movements

(Notes)

1. New services were established in 2014-15. In previous years, Services 1 and 2 were combined as one Service. Information is not available separately on Total and Net Cost of Service and FTEs for Services 1 and 2 in 2013-14.
2. The Cost per Standardised Unit of Environmental Management Services Output is calculated taking into consideration the complexity and variation of the advice provided and a weighting matrix determines the number of units. The 2014-15 Estimated Actual includes high-level complex advice that increase the number of units and lower the per unit cost compared to the 2015-16 Budget Target.

### 3. Compliance Monitoring Services to the Minister

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 1,932	\$'000 2,068	\$'000 1,967	\$'000 1,837	
Less Income .....	15	-	-	-	
Net Cost of Service.....	1,917	2,068	1,967	1,837	
Employees (Full Time Equivalents).....	13	11	12	12	
<b>Efficiency Indicators</b>					
Average Cost per Environmental Audit Completed .....	\$32,198	\$34,462	\$32,783	\$30,618	

### Asset Investment Program

The Asset Investment Program in 2015-16 provides for the continual improvement in systems and processes to support the reform of environmental approval processes.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Computing and Office Equipment Replacement Program .....	891	455	57	86	6	180	68
<b>COMPLETED WORKS</b>							
Information Management System Upgrade .....	111	111	89	-	-	-	-
<b>NEW WORKS</b>							
Case Management System .....	264	-	-	158	106	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>1,266</b>	<b>566</b>	<b>146</b>	<b>244</b>	<b>112</b>	<b>180</b>	<b>68</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			59	194	106	180	68
Asset Sales.....			100	-	-	-	-
Drawdowns from the Holding Account.....			87	50	6	-	-
Other .....			(100)	-	-	-	-
<b>Total Funding.....</b>			<b>146</b>	<b>244</b>	<b>112</b>	<b>180</b>	<b>68</b>

### Financial Statements

#### Income Statement

##### Expenses

The estimated decrease of \$1.1 million, or 6.8%, in the 2015-16 Budget Estimate compared to the 2014-15 Estimated Actual relates to the implementation of system processes in 2014-15 that have streamlined both the approvals processes and corporate services. Additionally, expenditure related to the Royalties for Regions program was completed in 2014-15.

#### Statement of Financial Position

A deficit equity position of \$1.9 million is shown for 2015-16 and is due largely to the carrying of leave liability provisions. A leave management policy is in place to reduce this liability.



**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	12,389	12,449	12,867	12,925	12,313	12,334	12,390
Grants and subsidies <sup>(c)</sup> .....	110	-	-	-	-	-	-
Supplies and services .....	3,051	2,267	2,242	1,265	1,688	1,594	1,528
Accommodation .....	10	-	-	-	-	-	-
Depreciation and amortisation .....	202	50	50	50	50	90	90
Other expenses .....	281	181	347	208	136	228	284
<b>TOTAL COST OF SERVICES .....</b>	<b>16,043</b>	<b>14,947</b>	<b>15,506</b>	<b>14,448</b>	<b>14,187</b>	<b>14,246</b>	<b>14,292</b>
<b>Income</b>							
Grants and subsidies .....	-	-	-	148	-	-	-
Other revenue .....	88	150	159	150	150	120	100
<b>Total Income .....</b>	<b>88</b>	<b>150</b>	<b>159</b>	<b>298</b>	<b>150</b>	<b>120</b>	<b>100</b>
<b>NET COST OF SERVICES .....</b>	<b>15,955</b>	<b>14,797</b>	<b>15,347</b>	<b>14,150</b>	<b>14,037</b>	<b>14,126</b>	<b>14,192</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	14,533	14,725	14,996	14,150	14,037	14,126	14,330
Resources received free of charge .....	100	-	-	-	-	-	-
Royalties for Regions Fund: Regional Infrastructure and Headworks Fund .....	390	-	-	-	-	-	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>15,023</b>	<b>14,725</b>	<b>14,996</b>	<b>14,150</b>	<b>14,037</b>	<b>14,126</b>	<b>14,330</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(932)</b>	<b>(72)</b>	<b>(351)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>138</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 95, 87 and 82 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Australian Research Council Linkage Project (Aquifer Ecosystems) .....	10	-	-	-	-	-	-
Strategic Assessment of Perth and Peel Regions .....	100	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	201	142	98	89	59	29	62
Restricted cash .....	187	349	-	-	-	-	-
Holding account receivables .....	87	50	50	6	-	-	-
Receivables .....	162	176	162	162	162	162	162
Other .....	2	7	2	2	2	2	2
<b>Total current assets .....</b>	<b>639</b>	<b>724</b>	<b>312</b>	<b>259</b>	<b>223</b>	<b>193</b>	<b>226</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	544	544	544	588	638	688	778
Property, plant and equipment .....	108	291	100	100	100	230	298
Intangibles .....	155	204	155	235	341	341	341
Restricted cash .....	323	354	353	-	30	60	75
Other .....	206	215	219	333	289	289	289
<b>Total non-current assets .....</b>	<b>1,336</b>	<b>1,608</b>	<b>1,371</b>	<b>1,256</b>	<b>1,398</b>	<b>1,608</b>	<b>1,781</b>
<b>TOTAL ASSETS .....</b>	<b>1,975</b>	<b>2,332</b>	<b>1,683</b>	<b>1,515</b>	<b>1,621</b>	<b>1,801</b>	<b>2,007</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,996	2,113	1,996	1,917	1,917	1,917	1,917
Payables .....	669	74	669	619	619	619	619
Other .....	324	276	324	91	91	91	91
<b>Total current liabilities .....</b>	<b>2,989</b>	<b>2,463</b>	<b>2,989</b>	<b>2,627</b>	<b>2,627</b>	<b>2,627</b>	<b>2,627</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	806	916	806	806	806	806	806
Other .....	7	9	7	7	7	7	7
<b>Total non-current liabilities .....</b>	<b>813</b>	<b>925</b>	<b>813</b>	<b>813</b>	<b>813</b>	<b>813</b>	<b>813</b>
<b>TOTAL LIABILITIES .....</b>	<b>3,802</b>	<b>3,388</b>	<b>3,802</b>	<b>3,440</b>	<b>3,440</b>	<b>3,440</b>	<b>3,440</b>
<b>EQUITY</b>							
Contributed equity .....	444	503	503	697	803	983	1,051
Accumulated surplus/(deficit) .....	(2,052)	(1,559)	(2,622)	(2,622)	(2,622)	(2,622)	(2,484)
Reserves .....	(219)	-	-	-	-	-	-
<b>Total equity .....</b>	<b>(1,827)</b>	<b>(1,056)</b>	<b>(2,119)</b>	<b>(1,925)</b>	<b>(1,819)</b>	<b>(1,639)</b>	<b>(1,433)</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,975</b>	<b>2,332</b>	<b>1,683</b>	<b>1,515</b>	<b>1,621</b>	<b>1,801</b>	<b>2,007</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	14,483	14,675	14,946	14,100	13,987	14,076	14,240
Capital appropriation .....	-	59	59	194	106	180	68
Holding account drawdowns.....	146	87	87	50	6	-	-
Royalties for Regions Fund: Regional Infrastructure and Headworks Fund .....	390	-	-	-	-	-	-
<b>Net cash provided by State Government.....</b>	<b>15,019</b>	<b>14,821</b>	<b>15,092</b>	<b>14,344</b>	<b>14,099</b>	<b>14,256</b>	<b>14,308</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(12,653)	(12,449)	(12,830)	(13,199)	(12,313)	(12,334)	(12,390)
Grants and subsidies.....	(110)	-	-	-	-	-	-
Supplies and services .....	(2,487)	(2,246)	(2,221)	(1,315)	(1,688)	(1,634)	(1,500)
Accommodation .....	(10)	-	-	-	-	-	(10)
Other payments.....	(511)	(422)	(625)	(666)	(566)	(668)	(492)
<b>Receipts <sup>(b)</sup></b>							
Grants and subsidies.....	-	-	-	148	-	-	-
GST receipts.....	278	220	220	420	430	440	200
Other receipts .....	84	150	150	150	150	120	-
<b>Net cash from operating activities .....</b>	<b>(15,409)</b>	<b>(14,747)</b>	<b>(15,306)</b>	<b>(14,462)</b>	<b>(13,987)</b>	<b>(14,076)</b>	<b>(14,192)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(152)	(146)	(146)	(244)	(112)	(180)	(68)
Proceeds from sale of non-current assets.....	-	-	100	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(152)</b>	<b>(146)</b>	<b>(46)</b>	<b>(244)</b>	<b>(112)</b>	<b>(180)</b>	<b>(68)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(542)</b>	<b>(72)</b>	<b>(260)</b>	<b>(362)</b>	<b>-</b>	<b>-</b>	<b>48</b>
Cash assets at the beginning of the reporting period .....	1,253	917	711	451	89	89	89
<b>Cash assets at the end of the reporting period .....</b>	<b>711</b>	<b>845</b>	<b>451</b>	<b>89</b>	<b>89</b>	<b>89</b>	<b>137</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Grants and Subsidies</b>							
Strategic Assessment of Perth and Peel Regions.....	-	-	-	148	-	-	-
<b>GST Receipts</b>							
GST Receipts.....	278	220	220	420	430	440	200
<b>Other Receipts</b>							
Other Receipts .....	84	150	150	150	150	120	-
<b>TOTAL .....</b>	<b>362</b>	<b>370</b>	<b>370</b>	<b>718</b>	<b>580</b>	<b>560</b>	<b>200</b>

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

## Division 59 Zoological Parks Authority

### Part 14 Minister for Environment; Heritage

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 97 Net amount appropriated to deliver services .....	11,013	11,026	11,000	11,385	11,153	11,232	11,214
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	237	246	246	254	261	261	261
Total appropriations provided to deliver services.....	11,250	11,272	11,246	11,639	11,414	11,493	11,475
<b>CAPITAL</b>							
Item 155 Capital Appropriation.....	1,470	735	735	735	735	735	735
<b>TOTAL APPROPRIATIONS</b> .....	12,720	12,007	11,981	12,374	12,149	12,228	12,210
<b>EXPENSES</b>							
Total Cost of Services .....	22,838	24,303	24,277	25,093	25,243	25,604	26,004
Net Cost of Services <sup>(a)</sup> .....	9,665	10,156	10,130	10,133	9,769	9,791	9,855
<b>CASH ASSETS <sup>(b)</sup></b> .....	12,577	7,560	14,547	15,360	13,354	11,379	12,046

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
15% Procurement Savings .....	-	(563)	(581)	(612)	(627)
2015-16 Streamlined Budget Process Incentive Funding .....	-	172	-	-	-
2015-16 Tariffs, Fees and Charges .....	-	378	373	368	363
Workforce Renewal Policy .....	(26)	(212)	(434)	(668)	(912)

## 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 operational reviews undertaken in 2014-15, in community engagement, sponsorship, fundraising, facilities and in visitor services, will continue to be implemented to align to the Authority's strategic purpose as a commercial conservation organisation.
- Seeking new external funding opportunities through sponsorships, partnerships and grants to supplement income will continue to be a priority.
- The implementation of the Integrated Water Management Strategy will occur in 2015-16. This is being managed closely to minimise disruption to Zoo visitors and any adverse impact on the Authority's admission and commercial revenue.
- Planning is a priority in 2015-16. With the Western Swamp Tortoise Breeding Facility now completed, ongoing planning aligned with the Authority's Master Plan and Strategic Asset Plan will become a major focus in 2015-16.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Community Engagement and Awareness in Conservation.....	20,468	21,735	21,610	22,328	22,467	22,801	23,155
2. Wildlife Management, Medicine and Research.....	2,370	2,568	2,667	2,765	2,776	2,803	2,849
<b>Total Cost of Services .....</b>	<b>22,838</b>	<b>24,303</b>	<b>24,277</b>	<b>25,093</b>	<b>25,243</b>	<b>25,604</b>	<b>26,004</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Conservation of wildlife:</b>					
The Zoo as an educational/learning experience:					
Agree .....	95%	95%	95%	95%	
Neutral .....	3%	4%	4%	4%	
Disagree .....	1%	1%	1%	1%	
No response.....	1%	0%	0%	0%	
Number of threatened species offspring bred for release into natural habitats:					
Western Swamp Tortoise .....	39	30	45	30	1,2
Numbat .....	21	12	20	12	1,3
Dibbler .....	76	50	55	50	1

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

**Explanation of Significant Movements**

(Notes)

1. The 2015-16 Budget targets are based on those set independently by the Department of Parks and Wildlife's Recovery Team for the species.
2. A high number of fertile eggs were again produced in 2014-15, along with hatching success during incubation.
3. Two additional breeding age females contributed to the continued breeding success in 2014-15.

**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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	20,468	21,735	21,610	22,328	
Less Income .....	11,971	13,799	13,470	14,349	
Net Cost of Service.....	8,497	7,936	8,140	7,979	
<b>Employees (Full Time Equivalents).....</b>	<b>145</b>	<b>145</b>	<b>145</b>	<b>145</b>	
<b>Efficiency Indicators</b>					
Average Cost per Visitor <sup>(a)</sup> .....	\$32.59	\$33.70	\$33.77	\$35.16	

(a) The total visitor numbers for the 2013-14 Actual, 2014-15 Budget, 2014-15 Estimated Actual and 2015-16 Budget Target are 627,991, 645,000, 640,000 and 635,000 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 2,370	\$'000 2,568	\$'000 2,667	\$'000 2,765	
Less Income .....	1,202	348	677	611	
Net Cost of Service .....	1,168	2,220	1,990	2,154	
<b>Employees (Full Time Equivalents).....</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	
<b>Efficiency Indicators</b>					
Research Communications Produced per Full Time Equivalents .....	1.37	1.27	1.39	1.4	

## Asset Investment Program

The Asset Investment Program (AIP) 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 the Government, internally generated funds through corporate sponsorships, bequests and grants are used to support asset development projects. For the 2015-16 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 to visitor services;
- continued planning for exhibit and facility upgrades throughout the Zoo, including aviaries and African and Asian exhibits that commenced in 2014-15; and
- scoping of a new 'medium-sized mammal' captive-breeding facility to increase the Zoo's capacity to conserve threatened native fauna populations.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Animal Exhibits and Park Facilities (2012-13 to 2015-16) .....	5,664	3,809	1,788	1,855	-	-	-
Facilities and Equipment - Water Infrastructure Management Project .....	11,900	1,730	1,079	2,980	2,800	3,637	753
<b>COMPLETED WORKS</b>							
Animal Exhibits - Orangutan .....	3,758	3,758	115	-	-	-	-
Animal Exhibits and Park Facilities - Family Facilities - Visitor Amenities .....	1,500	1,500	367	-	-	-	-
Western Swamp Tortoise Breeding Facilities .....	1,060	1,060	809	-	-	-	-
Facilities and Equipment							
Computer Equipment - 2014-15 Program .....	150	150	150	-	-	-	-
Minor Equipment and Works - 2014-15 Program .....	130	130	130	-	-	-	-
<b>NEW WORKS</b>							
Animal Exhibits and Park Facilities (2016-17 to 2019-20) .....	10,494	-	-	-	3,094	1,655	1,905
Facilities and Equipment							
Computer Equipment							
2015-16 Program .....	150	-	-	150	-	-	-
2016-17 Program .....	100	-	-	-	100	-	-
2017-18 Program .....	100	-	-	-	-	100	-
2018-19 Program .....	100	-	-	-	-	-	100
Minor Equipment and Works							
2015-16 Program .....	63	-	-	63	-	-	-
2016-17 Program .....	63	-	-	-	63	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>35,232</b>	<b>12,137</b>	<b>4,438</b>	<b>5,048</b>	<b>6,057</b>	<b>5,392</b>	<b>2,758</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			735	735	735	735	735
Drawdowns from the Holding Account .....			4,490	4,000	1,620	1,020	1,020
Internal Funds and Balances .....			(917)	250	3,639	3,637	1,003
Other .....			130	63	63	-	-
<b>Total Funding .....</b>			<b>4,438</b>	<b>5,048</b>	<b>6,057</b>	<b>5,392</b>	<b>2,758</b>

## Financial Statements

### Income Statement

#### Expenses

The Total Cost of Services is expected to increase in 2015-16 due to planned increases in the preventative maintenance programs and commercial activities. Cost increases are supported by the Authority's ability to generate additional revenue. There is also a net increase in employee benefit expenses as a result of a combination of award rate increases and reductions linked to the Workforce Renewal Policy.

#### Income

The increase in the total income for the 2015-16 Budget Estimate compared to the 2013-14 Actual is attributable to increased admission charges from 1 July 2015 and revenue from various commercial activities. Income from grants is not expected to change. However, the Authority will continue to negotiate and seek grant funding in support of animal breeding, research and wildlife conservation initiatives.

### Statement of Financial Position

The asset increases in 2015-16 are primarily related to fixed asset infrastructure projects linked to the AIP. The building asset base is also impacted by asset revaluations and receivables associated with the holding account, which are expected to increase by \$1.2 million (21.8%).



## Statement of Cashflows

The cash balance for the 2015-16 Budget Estimate includes accumulated drawdowns, fundraising, bequest 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 <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	14,123	14,630	14,604	14,785	14,887	14,809	14,935
Grants and subsidies <sup>(c)</sup> .....	355	400	400	400	400	400	400
Supplies and services .....	3,656	3,141	3,096	3,717	3,753	4,013	4,218
Accommodation .....	481	570	570	570	575	575	575
Depreciation and amortisation .....	2,597	2,800	2,800	2,800	2,800	2,800	2,800
Equipment repairs and maintenance .....	1,166	2,184	2,184	2,180	2,177	2,356	2,415
Other expenses .....	460	578	623	641	651	651	661
<b>TOTAL COST OF SERVICES</b> .....	<b>22,838</b>	<b>24,303</b>	<b>24,277</b>	<b>25,093</b>	<b>25,243</b>	<b>25,604</b>	<b>26,004</b>
<b>Income</b>							
Sale of goods and services .....	11,933	13,154	13,154	13,966	14,437	14,768	15,104
Grants and subsidies .....	268	60	60	60	60	60	60
Other revenue .....	972	933	933	934	977	985	985
<b>Total Income</b> .....	<b>13,173</b>	<b>14,147</b>	<b>14,147</b>	<b>14,960</b>	<b>15,474</b>	<b>15,813</b>	<b>16,149</b>
<b>NET COST OF SERVICES</b> .....	<b>9,665</b>	<b>10,156</b>	<b>10,130</b>	<b>10,133</b>	<b>9,769</b>	<b>9,791</b>	<b>9,855</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	11,250	11,272	11,246	11,639	11,414	11,493	11,475
<b>TOTAL INCOME FROM STATE GOVERNMENT</b> .....	<b>11,250</b>	<b>11,272</b>	<b>11,246</b>	<b>11,639</b>	<b>11,414</b>	<b>11,493</b>	<b>11,475</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>1,585</b>	<b>1,116</b>	<b>1,116</b>	<b>1,506</b>	<b>1,645</b>	<b>1,702</b>	<b>1,620</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 165, 165 and 165 respectively. In some cases the figures for 2013-14 and 2014-15 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

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Wildlife Conservation .....	355	400	400	400	400	400	400
<b>TOTAL</b> .....	<b>355</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	12,127	7,060	14,047	15,290	13,214	11,169	11,766
Restricted cash .....	450	500	500	70	140	210	280
Holding account receivables .....	4,490	4,000	4,000	1,620	1,020	1,020	1,020
Receivables .....	604	438	614	614	624	624	624
Other .....	205	215	210	210	210	210	210
Total current assets .....	17,876	12,213	19,371	17,804	15,208	13,233	13,900
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	2,474	1,314	1,314	2,534	4,354	6,174	7,994
Property, plant and equipment .....	16,472	14,835	15,991	15,293	14,566	14,236	13,906
Other .....	26,344	35,093	28,763	32,009	36,293	39,215	39,503
Total non-current assets .....	45,290	51,242	46,068	49,836	55,213	59,625	61,403
<b>TOTAL ASSETS .....</b>	<b>63,166</b>	<b>63,455</b>	<b>65,439</b>	<b>67,640</b>	<b>70,421</b>	<b>72,858</b>	<b>75,303</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,923	1,730	1,923	1,923	1,923	1,923	1,923
Payables .....	957	584	967	967	967	967	967
Other .....	1,435	1,531	1,525	1,165	1,245	1,245	1,335
Total current liabilities .....	4,315	3,845	4,415	4,055	4,135	4,135	4,225
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	693	883	693	693	693	693	693
Other .....	12	19	14	14	15	15	15
Total non-current liabilities .....	705	902	707	707	708	708	708
<b>TOTAL LIABILITIES .....</b>	<b>5,020</b>	<b>4,747</b>	<b>5,122</b>	<b>4,762</b>	<b>4,843</b>	<b>4,843</b>	<b>4,933</b>
<b>EQUITY</b>							
Contributed equity .....	27,475	28,210	28,210	28,945	29,680	30,415	31,150
Accumulated surplus/(deficit) .....	21,254	21,145	22,370	23,876	25,521	27,223	28,843
Reserves .....	9,417	9,353	9,737	10,057	10,377	10,377	10,377
Total equity .....	58,146	58,708	60,317	62,878	65,578	68,015	70,370
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>63,166</b>	<b>63,455</b>	<b>65,439</b>	<b>67,640</b>	<b>70,421</b>	<b>72,858</b>	<b>75,303</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	8,460	8,432	8,406	8,799	8,574	8,653	8,635
Capital appropriation .....	1,470	735	735	735	735	735	735
Holding account drawdowns.....	5,515	4,490	4,490	4,000	1,620	1,020	1,020
<b>Net cash provided by State Government.....</b>	<b>15,445</b>	<b>13,657</b>	<b>13,631</b>	<b>13,534</b>	<b>10,929</b>	<b>10,408</b>	<b>10,390</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(14,082)	(14,603)	(14,577)	(15,121)	(14,840)	(14,752)	(14,805)
Grants and subsidies.....	(355)	(400)	(400)	(400)	(400)	(400)	(400)
Supplies and services .....	(3,654)	(3,154)	(3,109)	(3,712)	(3,748)	(4,008)	(4,212)
Accommodation .....	(496)	(560)	(560)	(560)	(575)	(575)	(575)
Other payments.....	(2,610)	(3,928)	(3,973)	(3,693)	(3,855)	(4,135)	(4,207)
<b>Receipts</b>							
Grants and subsidies.....	218	60	60	60	60	60	60
Sale of goods and services.....	11,921	13,240	13,240	13,890	14,447	14,786	15,141
GST receipts .....	891	1,193	1,193	959	1,056	1,056	1,056
Other receipts .....	952	903	903	904	977	977	977
<b>Net cash from operating activities .....</b>	<b>(7,215)</b>	<b>(7,249)</b>	<b>(7,223)</b>	<b>(7,673)</b>	<b>(6,878)</b>	<b>(6,991)</b>	<b>(6,965)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(3,573)	(5,538)	(4,438)	(5,048)	(6,057)	(5,392)	(2,758)
Proceeds from sale of non-current assets.....	4	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(3,569)</b>	<b>(5,538)</b>	<b>(4,438)</b>	<b>(5,048)</b>	<b>(6,057)</b>	<b>(5,392)</b>	<b>(2,758)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>4,661</b>	<b>870</b>	<b>1,970</b>	<b>813</b>	<b>(2,006)</b>	<b>(1,975)</b>	<b>667</b>
Cash assets at the beginning of the reporting period .....	7,916	6,690	12,577	14,547	15,360	13,354	11,379
<b>Cash assets at the end of the reporting period .....</b>	<b>12,577</b>	<b>7,560</b>	<b>14,547</b>	<b>15,360</b>	<b>13,354</b>	<b>11,379</b>	<b>12,046</b>

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

## Division 60 Heritage Council of Western Australia

### Part 14 Minister for Environment; Heritage

#### Appropriations, Expenses and Cash Assets <sup>(a)</sup>

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 98 Net amount appropriated to deliver services .....	1,853	1,430	1,430	1,461	1,452	1,458	1,460
Total appropriations provided to deliver services.....	1,853	1,430	1,430	1,461	1,452	1,458	1,460
<b>CAPITAL</b>							
Item 156 Capital Appropriation.....	-	1,750	1,000	1,000	-	-	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>1,853</b>	<b>3,180</b>	<b>2,430</b>	<b>2,461</b>	<b>1,452</b>	<b>1,458</b>	<b>1,460</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,853	1,430	2,458	1,461	1,452	1,458	1,460
Net Cost of Services <sup>(b)</sup> .....	1,853	1,430	2,458	1,461	1,452	1,458	1,460
<b>CASH ASSETS <sup>(c)</sup> .....</b>	<b>3,262</b>	<b>3,640</b>	<b>2,234</b>	<b>2,234</b>	<b>2,234</b>	<b>2,234</b>	<b>2,234</b>

(a) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes to adjust for the transfer of services and functions to the Department of the State Heritage Office (SHO).

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding .....	-	15	-	-	-

#### Significant Issues Impacting the Agency

- Following the Government's decision to establish the Department of the State Heritage Office (SHO) with effect from 1 July 2014, the SHO conducts most of the Council's day-to-day operations, projects and service delivery; implementing Government heritage priorities. As a result, a portion of the Council's budget appropriation for service and program delivery has been transferred to the SHO.
- 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 a third of places listed in the State Register of Heritage Places. Many of these are well used, actively maintained and conserved, however others sit idle. Established in 2014-15, with an initial commitment of \$4 million over two years, the Heritage Revolving Fund (Fund) is the first of its kind in Australia. A priority project for the Fund is the historic Warders' Cottages, which will be conserved and returned to active re-use as a vibrant part of central Fremantle, with \$2 million allocated over two years from the Fund. The remaining \$2 million has been allocated to the SHO over two years for other Fund projects. 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. All of the funds available through the Goldfields Earthquake Restoration program have now been committed to repairs and conservation works on 66 heritage listed properties. The SHO continues to work with owners who are yet to finalise property repairs.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Cultural Heritage Conservation Services .....	1,853	1,430	2,458	1,461	1,452	1,458	1,460
<b>Total Cost of Services .....</b>	<b>1,853</b>	<b>1,430</b>	<b>2,458</b>	<b>1,461</b>	<b>1,452</b>	<b>1,458</b>	<b>1,460</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations:</b>					
Extent to which heritage places identified as having potential State significance have been assessed .....	76%	76%	77%	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 .....	6:1	2:1	3:1	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)

1. The leveraging of heritage grant funds in 2014-15 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service <sup>(a)</sup> .....	\$'000 1,853	\$'000 1,430	\$'000 2,458	\$'000 1,461	
Less Income .....	-	-	-	-	
Net Cost of Service <sup>(a)</sup> .....	1,853	1,430	2,458	1,461	
<b>Efficiency Indicators <sup>(b) (c)</sup></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%	

(a) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes to adjust for the transfer of services and functions to the SHO.

(b) With the establishment of the SHO from 1 July 2014, the Council's Key Performance Indicators have been redistributed between the Council and the SHO based on the accountability of each entity.

(c) Further detail in support of the Key Effectiveness Indicators is provided in the agency's Annual Report.

## Asset Investment Program

In 2015-16, the Asset Investment Program consists of the ongoing capital works portion of the Heritage Revolving Fund.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Heritage Revolving Fund.....	2,000	1,000	1,000	1,000	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>2,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			1,000	1,000	-	-	-
<b>Total Funding.....</b>			<b>1,000</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Financial Statements

The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual financial data presented by the Council has been recast due to the transfer of functions and services to the SHO.

### Income Statement

#### *Expenses*

The increase in the Total Cost of Services of \$1 million (72%) in the 2014-15 Estimated Actual compared to the 2014-15 Budget is attributable to an increase in grants and subsidies expense relating to the carryover of 2013-14 unallocated funds in the Goldfields Earthquake Restoration program.

### Statement of Financial Position

The decrease in assets of \$2.1 million (40%) in the 2014-15 Estimated Actual compared to the 2014-15 Budget is primarily due to a reduction in restricted cash relating to the Goldfields Earthquake Restoration program and a reduction in other non-current assets resulting from a scope change to the Heritage Revolving Fund.

### Statement of Cashflows

The 2014-15 Estimated Actual reflects a net reduction from capital appropriation and purchase of non-current assets associated with the scope change to the Heritage Revolving Fund.

**INCOME STATEMENT <sup>(a) (b)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits.....	20	19	19	35	22	22	24
Grants and subsidies <sup>(c)</sup> .....	1,725	1,265	2,293	1,273	1,273	1,273	1,273
Supplies and services .....	106	129	129	136	140	146	145
Other expenses.....	2	17	17	17	17	17	18
<b>TOTAL COST OF SERVICES .....</b>	<b>1,853</b>	<b>1,430</b>	<b>2,458</b>	<b>1,461</b>	<b>1,452</b>	<b>1,458</b>	<b>1,460</b>
<b>NET COST OF SERVICES .....</b>	<b>1,853</b>	<b>1,430</b>	<b>2,458</b>	<b>1,461</b>	<b>1,452</b>	<b>1,458</b>	<b>1,460</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations.....	1,853	1,430	1,430	1,461	1,452	1,458	1,460
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>1,853</b>	<b>1,430</b>	<b>1,430</b>	<b>1,461</b>	<b>1,452</b>	<b>1,458</b>	<b>1,460</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>-</b>	<b>-</b>	<b>(1,028)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(b) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes to adjust for the transfer of services and functions to the SHO.

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

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Heritage Grants Program .....	1,252	1,265	1,265	1,273	1,273	1,273	1,273
Goldfields Earthquake Restoration Program....	473	-	1,028	-	-	-	-
<b>TOTAL .....</b>	<b>1,725</b>	<b>1,265</b>	<b>2,293</b>	<b>1,273</b>	<b>1,273</b>	<b>1,273</b>	<b>1,273</b>



**STATEMENT OF FINANCIAL POSITION <sup>(a) (b)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	250	250	250	250	250	250	250
Restricted cash .....	3,012	3,390	1,984	1,984	1,984	1,984	1,984
Total current assets .....	3,262	3,640	2,234	2,234	2,234	2,234	2,234
<b>NON-CURRENT ASSETS</b>							
Other.....	-	1,750	1,000	2,000	-	-	-
Total non-current assets .....	-	1,750	1,000	2,000	-	-	-
<b>TOTAL ASSETS .....</b>	<b>3,262</b>	<b>5,390</b>	<b>3,234</b>	<b>4,234</b>	<b>2,234</b>	<b>2,234</b>	<b>2,234</b>
<b>CURRENT LIABILITIES</b>							
Payables.....	1,883	2,000	2,000	2,000	2,000	2,000	2,000
Total current liabilities .....	1,883	2,000	2,000	2,000	2,000	2,000	2,000
<b>TOTAL LIABILITIES.....</b>	<b>1,883</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
<b>EQUITY</b>							
Contributed equity .....	1,003	2,753	2,003	3,003	1,003	1,003	1,003
Accumulated surplus/(deficit).....	376	637	(769)	(769)	(769)	(769)	(769)
<b>Total equity .....</b>	<b>1,379</b>	<b>3,390</b>	<b>1,234</b>	<b>2,234</b>	<b>234</b>	<b>234</b>	<b>234</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>3,262</b>	<b>5,390</b>	<b>3,234</b>	<b>4,234</b>	<b>2,234</b>	<b>2,234</b>	<b>2,234</b>

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

(b) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes to adjust for the transfer of services and functions to the SHO.

**STATEMENT OF CASHFLOWS** <sup>(a) (b)</sup>  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	1,853	1,430	1,430	1,461	1,452	1,458	1,460
Capital appropriation .....	-	1,750	1,000	1,000	-	-	-
Receipts paid into Consolidated Account.....	-	-	-	-	(2,000)	-	-
<b>Net cash provided by State Government.....</b>	<b>1,853</b>	<b>3,180</b>	<b>2,430</b>	<b>2,461</b>	<b>(548)</b>	<b>1,458</b>	<b>1,460</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(20)	(19)	(19)	(26)	(22)	(22)	(24)
Grants and subsidies.....	(1,901)	(1,265)	(2,293)	(1,273)	(1,273)	(1,273)	(1,273)
Supplies and services .....	(106)	(129)	(132)	(138)	(140)	(146)	(145)
Other payments.....	(2)	(17)	(14)	(24)	(17)	(17)	(18)
<b>Net cash from operating activities .....</b>	<b>(2,029)</b>	<b>(1,430)</b>	<b>(2,458)</b>	<b>(1,461)</b>	<b>(1,452)</b>	<b>(1,458)</b>	<b>(1,460)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	-	(1,750)	(1,000)	(1,000)	-	-	-
Proceeds from sale of non-current assets.....	-	-	-	-	2,000	-	-
<b>Net cash from investing activities.....</b>	<b>-</b>	<b>(1,750)</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>2,000</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(176)</b>	<b>-</b>	<b>(1,028)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	-	3,640	3,262	2,234	2,234	2,234	2,234
Net cash transferred to/from other agencies....	3,438	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>3,262</b>	<b>3,640</b>	<b>2,234</b>	<b>2,234</b>	<b>2,234</b>	<b>2,234</b>	<b>2,234</b>

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

(b) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes to adjust for the transfer of services and functions to the SHO.

## Division 61 State Heritage Office

### Part 14 Minister for Environment; Heritage

#### Appropriations, Expenses and Cash Assets <sup>(a)</sup>

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 99 Net amount appropriated to deliver services .....	6,442	8,960	9,549	<b>8,632</b>	7,696	7,789	8,005
Total appropriations provided to deliver services.....	6,442	8,960	9,549	<b>8,632</b>	7,696	7,789	8,005
<b>CAPITAL</b>							
Capital Appropriation .....	11	-	-	-	-	-	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>6,453</b>	<b>8,960</b>	<b>9,549</b>	<b>8,632</b>	<b>7,696</b>	<b>7,789</b>	<b>8,005</b>
<b>EXPENSES</b>							
Total Cost of Services <sup>(b)</sup> .....	11,189	13,694	14,384	<b>13,569</b>	12,748	12,957	13,292
Net Cost of Services <sup>(b) (c)</sup> .....	7,298	9,645	10,335	<b>8,991</b>	8,055	8,148	8,364
<b>CASH ASSETS <sup>(d)</sup> .....</b>	<b>1,791</b>	<b>352</b>	<b>1,616</b>	<b>1,616</b>	<b>1,616</b>	<b>1,616</b>	<b>1,616</b>

(a) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes using the Heritage Council of Western Australia (HCWA) historic data to adjust for the transfer of services and functions to the Department.

(b) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been further recast to ensure consistency with the transfer of the Fremantle Prison from the Department of Finance.

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

(d) As at 30 June each financial year.

#### Spending Changes

All recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding.....	-	150	-	-	-
Transfer of the Fremantle Prison from the Department of Finance.....	-	5,777	5,923	6,070	6,221

## Significant Issues Impacting the Agency

- Following the Government's decision to establish the Department of the State Heritage Office (Department) with effect from 1 July 2014, the Department conducts most of the Heritage Council of Western Australia (HCWA) day-to-day operations, projects and service delivery; implementing Government heritage priorities. As a result, a portion of the HCWA's budget appropriation for service and program delivery has been transferred to the Department.
- The Government has an ownership interest in more than a third of places listed in the State Register of Heritage Places. Many of these are well used, actively maintained and conserved, however others sit idle. Established in 2014-15 with an initial commitment of \$4 million over two years, the Heritage Revolving Fund (Fund) is the first of its kind in Australia. A priority project for the Fund is the historic Warders' Cottages, which will be conserved and returned to active re-use as a vibrant part of central Fremantle. The Department will also work with State 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.
- Responsibility for the management, conservation and operation of the World Heritage listed Fremantle Prison (Prison) will transfer from the Department of Finance to the Department with effect from 1 July 2015. In addition to continuing the focus on presenting the Prison to standards that are consistent with its status as one of the most visited built-heritage places in Western Australia, a key priority will be to establish an ongoing conservation program to ensure its heritage values are maintained for generations to come.

## 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.	Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations.	1. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia

### Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia ...	11,189	13,694	14,384	13,569	12,748	12,957	13,292
<b>Total Cost of Services .....</b>	<b>11,189</b>	<b>13,694</b>	<b>14,384</b>	<b>13,569</b>	<b>12,748</b>	<b>12,957</b>	<b>13,292</b>

## Outcomes and Key Effectiveness Indicators <sup>(a) (b)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations:</b>					
The Minister for Heritage's satisfaction with the services provided by the Department .....	n/a	n/a	75%	75%	1
The Heritage Council of Western Australia's satisfaction with the services provided by the Department .....	n/a	n/a	75%	75%	1

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

(b) With the establishment of the Department from 1 July 2014, these new indicators were developed in accordance with Treasurer's Instruction 904.

## Services and Key Efficiency Indicators

### 1. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia

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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service <sup>(a)</sup> .....	\$'000 11,189	\$'000 13,694	\$'000 14,384	\$'000 13,569	
Less Income <sup>(a)</sup> .....	3,891	4,049	4,049	4,578	
Net Cost of Service <sup>(a)</sup> .....	7,298	9,645	10,335	8,991	
<b>Employees (Full Time Equivalents) <sup>(a)</sup> .....</b>	<b>62</b>	<b>63</b>	<b>63</b>	<b>63</b>	
<b>Efficiency Indicators <sup>(b) (c)</sup></b>					
Average Cost per Place of Maintaining the Heritage Register .....	\$97	\$169	\$52	\$60	1
Average Cost of Development Referrals .....	\$848	\$938	\$866	\$900	
Average Cost of Administering Grants (per Grant Dollar) .....	\$0.10	\$0.19	\$0.06	\$0.10	2

(a) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes using the HCWA's historical data to adjust for the transfer of services and functions to the Department. Further recasting has occurred to ensure consistency with the transfer of the Fremantle Prison from the Department of Finance.

(b) With the establishment of the Department from 1 July 2014, the HCWA's Key Performance Indicators (KPI's) have been redistributed between the HCWA and the Department based on the accountability of each entity.

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

## Explanation of Significant Movements

(Notes)

- Efficiencies created through increasing public use of inHerit, (the online heritage places database enquiry service), the activation of the new in-house database, along with greater industry use of Landgate's Property Interest Report for listing queries has significantly reduced the Average Cost per Place of Maintaining the Heritage Register.
- The lower than anticipated Average Cost of Administering Grants (per Grant Dollar) in the 2014-15 Estimated Actual and the 2015-16 Budget Target compared to the 2014-15 Budget is a result of a reduction in administration costs relating to the Goldfields Earthquake Restoration Fund, and policy changes designed to maximise heritage outcomes from the grants program.

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Asset Replacement - 2014-15 Program.....	20	20	20	-	-	-	-
Heritage Business System Replacement.....	1,739	1,739	175	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement							
2015-16 Program .....	34	-	-	34	-	-	-
2016-17 Program .....	34	-	-	-	34	-	-
2017-18 Program .....	34	-	-	-	-	34	-
2018-19 Program .....	34	-	-	-	-	-	34
<b>Total Cost of Asset Investment Program.....</b>	<b>1,895</b>	<b>1,759</b>	<b>195</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>34</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account.....			20	34	34	34	34
Consolidated Account .....			175	-	-	-	-
<b>Total Funding .....</b>			<b>195</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>34</b>

## Financial Statements

The information presented by the Department is based on the recasting of the HCWA's financial data. As such, the variances for the 2013-14 Actual, 2014-15 Budget, 2014-15 Estimated Actual and the 2015-16 Budget Estimate are primarily due to the transfer of the Fremantle Prison from the Department of Finance not being reflected in the financial statements until 2015-16.

**INCOME STATEMENT <sup>(a) (b)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(c)</sup> .....	3,238	3,394	3,394	6,476	6,366	6,523	6,681
Grants and subsidies <sup>(d)</sup> .....	222	180	180	180	180	180	180
Supplies and services .....	1,249	1,587	2,438	4,110	3,360	3,496	3,636
Accommodation .....	491	607	607	1,018	1,034	1,044	1,053
Depreciation and amortisation .....	136	428	267	736	740	629	631
Other expenses .....	219	361	361	1,049	1,068	1,085	1,111
<b>TOTAL COST OF SERVICES .....</b>	<b>5,555</b>	<b>6,557</b>	<b>7,247</b>	<b>13,569</b>	<b>12,748</b>	<b>12,957</b>	<b>13,292</b>
<b>Income</b>							
Sale of goods and services .....	22	-	-	3,299	3,382	3,467	3,553
Other revenue .....	17	18	18	1,279	1,311	1,342	1,375
<b>Total Income .....</b>	<b>39</b>	<b>18</b>	<b>18</b>	<b>4,578</b>	<b>4,693</b>	<b>4,809</b>	<b>4,928</b>
<b>NET COST OF SERVICES .....</b>	<b>5,516</b>	<b>6,539</b>	<b>7,229</b>	<b>8,991</b>	<b>8,055</b>	<b>8,148</b>	<b>8,364</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	5,285	6,281	6,870	8,632	7,696	7,789	8,005
Resources received free of charge .....	352	258	359	359	359	359	359
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>5,637</b>	<b>6,539</b>	<b>7,229</b>	<b>8,991</b>	<b>8,055</b>	<b>8,148</b>	<b>8,364</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>121</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(b) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes using the HCWA's historical data to adjust for the transfer of services and functions to the Department.

(c) The Full Time Equivalents for 2015-16 Budget Estimate is 63.

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

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Cossack Townsite .....	120	120	120	120	120	120	120
Education and Promotion .....	15	-	-	-	-	-	-
Local Government and Tourism .....	87	60	60	60	60	60	60
<b>TOTAL .....</b>	<b>222</b>	<b>180</b>	<b>180</b>	<b>180</b>	<b>180</b>	<b>180</b>	<b>180</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a) (b)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	1,691	252	1,516	1,516	1,516	1,516	1,516
Restricted cash .....	100	100	100	100	100	100	100
Holding account receivables .....	20	28	20	20	20	20	20
Receivables .....	119	75	119	119	119	119	119
Other .....	-	-	-	509	509	509	509
<b>Total current assets .....</b>	<b>1,930</b>	<b>455</b>	<b>1,755</b>	<b>2,264</b>	<b>2,264</b>	<b>2,264</b>	<b>2,264</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	660	1,060	907	1,608	2,314	2,909	3,506
Property, plant and equipment .....	47	48	40	30,698	30,699	30,699	30,699
Intangibles .....	1,930	1,221	1,865	1,415	965	634	308
<b>Total non-current assets .....</b>	<b>2,637</b>	<b>2,329</b>	<b>2,812</b>	<b>33,721</b>	<b>33,978</b>	<b>34,242</b>	<b>34,513</b>
<b>TOTAL ASSETS .....</b>	<b>4,567</b>	<b>2,784</b>	<b>4,567</b>	<b>35,985</b>	<b>36,242</b>	<b>36,506</b>	<b>36,777</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	482	424	482	842	842	842	842
Payables .....	227	160	110	151	151	151	151
Other .....	98	463	98	98	98	98	98
<b>Total current liabilities .....</b>	<b>807</b>	<b>1,047</b>	<b>690</b>	<b>1,091</b>	<b>1,091</b>	<b>1,091</b>	<b>1,091</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	231	240	231	309	309	309	309
<b>Total non-current liabilities .....</b>	<b>231</b>	<b>240</b>	<b>231</b>	<b>309</b>	<b>309</b>	<b>309</b>	<b>309</b>
<b>TOTAL LIABILITIES .....</b>	<b>1,038</b>	<b>1,287</b>	<b>921</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>
<b>EQUITY</b>							
Contributed equity .....	3,408	1,497	3,646	34,585	34,842	35,106	35,377
Accumulated surplus/(deficit) .....	121	-	-	-	-	-	-
<b>Total equity .....</b>	<b>3,529</b>	<b>1,497</b>	<b>3,646</b>	<b>34,585</b>	<b>34,842</b>	<b>35,106</b>	<b>35,377</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>4,567</b>	<b>2,784</b>	<b>4,567</b>	<b>35,985</b>	<b>36,242</b>	<b>36,506</b>	<b>36,777</b>

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

(b) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes using the HCWA's historical data to adjust for the transfer of services and functions to the Department.



**STATEMENT OF CASHFLOWS <sup>(a) (b)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	4,994	5,839	6,589	7,883	6,956	7,160	7,374
Capital appropriation .....	11	-	-	-	-	-	-
Holding account drawdowns.....	8	20	20	34	34	34	34
<b>Net cash provided by State Government.....</b>	<b>5,013</b>	<b>5,859</b>	<b>6,609</b>	<b>7,917</b>	<b>6,990</b>	<b>7,194</b>	<b>7,408</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(3,131)	(3,404)	(3,404)	(6,493)	(6,373)	(6,530)	(6,690)
Grants and subsidies.....	-	(180)	(180)	(180)	(180)	(180)	(180)
Supplies and services .....	(1,042)	(1,259)	(2,006)	(3,532)	(2,793)	(2,925)	(3,063)
Accommodation .....	(511)	(607)	(607)	(1,019)	(1,033)	(1,044)	(1,053)
Other payments.....	(866)	(645)	(648)	(1,475)	(1,508)	(1,528)	(1,554)
<b>Receipts <sup>(c)</sup></b>							
Sale of goods and services.....	23	-	-	4,092	4,194	4,299	4,406
GST receipts .....	389	230	230	230	230	230	230
Other receipts .....	31	26	26	494	507	518	530
<b>Net cash from operating activities .....</b>	<b>(5,107)</b>	<b>(5,839)</b>	<b>(6,589)</b>	<b>(7,883)</b>	<b>(6,956)</b>	<b>(7,160)</b>	<b>(7,374)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(793)	(20)	(195)	(34)	(34)	(34)	(34)
<b>Net cash from investing activities.....</b>	<b>(793)</b>	<b>(20)</b>	<b>(195)</b>	<b>(34)</b>	<b>(34)</b>	<b>(34)</b>	<b>(34)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(887)</b>	<b>-</b>	<b>(175)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	-	352	1,791	1,616	1,616	1,616	1,616
<b>Net cash transferred to/from other agencies ....</b>	<b>2,678</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash assets at the end of the reporting period .....</b>	<b>1,791</b>	<b>352</b>	<b>1,616</b>	<b>1,616</b>	<b>1,616</b>	<b>1,616</b>	<b>1,616</b>

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

(b) The 2013-14 Actual, 2014-15 Budget and the 2014-15 Estimated Actual have been recast for comparative purposes using the HCWA's historical data to adjust for the transfer of services and functions to the Department.

(c) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Sale of Goods and Services</b>							
Sale of Goods and Services .....	23	-	-	4,092	4,194	4,299	4,406
<b>GST Receipts</b>							
GST Receipts .....	389	230	230	230	230	230	230
<b>Other Receipts</b>							
Other Receipts .....	31	26	26	494	507	518	530
<b>TOTAL .....</b>	<b>443</b>	<b>256</b>	<b>256</b>	<b>4,816</b>	<b>4,931</b>	<b>5,047</b>	<b>5,166</b>

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

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

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>EXPENSES</b>							
Total Cost of Services as per Income Statement .....	5,555	6,557	7,247	13,569	12,748	12,957	13,292
Transfer of the Fremantle Prison from the Department of Finance .....	5,634	7,137	7,137	-	-	-	-
Adjusted Total Cost of Services .....	11,189	13,694	14,384	13,569	12,748	12,957	13,292
<b>APPROPRIATIONS</b>							
Service Appropriations as per Income Statement .....	5,285	6,281	6,870	8,632	7,696	7,789	8,005
Transfer of the Fremantle Prison from the Department of Finance .....	1,157	2,679	2,679	-	-	-	-
Adjusted Total Appropriations Provided to Deliver Services .....	6,442	8,960	9,549	8,632	7,696	7,789	8,005

## Division 62 National Trust of Australia (WA)

### Part 14 Minister for Environment; Heritage

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
<b>Item 100 Net amount appropriated to deliver services .....</b>	2,801	2,878	2,878	3,216	3,246	3,310	3,376
Total appropriations provided to deliver services.....	2,801	2,878	2,878	3,216	3,246	3,310	3,376
<b>CAPITAL</b>							
<b>Item 157 Capital Appropriation.....</b>	435	435	435	435	435	435	435
<b>TOTAL APPROPRIATIONS .....</b>	3,236	3,313	3,313	3,651	3,681	3,745	3,811
<b>EXPENSES</b>							
Total Cost of Services .....	7,809	7,619	8,234	8,007	8,037	8,101	8,167
Net Cost of Services <sup>(a)</sup> .....	(2,518)	2,911	3,126	2,249	3,279	3,343	3,409
<b>CASH ASSETS <sup>(b)</sup> .....</b>	4,023	3,262	4,464	3,225	2,986	2,747	2,508

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2014-15 Estimated Outturn .....	400	-	-	-	-
2015-16 Streamlined Budget Process Incentive Funding .....	-	50	-	-	-

#### 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, Peninsula Farm (Tranby) in Maylands, Gallop House in Nedlands and Ellensbrook in Margaret River.
- 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.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Conservation of Built Heritage .....	3,995	4,100	4,350	4,457	4,616	4,665	4,731
2. Interpretation - Heritage Awareness and Education .....	3,521	2,979	3,614	3,280	3,146	3,156	3,148
3. Conservation of Natural Heritage .....	293	540	270	270	275	280	288
<b>Total Cost of Services .....</b>	<b>7,809</b>	<b>7,619</b>	<b>8,234</b>	<b>8,007</b>	<b>8,037</b>	<b>8,101</b>	<b>8,167</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Conservation of Western Australia's cultural and natural heritage:</b>					
Percentage of conservation work completed .....	8.5%	0.9%	1%	1.8%	1
Percentage increase in attendees of formal heritage education courses .....	12.3%	3.3%	3.5%	3.3%	2
Percentage increase in number of hectares protected by covenants.....	0.04%	1%	0.1%	0.1%	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 2013-14 Actual reflects a significant amount of conservation works carried out by the Trust on heritage properties, including Wanslea, 57 Murray Street, Perth and Stirling House in North Fremantle.

The percentage of conservation works expected to be completed in 2015-16 is slightly higher than in 2014-15. This is due to an increase in planned conservation works during 2015-16 on the Old Perth Boys School and the Artillery Drill Hall in Fremantle.

2. The significant increase in attendee numbers in the 2013-14 Actual compared to the 2014-15 Estimated Actual and 2015-16 Budget Target, relates to the development of formal education courses in line with the Australian Curriculum and the National Trusts Partnership program.
3. The variance between the 2013-14 Actual and the 2014-15 Estimated Actual is due to an increase in the number of registered hectares protected by covenants, with the natural heritage covenanting program expected to stabilise in 2015-16.

**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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 3,995	\$'000 4,100	\$'000 4,350	\$'000 4,457	1
Less Income .....	8,294	3,286	3,352	4,028	
Net Cost of Service .....	(4,299)	814	998	429	
<b>Employees (Full Time Equivalents).....</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	
<b>Efficiency Indicators</b>					
Average Operating Cost per Place Managed.....	\$26,441	\$28,136	\$30,180	\$31,144	2

**Explanation of Significant Movements**

(Notes)

1. The variance between the 2013-14 Actual and the 2015-16 Budget Target is due to a significant increase in grant income received in 2013-14 for the conservation of Wanslea, which was completed in 2014.
2. The increase in the Average Operating Cost per Place Managed in the 2015-16 Budget Target compared to the 2014-15 Budget is due to an increase in conservation costs which will be wholly or in part offset by an increase in property rental income.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 3,521	\$'000 2,979	\$'000 3,614	\$'000 3,280	1
Less Income .....	1,888	1,181	1,656	1,640	2
Net Cost of Service.....	1,633	1,798	1,958	1,640	
<b>Employees (Full Time Equivalents).....</b>	<b>16</b>	<b>15</b>	<b>15</b>	<b>15</b>	
<b>Efficiency Indicators</b>					
Average Cost per Attendee of Providing Heritage Awareness and Education...	\$300	\$276	\$323	\$288	3

### Explanation of Significant Movements

(Notes)

1. The variance between the 2014-15 Budget and the 2014-15 Estimated Actual is primarily due to an increase in the receipt of grant and other external income during 2014-15 which effectively enabled the Trust to deliver additional education related project works. Grant funding is largely dependent on the availability of grants, which is generally not known at the time the budget is formulated.
2. The variances between the reported periods are due to the unpredictability of grant funding and other external income.
3. The variance in the Average Cost per Attendee of Providing Heritage Awareness and Education in the 2014-15 Estimated Actual compared to the 2014-15 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 293	\$'000 540	\$'000 270	\$'000 270	1
Less Income .....	145	241	100	90	2
Net Cost of Service.....	148	299	170	180	
<b>Employees (Full Time Equivalents).....</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	
<b>Efficiency Indicators</b>					
Average Cost per Hectare to Protect Natural Heritage.....	\$5	\$8	\$3	\$3	3

### Explanation of Significant Movements

(Notes)

1. The variance in expenditure in the 2014-15 Budget compared to the 2015-16 Budget Target is due to a decrease in activity in the Trust's Natural Heritage program.
2. The reduction in income between the 2014-15 Budget and the 2015-16 Budget Target is due to a decrease in activity in the Trust's Natural Heritage program.
3. The variance in the Average Cost per Hectare to Protect Natural Heritage from \$8 in the 2014-15 Budget to \$3 in the 2015-16 Budget Target is directly related to a decrease in the Total Cost of Services.

## 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 Australia 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Asset Replacement - 2014-15 Program.....	50	50	50	-	-	-	-
Property Restoration - 2014-15 Program.....	650	650	650	-	-	-	-
Upgrades - Luisini Winery .....	1,482	1,482	500	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement							
2015-16 Program .....	50	-	-	50	-	-	-
2016-17 Program .....	50	-	-	-	50	-	-
2017-18 Program .....	50	-	-	-	-	50	-
2018-19 Program .....	50	-	-	-	-	-	50
Property Restoration							
2015-16 Program .....	650	-	-	650	-	-	-
2016-17 Program .....	650	-	-	-	650	-	-
2017-18 Program .....	650	-	-	-	-	650	-
2018-19 Program .....	650	-	-	-	-	-	650
Upgrades - Old Perth Boys School.....	1,000	-	-	1,000	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>5,982</b>	<b>2,182</b>	<b>1,200</b>	<b>1,700</b>	<b>700</b>	<b>700</b>	<b>700</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			435	435	435	435	435
Drawdowns from the Holding Account.....			265	265	265	265	265
Internal Funds and Balances.....			500	1,000	-	-	-
<b>Total Funding.....</b>			<b>1,200</b>	<b>1,700</b>	<b>700</b>	<b>700</b>	<b>700</b>

## Financial Statements

### Income Statement

#### Expenses

The increase in depreciation and amortisation costs in the 2014-15 Estimated Actual compared with the 2014-15 Budget primarily relates to the Royal Perth Hospital Heritage Precinct, which is now under the care and control of the Trust.

#### Income

The increase in grants and subsidies in the 2013-14 Actual compared with the 2014-15 Budget is due to Lotterywest funding for the conservation of Wanslea during 2013-14.

The increase in grants and subsidies in the 2014-15 Estimated Actual and the 2015-16 Budget Estimate compared with the 2014-15 Budget is due to additional grant funding from external sources.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	3,113	2,924	2,924	3,026	3,020	3,045	3,071
Supplies and services .....	3,278	3,293	3,693	3,364	3,400	3,439	3,479
Accommodation .....	463	383	383	383	383	383	383
Depreciation and amortisation .....	644	435	650	650	650	650	650
Other expenses .....	311	584	584	584	584	584	584
<b>TOTAL COST OF SERVICES .....</b>	<b>7,809</b>	<b>7,619</b>	<b>8,234</b>	<b>8,007</b>	<b>8,037</b>	<b>8,101</b>	<b>8,167</b>
<b>Income</b>							
Sale of goods and services .....	1,016	1,223	1,223	1,273	1,273	1,273	1,273
Grants and subsidies .....	6,858	700	1,000	1,700	700	700	700
Other revenue .....	2,453	2,785	2,885	2,785	2,785	2,785	2,785
<b>Total Income .....</b>	<b>10,327</b>	<b>4,708</b>	<b>5,108</b>	<b>5,758</b>	<b>4,758</b>	<b>4,758</b>	<b>4,758</b>
<b>NET COST OF SERVICES .....</b>	<b>(2,518)</b>	<b>2,911</b>	<b>3,126</b>	<b>2,249</b>	<b>3,279</b>	<b>3,343</b>	<b>3,409</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	2,801	2,878	2,878	3,216	3,246	3,310	3,376
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>2,801</b>	<b>2,878</b>	<b>2,878</b>	<b>3,216</b>	<b>3,246</b>	<b>3,310</b>	<b>3,376</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>5,319</b>	<b>(33)</b>	<b>(248)</b>	<b>967</b>	<b>(33)</b>	<b>(33)</b>	<b>(33)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 31, 30 and 30 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.



**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	900	3,262	341	102	116	47	8
Restricted cash .....	3,123	-	4,123	3,123	2,870	2,700	2,500
Holding account receivables .....	265	265	265	265	265	265	265
Receivables .....	1,727	343	1,727	1,833	1,789	1,789	1,995
Other .....	96	65	96	96	96	96	96
Assets held for sale .....	-	120	-	-	-	-	-
<b>Total current assets .....</b>	<b>6,111</b>	<b>4,055</b>	<b>6,552</b>	<b>5,419</b>	<b>5,136</b>	<b>4,897</b>	<b>4,864</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	983	1,153	1,153	1,538	1,923	2,308	2,693
Property, plant and equipment .....	99,695	93,916	100,246	99,296	96,646	96,696	96,746
Intangibles .....	229	306	229	229	229	229	229
Other .....	1,661	1,661	1,661	1,661	1,661	1,661	1,661
<b>Total non-current assets .....</b>	<b>102,568</b>	<b>97,036</b>	<b>103,289</b>	<b>102,724</b>	<b>100,459</b>	<b>100,894</b>	<b>101,329</b>
<b>TOTAL ASSETS .....</b>	<b>108,679</b>	<b>101,091</b>	<b>109,841</b>	<b>108,143</b>	<b>105,595</b>	<b>105,791</b>	<b>106,193</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	766	658	766	766	766	766	766
Payables .....	1,557	585	1,531	1,431	1,181	975	975
Other .....	286	627	1,286	286	286	286	286
<b>Total current liabilities .....</b>	<b>2,609</b>	<b>1,870</b>	<b>3,583</b>	<b>2,483</b>	<b>2,233</b>	<b>2,027</b>	<b>2,027</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	12	94	12	12	12	12	12
<b>Total non-current liabilities .....</b>	<b>12</b>	<b>94</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
<b>TOTAL LIABILITIES .....</b>	<b>2,621</b>	<b>1,964</b>	<b>3,595</b>	<b>2,495</b>	<b>2,245</b>	<b>2,039</b>	<b>2,039</b>
<b>EQUITY</b>							
Contributed equity .....	28,140	28,433	28,576	27,011	24,746	25,181	25,616
Accumulated surplus/(deficit) .....	51,437	48,978	51,189	52,156	52,123	52,090	52,057
Reserves .....	26,481	21,716	26,481	26,481	26,481	26,481	26,481
<b>Total equity .....</b>	<b>106,058</b>	<b>99,127</b>	<b>106,246</b>	<b>105,648</b>	<b>103,350</b>	<b>103,752</b>	<b>104,154</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>108,679</b>	<b>101,091</b>	<b>109,841</b>	<b>108,143</b>	<b>105,595</b>	<b>105,791</b>	<b>106,193</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	2,366	2,443	2,443	2,566	2,596	2,660	2,726
Capital appropriation .....	435	435	435	435	435	435	435
Holding account drawdowns.....	265	265	265	265	265	265	265
Receipts paid into Consolidated Account.....	-	-	-	(2,000)	(2,700)	-	-
<b>Net cash provided by State Government.....</b>	<b>3,066</b>	<b>3,143</b>	<b>3,143</b>	<b>1,266</b>	<b>596</b>	<b>3,360</b>	<b>3,426</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(3,094)	(2,925)	(2,925)	(3,027)	(3,021)	(3,046)	(3,072)
Supplies and services .....	(3,099)	(3,415)	(3,815)	(3,486)	(3,522)	(3,561)	(3,601)
Accommodation .....	(463)	(366)	(366)	(366)	(366)	(366)	(366)
Other payments.....	(1,887)	(774)	(774)	(774)	(774)	(774)	(774)
<b>Receipts</b>							
Grants and subsidies.....	6,858	700	2,000	700	700	700	700
Sale of goods and services.....	1,016	1,223	1,223	1,273	1,273	1,273	1,273
GST receipts .....	1,285	270	270	270	270	270	270
Other receipts .....	1,352	2,785	2,885	2,605	2,605	2,605	2,605
<b>Net cash from operating activities .....</b>	<b>1,968</b>	<b>(2,502)</b>	<b>(1,502)</b>	<b>(2,805)</b>	<b>(2,835)</b>	<b>(2,899)</b>	<b>(2,965)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(9,518)	(700)	(1,200)	(1,700)	(700)	(700)	(700)
Proceeds from sale of non-current assets.....	112	-	-	2,000	2,700	-	-
<b>Net cash from investing activities.....</b>	<b>(9,406)</b>	<b>(700)</b>	<b>(1,200)</b>	<b>300</b>	<b>2,000</b>	<b>(700)</b>	<b>(700)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(4,372)</b>	<b>(59)</b>	<b>441</b>	<b>(1,239)</b>	<b>(239)</b>	<b>(239)</b>	<b>(239)</b>
Cash assets at the beginning of the reporting period .....	8,395	3,321	4,023	4,464	3,225	2,986	2,747
<b>Cash assets at the end of the reporting period .....</b>	<b>4,023</b>	<b>3,262</b>	<b>4,464</b>	<b>3,225</b>	<b>2,986</b>	<b>2,747</b>	<b>2,508</b>

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

**Part 15**  
**Minister for Emergency Services; Corrective Services; Small Business;**  
**Veterans**

**Summary of Portfolio Appropriations**

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
713	Fire and Emergency Services			
	– Delivery of Services .....	31,911	34,161	16,267
	– Capital Appropriation .....	-	-	161
	Total .....	31,911	34,161	16,428
723	State Emergency Management Committee Secretariat			
	– Delivery of Services .....	4,872	4,872	4,970
	Total .....	4,872	4,872	4,970
729	Corrective Services			
	– Delivery of Services .....	791,642	815,964	808,206
	– Capital Appropriation .....	3,121	6,707	18,674
	Total .....	794,763	822,671	826,880
739	Office of the Inspector of Custodial Services			
	– Delivery of Services .....	3,427	3,427	3,570
	Total .....	3,427	3,427	3,570
745	Small Business Development Corporation			
	– Delivery of Services .....	11,791	13,027	12,005
	– Capital Appropriation .....	60	60	60
	Total .....	11,851	13,087	12,065
	<b>GRAND TOTAL</b>			
	– Delivery of Services .....	843,643	871,451	845,018
	– Capital Appropriation .....	3,181	6,767	18,895
	<b>Total .....</b>	<b>846,824</b>	<b>878,218</b>	<b>863,913</b>



## Division 63 Fire and Emergency Services

### Part 15 Minister for Emergency Services; Corrective Services; Small Business; Veterans

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 101 Net amount appropriated to deliver services .....	49,721	30,920	33,170	15,251	15,197	15,562	15,796
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	967	991	991	1,016	1,041	1,041	1,041
Total appropriations provided to deliver services.....	50,688	31,911	34,161	16,267	16,238	16,603	16,837
<b>CAPITAL</b>							
Item 158 Capital Appropriation.....	24,980	-	-	161	-	1,500	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>75,668</b>	<b>31,911</b>	<b>34,161</b>	<b>16,428</b>	<b>16,238</b>	<b>18,103</b>	<b>16,837</b>
<b>EXPENSES</b>							
Total Cost of Services .....	347,431	334,231	335,084	360,318	379,717	389,351	387,880
Net Cost of Services <sup>(a)</sup> .....	58,225	28,257	28,060	22,635	23,355	16,155	16,565
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>76,630</b>	<b>26,364</b>	<b>59,722</b>	<b>50,715</b>	<b>41,209</b>	<b>58,058</b>	<b>65,173</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	-	-	(300)	(300)	-
15% Procurement Savings.....	-	(5,599)	(5,904)	(6,219)	-
Reinstatement of 15% Procurement Savings (For Essential Appliances, Facilities and Equipment) .....	-	5,080	5,341	5,629	-
Bushfire Risk Management Planning.....	1,552	3,195	-	-	-
Equalisation of Volunteer Insurance and Presumptive Legislation.....	2,268	1,443	1,479	1,516	1,554
Geraldton Volunteer Marine Rescue Group.....	-	800	-	-	-
Royalties for Regions					
Fire Crew Protection.....	(1,979)	1,863	455	1,675	-
South West Emergency Rescue Helicopter Service.....	(3,210)	1,560	3,589	3,801	-
Volunteer Fuel Card .....	94	88	92	96	-
Workforce Renewal Program .....	(18)	(148)	(302)	(465)	(638)

## Significant Issues Impacting the Agency

- The Department will continue its emphasis on the development of a sustainable funding and investment model in support of innovation, as it seeks technological solutions for the replacement of its ageing information and communications systems into the future.
- The Office of Bushfire Risk Management in partnership with agencies such as the Department of Parks and Wildlife and local governments, is working to ensure that bushfire related risk in Western Australia is managed in accordance with Australian Standard ISO 31000:2009 Risk management – Principles and Guidelines. A project to deliver a system to support the development and execution of Bushfire Risk Management Plans (BRMP) has been completed and is currently being utilised by local governments to conduct risk assessments and treatments associated with identified assets, improving the veracity and transparency of BRMPs. Improved resilience through community preparedness and capacity building is also a major focus. In addition, the Department has commenced a four year project to establish Level 1 fire response units in eight remote Aboriginal communities.
- The Emergency Services Acts Review to consolidate the existing emergency service legislation into a single contemporary Emergency Service Act has progressed with a Regulatory Impact Statement under consideration by the Regulatory Gatekeeping Unit (Department of Finance). The next stage of the project will be to provide drafting instructions and draft regulations.
- The safety of staff members and volunteers in the provision of front lines services is a key priority. The Future Fleet Project incorporates comprehensive crew protection capability to both existing and new firefighting appliances across the State. The project will also provide for the procurement of next generation firefighting appliances, and deliver mobile data capabilities to management and incident response vehicles.
- Mental health wellbeing is also a key safety focus with implementation of mental health first aid training for staff members and volunteers and a significantly expanded and enhanced Peer Support program being rolled out in 2015-16.
- Improvement of emergency management outcomes at the community level is being supported by a number of important corporate projects including:
  - the Command, Control, Coordination and Information Systems project to deliver improved command, control and coordination of significant emergency events is nearing completion and has already demonstrated substantial improvement in agency capability and in cross agency collaboration;
  - the All Hazards Information Management System project due for completion at the end of 2015 will support improved incident management, reporting and sharing of information across Incident Management Teams, Regional Operations Centres and the State Operations Centre; and
  - the Critical Messaging project will improve the dissemination of public information by providing more timely, consistent and accurate information during incidents. This project will improve the community confidence in emergency information and provide a single source of truth during incidents.
- The impact of demographic shifts across Western Australia is challenging the Department's ability to sustain its volunteer workforce. Issues include declining numbers of volunteers in the regions and a steady increase in the average age of volunteers. The Department has commenced the development of a ten year Volunteer Sustainability Strategy that will focus on improving the recruitment, retention and diversity of the Department's volunteer workforce. Increased diversity amongst the career firefighter workforce is also being supported through the establishment of the Aboriginal Firefighter Cadetship program. The program aims to increase the number of successful Aboriginal and Torres Strait Islander applicants to become firefighters.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Prevention and Mitigation Services.....	44,937	51,335	47,720	50,950	51,557	53,520	54,334
2. Emergency Services .....	302,494	282,896	287,364	309,368	328,160	335,831	333,546
<b>Total Cost of Services .....</b>	<b>347,431</b>	<b>334,231</b>	<b>335,084</b>	<b>360,318</b>	<b>379,717</b>	<b>389,351</b>	<b>387,880</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Western Australian communities able to prevent, prepare for and recover from emergencies:</b>					
Number of accidental residential fires per 100,000 households <sup>(b)</sup> .....	62.7	70	60	70	
Proportion of structural fires confined to object/room of origin <sup>(c)</sup> .....	74.6%	72%	72.9%	72%	
Percentage of special risk plans for hazardous material sites reviewed within specified timeframes <sup>(d)</sup> .....	91.7%	90%	96.8%	90%	
<b>Outcome: The impact of emergencies is minimised through the delivery of appropriate emergency response:</b>					
Percentage of '000' calls answered within the target timeframe <sup>(e)</sup> .....	95.9%	95%	95.2%	95%	
Percentage of metropolitan responses by Career Fire and Rescue Services within target timeframes <sup>(f)</sup> .....	90.7%	90%	88.5%	90%	
Percentage of volunteer Fire and Rescue Service turnouts within target timeframes - Hazard Management Agency roles only <sup>(g)</sup> .....	93.3%	90%	94.8%	90%	
Percentage of required operational personnel trained in level 2 and level 3 incident management <sup>(h)</sup> .....	158%	90%	125%	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 (now called Emergency Response Guides) 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) 19 officers are competent to manage level 3 incidents, which is 158% 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 44,937	\$'000 51,335	\$'000 47,720	\$'000 50,950	1
Less Income .....	40,489	42,836	42,983	47,276	
Net Cost of Service .....	4,448	8,499	4,737	3,674	
<b>Employees (Full Time Equivalents) <sup>(a)</sup> .....</b>	<b>156</b>	<b>164</b>	<b>162</b>	<b>176</b>	
<b>Efficiency Indicators</b>					
Cost of Prevention and Mitigation Services per Capita (Western Australia) .....	\$18.65	\$20.90	\$16.12	\$18.86	

(a) The increase in Full Time Equivalents (FTEs) in 2015-16 of 14 FTEs, mainly reflects the additional staffing associated with the Bushfire Risk Management Plans, Volunteer Fuel Card, Comprehensive Fire Crew Protection and the full year impact of additional staff associated with the Keely Reforms.

**Explanation of Significant Movements**

(Notes)

- The increase in Total Cost of Service between 2014-15 Estimated Actual and the 2015-16 Budget Target are detailed in the notes to the Financial Statements (Income Statement).



## 2. Emergency Services

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 302,494	\$'000 282,896	\$'000 287,364	\$'000 309,368	1
Less Income .....	248,717	263,138	264,041	290,407	2
Net Cost of Service.....	53,777	19,758	23,323	18,961	
<b>Employees (Full Time Equivalents) <sup>(a)</sup></b> .....	1,263	1,326	1,311	1,335	
<b>Efficiency Indicators</b>					
Cost of Emergency Services per Capita (Western Australia) .....	\$125.52	\$115.18	\$97.07	\$112.99	

(a) The increase in Full Time Equivalents in 2015-16 of 24 FTEs mainly reflects the additional staffing associated with the Bushfire Risk Management Plans, Volunteer Fuel Card, Comprehensive Fire Crew Protection and the full year impact of additional staff associated with the Keelty Reforms.

### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between 2014-15 Estimated Actual and the 2015-16 Budget Target are detailed in the notes to the Financial Statements (Income Statement).
2. The increase in income between 2014-15 Estimated Actual and 2015-16 Budget Target is primarily due to an extension of activities funded by the Emergency Services Levy.

### Asset Investment Program

The Department's Asset Investment Program (AIP) for 2015-16 totals \$38.8 million, comprising new works of \$7.3 million and works in progress of \$31.5 million. The AIP is established within the Government's fiscal parameters and 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 shifts and changing community safety issues.

An overview of the 2015-16 program is as follows:

- funding of \$11.1 million for ongoing vehicle and equipment replacement programs in line with the Department's maintenance and serviceable life replacement strategies;
- construction will continue on the Geraldton (\$4.4 million) and Bunbury (\$5 million) career fire stations and will commence on the Albany (\$3.8 million) and Perth West (\$3.9 million) stations;
- an amount of \$3.7 million has been provided for urgent minor works; and
- funding of \$6.9 million has been provided for the construction of a base facility for the South West Emergency Rescue Helicopter Service.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Fire and Emergency Vehicles							
CFRS Urban Pump Replacement Program <sup>(a)</sup> .....	38,077	15,929	3,675	3,150	3,592	1,886	-
Communication and Information and Communications Technology Support Replacement Program .....	1,219	79	-	161	249	-	-
Fire Crew Protection - Appliance Modification .....	2,645	86	42	1,253	783	523	-
Light Tanker Replacement Program .....	37,218	3,446	2,250	3,167	3,041	3,059	2,873
VES Unit Fleet Replacement Program <sup>(b)</sup> .....	24,197	8,274	882	1,036	2,642	2,714	2,010
VFRS GPA Replacement Program <sup>(c) (d)</sup> .....	12,483	6,341	825	1,000	-	-	-
Land and Building Works							
CFRS Albany Fire Station .....	9,110	1,220	1,220	3,850	4,040	-	-
CFRS Bunbury Fire Station .....	9,534	1,073	1,038	4,961	3,500	-	-
CFRS Geraldton Fire Station .....	7,153	1,975	1,473	4,368	810	-	-
CFRS Perth West Fire Station .....	18,950	11,060	11,060	3,850	4,040	-	-
Urgent Minor Works .....	56,455	4,150	4,150	3,732	3,680	3,700	4,715
Plant and Equipment Works							
Breathing Apparatus Replacement Program .....	3,431	1,831	468	800	800	-	-
Emergency Rescue Equipment Program .....	16,929	7,552	1,030	136	744	191	1,155
<b>COMPLETED WORKS</b>							
Fire and Emergency Vehicles							
CFRS Aerial Appliance Replacement Program .....	2,990	2,990	744	-	-	-	-
CFRS Combined Ladder Platform Half Life Refurbishment .....	2,860	600	386	-	-	-	-
CFRS GPA Replacement Program .....	827	827	460	-	-	-	-
VFRS Appliances - Cape Enhancements .....	3,369	3,369	213	-	-	-	-
Land and Building Works							
CFRS Bassendean/Kiara Fire Station .....	5,300	5,300	314	-	-	-	-
CFRS Butler Fire Station .....	5,415	5,415	3,765	-	-	-	-
CFRS Wangara Fire Station Modifications .....	588	588	449	-	-	-	-
Strategic Land Acquisition Program .....	4,116	4,116	2,450	-	-	-	-
VFRS Geraldton Fire Station .....	2,422	2,422	879	-	-	-	-
Plant and Equipment Works							
Bushfire Risk Management Planning Software .....	902	902	902	-	-	-	-
CFRS Protective Suits Replacement Program .....	679	679	409	-	-	-	-
VMRS Communication Network Program <sup>(e)</sup> .....	434	434	246	-	-	-	-
<b>NEW WORKS</b>							
Fire and Emergency Vehicles							
CFRS Appliances Perth West .....	1,330	-	-	-	1,330	-	-
CFRS Incident Control Vehicle Replacement Program .....	5,315	-	-	250	-	1,764	-
CFRS Specialist Equipment Tender and Pod Carrier Replacement Program .....	3,490	-	-	-	600	-	-
Personnel Transport, Training and Fleet Asset Replacement Program .....	992	-	-	160	-	-	-
VFRS Road Crash Rescue Trailer Replacement Program .....	2,988	-	-	-	210	220	231
VFRS Urban Tanker Replacement Program .....	45,597	-	-	-	4,654	4,660	4,533
Land and Building Works							
South West Emergency Rescue Helicopter Service .....	6,910	-	-	6,910	-	-	-
<b>Total Cost of Asset Investment Program</b> .....	<b>333,925</b>	<b>90,658</b>	<b>39,330</b>	<b>38,784</b>	<b>34,715</b>	<b>18,717</b>	<b>15,517</b>
<b>Loan and Other Repayments</b> .....			<b>4,601</b>	<b>4,953</b>	<b>4,823</b>	<b>13,040</b>	<b>6,239</b>
<b>Total</b> .....	<b>333,925</b>	<b>90,658</b>	<b>43,931</b>	<b>43,737</b>	<b>39,538</b>	<b>31,757</b>	<b>21,756</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			-	161	-	1,500	-
Borrowings .....			8,111	7,080	10,268	7,850	6,038
Drawdowns from the Holding Account .....			5,000	-	-	-	-
Internal Funds and Balances .....			14,304	15,923	9,163	10,640	6,239
Emergency Services Levy .....			16,430	12,410	19,324	11,244	9,479
Drawdowns from Royalties for Regions Fund <sup>(f)</sup> .....			86	8,163	783	523	-
<b>Total Funding</b> .....			<b>43,931</b>	<b>43,737</b>	<b>39,538</b>	<b>31,757</b>	<b>21,756</b>

(a) CFRS: Career Fire and Rescue Service.

(b) VES: Volunteer Emergency Service.

(c) VFRS: Volunteer Fire and Rescue Service.

(d) GPA: General Purpose Appliance.

(e) VMRS: Volunteer Marine Rescue Service.

(f) Regional Infrastructure and Headworks Fund.

## Financial Statements

### Income Statement

#### *Expenses*

After adjusting for increases in funding totalling \$15 million in 2015-16 relating to Bushfire Risk Management Plans (\$0.9 million), Fire Crew Protection (\$3.2 million), South West Emergency Rescue Helicopter Service (\$5.5 million), a grant for the Geraldton Sea Rescue Facility (\$0.8 million) and the reinstatement of procurement savings (\$4.6 million), together with non-recurring expenditure of \$2.9 million in 2014-15, the 2015-16 Total Cost of Services represents an increase of \$13.1 million or 3.9% compared to the 2014-15 Estimated Actual. This increase is mainly attributable to the provision for award increases, cost escalation and the flow-on impact of previous policy decisions.

#### *Income*

Operating and State Government income totalling \$366.2 million for 2015-16 represents an increase of \$20.4 million or 5.9% compared to the 2014-15 Estimated Actual. This increase is mainly attributable to a \$7.6 million increase in the Revenue from Regional Community Services and a \$31.3 million increase in revenue from the Emergency Services Levy, partially offset by a \$17.9 million reduction in service appropriations.

### Statement of Financial Position

Total assets are expected to increase by \$20.7 million in 2015-16 mainly as a result of the construction of the CFRS Albany Fire Station (\$3.8 million), CFRS Bunbury Fire Station (\$5 million), CFRS Geraldton Fire Station (\$4.4 million), CFRS Perth West Fire Station (\$3.9 million), urgent minor works (\$3.7 million) and Vehicle and Equipment Replacement programs (\$11.1 million), partially offset by a reduction in cash assets of \$10.1 million.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	182,768	198,166	190,361	197,346	204,515	210,330	215,185
Grants and subsidies <sup>(c)</sup> .....	39,919	35,923	36,626	42,313	41,597	41,728	39,417
Supplies and services .....	60,126	44,954	40,394	47,057	55,414	56,275	48,650
Accommodation .....	10,058	9,205	9,205	10,298	10,633	10,899	11,171
Depreciation and amortisation .....	28,505	16,985	17,091	18,360	20,817	22,453	23,765
Equipment repairs and maintenance .....	18,113	13,420	13,488	16,606	17,076	17,472	17,909
Other expenses .....	7,942	15,578	27,919	28,338	29,665	30,194	31,783
<b>TOTAL COST OF SERVICES .....</b>	<b>347,431</b>	<b>334,231</b>	<b>335,084</b>	<b>360,318</b>	<b>379,717</b>	<b>389,351</b>	<b>387,880</b>
<b>Income</b>							
Sale of goods and services .....	7,743	7,082	7,082	6,953	6,894	6,834	7,005
Regulatory fees and fines .....	273,087	289,209	289,209	320,521	339,004	354,418	353,753
Grants and subsidies .....	5,363	6,628	6,628	6,685	6,742	6,742	6,742
Other revenue .....	3,013	3,055	4,105	3,524	3,722	5,202	3,815
<b>Total Income .....</b>	<b>289,206</b>	<b>305,974</b>	<b>307,024</b>	<b>337,683</b>	<b>356,362</b>	<b>373,196</b>	<b>371,315</b>
<b>NET COST OF SERVICES .....</b>	<b>58,225</b>	<b>28,257</b>	<b>28,060</b>	<b>22,635</b>	<b>23,355</b>	<b>16,155</b>	<b>16,565</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	50,688	31,911	34,161	16,267	16,238	16,603	16,837
Resources received free of charge .....	1,029	745	745	745	745	745	745
Royalties for Regions Fund:							
Regional Community Services Fund .....	371	7,916	3,857	11,481	13,212	12,564	248
Regional Infrastructure and Headworks Fund .....	-	140	-	-	-	-	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>52,088</b>	<b>40,712</b>	<b>38,763</b>	<b>28,493</b>	<b>30,195</b>	<b>29,912</b>	<b>17,830</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(6,137)</b>	<b>12,455</b>	<b>10,703</b>	<b>5,858</b>	<b>6,840</b>	<b>13,757</b>	<b>1,265</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 1,419, 1,473 and 1,511 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Exmouth Volunteer Marine Rescue Group .....	43	-	657	-	-	-	-
Geraldton Volunteer Marine Rescue Group .....	-	-	-	800	-	-	-
Local Government Emergency Services Grants .....	33,649	27,935	25,802	32,715	31,250	31,860	31,102
Surf Life Saving Western Australia .....	1,239	1,276	1,276	1,314	1,347	1,381	1,415
Other .....	2,936	3,530	5,700	3,112	3,231	5,279	3,457
Volunteer Fuel Card .....	-	1,750	1,759	1,751	1,753	1,755	-
Volunteer Marine Rescue Service .....	2,052	1,432	1,432	2,621	4,016	1,453	3,443
<b>TOTAL .....</b>	<b>39,919</b>	<b>35,923</b>	<b>36,626</b>	<b>42,313</b>	<b>41,597</b>	<b>41,728</b>	<b>39,417</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	72,022	22,664	54,614	44,535	37,713	53,622	60,737
Restricted cash .....	2,908	1,500	2,908	2,908	2,908	2,908	2,908
Holding account receivables .....	5,000	-	-	-	-	-	-
Receivables .....	5,130	4,919	5,225	5,224	5,221	5,221	5,221
Other .....	21,816	19,969	21,820	21,833	21,848	21,848	21,848
<b>Total current assets .....</b>	<b>106,876</b>	<b>49,052</b>	<b>84,567</b>	<b>74,500</b>	<b>67,690</b>	<b>83,599</b>	<b>90,714</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	14,433	20,140	19,763	25,261	31,281	37,437	43,593
Property, plant and equipment .....	309,836	355,754	334,535	358,734	376,256	372,799	367,349
Intangibles .....	93	817	1,265	1,271	1,291	850	-
Other .....	2,511	2,200	3,011	4,083	1,399	2,339	2,339
<b>Total non-current assets .....</b>	<b>326,873</b>	<b>378,911</b>	<b>358,574</b>	<b>389,349</b>	<b>410,227</b>	<b>413,425</b>	<b>413,281</b>
<b>TOTAL ASSETS .....</b>	<b>433,749</b>	<b>427,963</b>	<b>443,141</b>	<b>463,849</b>	<b>477,917</b>	<b>497,024</b>	<b>503,995</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	18,075	19,952	18,052	17,986	17,919	17,919	17,919
Payables .....	6,085	6,745	6,160	6,160	6,168	6,168	6,168
Other .....	6,469	8,192	6,738	7,470	8,350	8,000	13,205
<b>Total current liabilities .....</b>	<b>30,629</b>	<b>34,889</b>	<b>30,950</b>	<b>31,616</b>	<b>32,437</b>	<b>32,087</b>	<b>37,292</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	8,973	8,228	8,947	9,013	9,080	9,080	9,080
Borrowings .....	65,716	70,575	68,879	70,892	72,793	68,593	64,146
Other .....	811	-	811	811	811	811	811
<b>Total non-current liabilities .....</b>	<b>75,500</b>	<b>78,803</b>	<b>78,637</b>	<b>80,716</b>	<b>82,684</b>	<b>78,484</b>	<b>74,037</b>
<b>TOTAL LIABILITIES .....</b>	<b>106,129</b>	<b>113,692</b>	<b>109,587</b>	<b>112,332</b>	<b>115,121</b>	<b>110,571</b>	<b>111,329</b>
<b>EQUITY</b>							
Contributed equity .....	404,752	393,172	395,992	404,316	405,099	414,999	419,947
Accumulated surplus/(deficit) .....	(109,188)	(107,705)	(98,485)	(92,627)	(85,787)	(72,030)	(70,765)
Reserves .....	32,056	28,804	36,047	39,828	43,484	43,484	43,484
<b>Total equity .....</b>	<b>327,620</b>	<b>314,271</b>	<b>333,554</b>	<b>351,517</b>	<b>362,796</b>	<b>386,453</b>	<b>392,666</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>433,749</b>	<b>427,963</b>	<b>443,141</b>	<b>463,849</b>	<b>477,917</b>	<b>497,024</b>	<b>503,995</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	46,257	26,581	28,831	10,769	10,218	10,447	10,681
Capital appropriation .....	24,980	-	-	161	-	1,500	-
Holding account drawdowns.....	5,000	5,000	5,000	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund .....	371	10,716	3,943	19,644	13,995	13,087	248
Regional Infrastructure and Headworks Fund .....	-	140	-	-	-	-	-
<b>Net cash provided by State Government.....</b>	<b>76,608</b>	<b>42,437</b>	<b>37,774</b>	<b>30,574</b>	<b>24,213</b>	<b>25,034</b>	<b>10,929</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(182,349)	(193,939)	(189,666)	(195,834)	(206,881)	(209,101)	(213,956)
Grants and subsidies.....	(36,707)	(35,923)	(36,626)	(42,313)	(41,597)	(41,728)	(39,417)
Supplies and services .....	(57,126)	(52,818)	(44,935)	(51,121)	(54,223)	(52,047)	(44,415)
Accommodation .....	(10,058)	(10,310)	(10,310)	(10,298)	(10,633)	(10,899)	(11,171)
Other payments.....	(41,551)	(40,443)	(52,852)	(54,329)	(56,073)	(57,015)	(59,048)
<b>Receipts</b>							
Regulatory fees and fines.....	272,179	289,209	289,209	325,015	339,004	354,418	353,753
Grants and subsidies.....	5,363	5,728	5,728	5,785	5,842	5,842	5,842
Sale of goods and services.....	7,110	7,732	7,732	7,853	7,794	7,734	7,905
GST receipts.....	14,430	8,794	8,794	8,794	8,794	8,794	8,794
Other receipts .....	2,220	3,014	4,064	3,524	3,524	3,524	3,617
<b>Net cash from operating activities .....</b>	<b>(26,489)</b>	<b>(18,956)</b>	<b>(18,862)</b>	<b>(2,924)</b>	<b>(4,449)</b>	<b>9,522</b>	<b>11,904</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(16,184)	(42,523)	(39,330)	(38,784)	(34,715)	(18,717)	(15,517)
Proceeds from sale of non-current assets.....	795	-	-	-	-	6,200	-
<b>Net cash from investing activities.....</b>	<b>(15,389)</b>	<b>(42,523)</b>	<b>(39,330)</b>	<b>(38,784)</b>	<b>(34,715)</b>	<b>(12,517)</b>	<b>(15,517)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings.....	(26,995)	(4,601)	(10,001)	(10,353)	(10,223)	(18,440)	(11,639)
Proceeds from borrowings.....	11,842	8,735	13,511	12,480	15,668	13,250	11,438
<b>Net cash from financing activities.....</b>	<b>(15,153)</b>	<b>4,134</b>	<b>3,510</b>	<b>2,127</b>	<b>5,445</b>	<b>(5,190)</b>	<b>(201)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>19,577</b>	<b>(14,908)</b>	<b>(16,908)</b>	<b>(9,007)</b>	<b>(9,506)</b>	<b>16,849</b>	<b>7,115</b>
Cash assets at the beginning of the reporting period .....	60,558	41,272	76,630	59,722	50,715	41,209	58,058
Net cash transferred to/from other agencies.....	(3,505)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>76,630</b>	<b>26,364</b>	<b>59,722</b>	<b>50,715</b>	<b>41,209</b>	<b>58,058</b>	<b>65,173</b>

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

## Division 64 State Emergency Management Committee Secretariat

### Part 15 Minister for Emergency Services; Corrective Services; Small Business; Veterans

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 102 Net amount appropriated to deliver services .....	3,911	4,872	4,872	<b>4,970</b>	4,968	5,074	5,199
Total appropriations provided to deliver services.....	3,911	4,872	4,872	<b>4,970</b>	4,968	5,074	5,199
<b>TOTAL APPROPRIATIONS .....</b>	<b>3,911</b>	<b>4,872</b>	<b>4,872</b>	<b>4,970</b>	4,968	5,074	5,199
<b>EXPENSES</b>							
Total Cost of Services .....	6,294	8,267	11,430	<b>8,370</b>	8,373	8,479	8,604
Net Cost of Services <sup>(a)</sup> .....	3,127	5,135	6,732	<b>5,238</b>	5,241	5,347	5,472
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>5,682</b>	<b>4,630</b>	<b>4,085</b>	<b>4,085</b>	4,085	4,085	4,085

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding .....	-	96	-	-	-
Natural Disaster Resilience Program Activities .....	3,163	-	-	-	-

#### Significant Issues Impacting the Agency

- The State Emergency Management Committee (SEMC) Secretariat is 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.
- The current National Partnership Agreement for Natural Disaster Resilience expires on 30 June 2015. The SEMC Secretariat is working with the Department of the Attorney General to enable important resilience work to continue for the State.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Emergency Management Advice and Consultation .....	6,294	8,267	11,430	8,370	8,373	8,479	8,604
<b>Total Cost of Services .....</b>	<b>6,294</b>	<b>8,267</b>	<b>11,430</b>	<b>8,370</b>	<b>8,373</b>	<b>8,479</b>	<b>8,604</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Effective strategic coordination of emergency management:</b>					
Stakeholder assessment of strategic coordination and quality of emergency management.....	57%	60%	60%	60%	

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



## Services and Key Efficiency Indicators

### 1. Emergency Management Advice and Consultation

Provision of committee support for the SEMC Secretariat, policy and legislation development and review, advice/assistance, information sharing and awareness building, community engagement and capacity building.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 6,294	\$'000 8,267	\$'000 11,430	\$'000 8,370	1
Less Income .....	3,167	3,132	4,698	3,132	1
Net Cost of Service .....	3,127	5,135	6,732	5,238	
<b>Employees (Full Time Equivalents).....</b>	<b>26</b>	<b>30</b>	<b>30</b>	<b>27</b>	
<b>Efficiency Indicators <sup>(a)</sup></b>					
Average Hourly Cost of Providing Emergency Management Advice and Consultation .....	\$55	\$56	\$56	\$56	

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

### Explanation of Significant Movements

(Notes)

1. The 2014-15 Estimated Actual exceeds the 2014-15 Budget due to unexpected delays in 2012-13 and 2013-14 in implementing the National Partnership Agreement for the Natural Disaster Resilience Program (NDRP).

## Financial Statements

### Income Statement

#### Expenses

The increase in expenditure of \$3.2 million from 2014-15 Budget to 2014-15 Estimated Actual reflects additional salary and grants payments under the NDRP. For 2015-16, expenses decrease by \$3.1 million as NDRP projects from the previous year reach completion.

#### Income

The Commonwealth Government has over recent years provided the State with \$3.1 million in annual funding for the NDRP. As a result of unexpected delays, the Commonwealth agreed to transfer \$1.6 million of funding from 2013-14 into 2014-15, increasing total funding to \$4.7 million in that year.

### Statement of Financial Position

#### Assets

Since creation as a sub-department in 2013-14, the SEMC Secretariat administers Commonwealth Government grant funds (held as restricted cash) and has acquired non-current assets as part of its occupation of 20 Southport Street, Leederville.

### Statement of Cashflows

The reduction in cash position relates to the completion of the previous year's projects under the NDRP.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	3,277	3,339	3,639	3,219	3,191	3,267	3,342
Grants and subsidies <sup>(c)</sup> .....	1,535	2,886	5,749	3,132	3,132	3,132	3,132
Supplies and services .....	770	1,051	1,045	1,011	1,034	1,059	1,088
Accommodation .....	459	659	659	660	660	660	676
Depreciation and amortisation .....	66	74	74	74	73	-	-
Other expenses .....	187	258	264	274	283	361	366
<b>TOTAL COST OF SERVICES .....</b>	<b>6,294</b>	<b>8,267</b>	<b>11,430</b>	<b>8,370</b>	<b>8,373</b>	<b>8,479</b>	<b>8,604</b>
<b>Income <sup>(d)</sup></b>							
Sale of goods and services .....	21	-	-	-	-	-	-
Grants and subsidies .....	3,132	3,132	4,698	3,132	3,132	3,132	3,132
Other revenue .....	14	-	-	-	-	-	-
<b>Total Income .....</b>	<b>3,167</b>	<b>3,132</b>	<b>4,698</b>	<b>3,132</b>	<b>3,132</b>	<b>3,132</b>	<b>3,132</b>
<b>NET COST OF SERVICES .....</b>	<b>3,127</b>	<b>5,135</b>	<b>6,732</b>	<b>5,238</b>	<b>5,241</b>	<b>5,347</b>	<b>5,472</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	3,911	4,872	4,872	4,970	4,968	5,074	5,199
Resources received free of charge .....	489	263	263	268	273	273	273
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>4,400</b>	<b>5,135</b>	<b>5,135</b>	<b>5,238</b>	<b>5,241</b>	<b>5,347</b>	<b>5,472</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>1,273</b>	<b>-</b>	<b>(1,597)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 26, 30 and 27 respectively. In some cases the figures for 2013-14 and 2014-15 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) In 2013-14, \$21,000 was received from exercise management training and another \$14,000 from recoveries (employees and vendors).

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Natural Disaster Resilience Program .....	1,535	2,886	5,749	3,132	3,132	3,132	3,132
<b>TOTAL .....</b>	<b>1,535</b>	<b>2,886</b>	<b>5,749</b>	<b>3,132</b>	<b>3,132</b>	<b>3,132</b>	<b>3,132</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	138	138	138	138	138	138	138
Restricted cash .....	5,544	4,492	3,947	3,947	3,947	3,947	3,947
Receivables .....	103	-	103	103	103	103	103
Other.....	2	-	2	2	2	2	2
Total current assets .....	5,787	4,630	4,190	4,190	4,190	4,190	4,190
<b>NON-CURRENT ASSETS</b>							
Holding account receivables.....	-	74	74	148	221	221	221
Property, plant and equipment.....	221	147	147	73	-	-	-
Total non-current assets .....	221	221	221	221	221	221	221
<b>TOTAL ASSETS .....</b>	<b>6,008</b>	<b>4,851</b>	<b>4,411</b>	<b>4,411</b>	<b>4,411</b>	<b>4,411</b>	<b>4,411</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	442	279	442	442	442	442	442
Payables .....	329	-	329	329	329	329	329
Other.....	31	-	31	31	31	31	31
Total current liabilities .....	802	279	802	802	802	802	802
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	179	58	179	179	179	179	179
Total non-current liabilities .....	179	58	179	179	179	179	179
<b>TOTAL LIABILITIES.....</b>	<b>981</b>	<b>337</b>	<b>981</b>	<b>981</b>	<b>981</b>	<b>981</b>	<b>981</b>
<b>EQUITY</b>							
Contributed equity .....	3,754	2,948	3,754	3,754	3,754	3,754	3,754
Accumulated surplus/(deficit).....	1,273	1,566	(324)	(324)	(324)	(324)	(324)
<b>Total equity .....</b>	<b>5,027</b>	<b>4,514</b>	<b>3,430</b>	<b>3,430</b>	<b>3,430</b>	<b>3,430</b>	<b>3,430</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>6,008</b>	<b>4,851</b>	<b>4,411</b>	<b>4,411</b>	<b>4,411</b>	<b>4,411</b>	<b>4,411</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	3,911	4,798	4,798	4,896	4,895	5,074	5,199
<b>Net cash provided by State Government.....</b>	<b>3,911</b>	<b>4,798</b>	<b>4,798</b>	<b>4,896</b>	<b>4,895</b>	<b>5,074</b>	<b>5,199</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(2,566)	(3,339)	(3,639)	(3,219)	(3,191)	(3,267)	(3,342)
Grants and subsidies.....	(1,535)	(2,886)	(5,749)	(3,132)	(3,132)	(3,132)	(3,132)
Supplies and services .....	(86)	(788)	(782)	(743)	(761)	(786)	(815)
Accommodation .....	(433)	(659)	(659)	(660)	(660)	(660)	(676)
Other payments.....	(397)	(258)	(264)	(274)	(283)	(361)	(366)
<b>Receipts <sup>(b)</sup></b>							
Grants and subsidies.....	3,132	3,132	4,698	3,132	3,132	3,132	3,132
Sale of goods and services.....	21	-	-	-	-	-	-
GST receipts.....	168	-	-	-	-	-	-
<b>Net cash from operating activities .....</b>	<b>(1,696)</b>	<b>(4,798)</b>	<b>(6,395)</b>	<b>(4,896)</b>	<b>(4,895)</b>	<b>(5,074)</b>	<b>(5,199)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(287)	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(287)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>1,928</b>	<b>-</b>	<b>(1,597)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	-	4,630	5,682	4,085	4,085	4,085	4,085
Net cash transferred to/from other agencies ....	3,754	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>5,682</b>	<b>4,630</b>	<b>4,085</b>	<b>4,085</b>	<b>4,085</b>	<b>4,085</b>	<b>4,085</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the SEMC Secretariat. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Grants and Subsidies</b>							
Commonwealth Funds for Natural Disaster Resilience Program Projects.....	3,132	3,132	4,698	3,132	3,132	3,132	3,132
<b>Sale of Goods and Services</b>							
Emergency Management Training.....	21	-	-	-	-	-	-
<b>GST Receipts</b>							
Receipts on Sales .....	168	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>3,321</b>	<b>3,132</b>	<b>4,698</b>	<b>3,132</b>	<b>3,132</b>	<b>3,132</b>	<b>3,132</b>

(a) The moneys received and retained are to be applied to the SEMC Secretariat's services as specified in the Budget Statements.

## Division 65 Corrective Services

### Part 15 Minister for Emergency Services; Corrective Services; Small Business; Veterans

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 103 Net amount appropriated to deliver services .....	780,263	790,661	814,983	<b>807,193</b>	860,735	857,023	870,539
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	950	981	981	<b>1,013</b>	1,041	1,063	1,063
Total appropriations provided to deliver services.....	781,213	791,642	815,964	<b>808,206</b>	861,776	858,086	871,602
<b>CAPITAL</b>							
Item 159 Capital Appropriation.....	6,173	3,121	6,707	<b>18,674</b>	9,244	6,020	6,246
<b>TOTAL APPROPRIATIONS .....</b>	<b>787,386</b>	<b>794,763</b>	<b>822,671</b>	<b>826,880</b>	<b>871,020</b>	<b>864,106</b>	<b>877,848</b>
<b>EXPENSES</b>							
Total Cost of Services .....	862,126	870,254	893,135	<b>905,777</b>	970,458	953,369	951,050
Net Cost of Services <sup>(a)</sup> .....	831,333	840,684	863,165	<b>875,364</b>	940,310	923,221	920,902
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>18,648</b>	<b>30,327</b>	<b>20,458</b>	<b>21,898</b>	<b>23,314</b>	<b>24,705</b>	<b>26,343</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(5,700)	(7,800)	(8,400)	(8,500)	(8,800)
15% Procurement Savings .....	-	(12,184)	(12,061)	(12,079)	(12,381)
Adult Prisoner Growth .....	14,773	-	-	-	-
Court Security and Custodial Services Contract - Sunday Courts Initiative.....	400	410	420	431	-
Mental Health Commission - Court Diversion Project.....	-	287	-	-	-
New Women's Custodial Centre.....	-	(15,000)	15,000	-	-
Non-Government Human Services Sector Indexation Adjustment.....	(226)	-	-	-	-
Prisoner Cost and Demand Modelling Capability .....	-	310	160	160	160
Reflow and Repurposing of Treasury Administered Funds.....	(5,348)	-	-	-	-
Resources Received Free of Charge.....	6,175	-	-	-	-
RiskCover Insurance Costs .....	8,975	(2,370)	(3,063)	(7,425)	(7,425)
Royalties for Regions					
Community Safety Network .....	92	-	-	-	137
Regional Work Camp Enhancement .....	386	-	-	-	-
Regional Youth Justice Strategy Expansion.....	-	-	-	15,000	-
Targeted Voluntary Separation Scheme <sup>(a)</sup> .....	8,402	-	-	-	-
Workforce Renewal Policy .....	(1,316)	(10,795)	(22,145)	(34,072)	(46,590)

(a) Preliminary cost required to make payments to staff departing prior to the closure of the Targeted Voluntary Separation Scheme at 30 April 2015. The final cost of the Scheme will be known once staff leave the public sector and will be published in the 2014-15 Annual Report on State Finances. Agency savings flowing from the Scheme will be dependent on the final costs and will be allocated to agency budgets as part of the 2015-16 Mid-year Review.

## Significant Issues Impacting the Agency

- The Department is delivering a reform agenda focused on aligning the structure of the Department with strategies, systems and processes to achieve the Department's mission.
- To address the needs of women on remand the Department is:
  - redeveloping two units at Hakea Prison to establish a stand-alone maximum security facility for women on remand; and
  - establishing a Women's Estate Reference Committee to guide initiatives and develop innovative service delivery models in the women's estate more broadly over the longer term.
- The Youth Justice Innovation Fund, an initiative of the Youth Justice Board, has an initial \$2 million to fund innovative, community based programs targeting Aboriginal young people that address factors associated with high youth reoffending rates.
- To enhance the safety and rehabilitation of adult and young offenders the Department is:
  - strengthening clinical governance arrangements, developing a performance management framework and organisational structure for health service assessment and provision; and
  - working on an Integrated Individualised Offender Management Plan that focusses on ensuring offenders are managed in a consistent, constructive and coherent way during the entirety of their sentence.
- In the interests of maintaining community safety the Department is consolidating the framework, policies and procedures for security and risk to ensure the Department continues to operate in a contemporary manner which maintains human dignity, rehabilitates offenders and ensures community safety.
- As part of the Department's workplace modernisation:
  - work has progressed on disbanding Shared Corporate Services with the Department of the Attorney General to create a stand-alone corporate support function that focuses on needs and requirements of Corrections staff; and
  - a Workers Compensation Project is facilitating the improvement of ongoing management of worker's compensation claims.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Adult Corrective Services .....	755,713	769,679	786,641	809,024	871,050	856,471	869,904
2. Youth Justice Services .....	106,413	100,575	106,494	96,753	99,408	96,898	81,146
<b>Total Cost of Services .....</b>	<b>862,126</b>	<b>870,254</b>	<b>893,135</b>	<b>905,777</b>	<b>970,458</b>	<b>953,369</b>	<b>951,050</b>

## Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system:</b>					
Number of escapes - adult .....	15	nil	7	nil	
Number of escapes - youth .....	nil	nil	nil	nil	
Rate of serious assault per 100 prisoners.....	0.48	<0.48	0.61	<0.48	1
Average out of cell hours.....	12.55	12	12.4	12	
Successful completion of community correction orders - adults <sup>(b)</sup> .....	59.98%	64%	60%	64%	
Successful completion of community-based orders - juveniles <sup>(b)</sup> .....	66.96%	68%	59%	68%	
Rate of return - offender programs (adult) .....	40.20%	45%	38%	42%	
Rate of return to detention - juveniles .....	49.03%	50%	57%	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.

## Explanation of Significant Movements

(Notes)

- The increase in 2014-15 Estimated Actual compared to the 2014-15 Budget is based on actual data for the first quarter of 2014-15. It is expected that the rate of serious assaults will align more closely to budget as further quarterly data becomes available.

## Services and Key Efficiency Indicators

### 1. Adult Corrective Services

An Adult Offender System that:

- contributes to community confidence;
- provides timely offender services;
- ensures court sanctions are completed; and
- contributes to reducing the rate of re-offending and imprisonment.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 755,713	\$'000 769,679	\$'000 786,641	\$'000 809,024	
Less Income .....	28,080	27,183	27,317	27,711	
Net Cost of Service.....	727,633	742,496	759,324	781,313	
<b>Employees (Full Time Equivalents).....</b>	<b>3,733</b>	<b>3,869</b>	<b>3,851</b>	<b>3,653</b>	
<b>Efficiency Indicators</b>					
Cost per Day of Keeping an Offender in Custody .....	334	345	322	329	
Cost per Day of Managing an Offender through Community Supervision.....	46	43	52	55	

### 2. Youth Justice Services

An accessible and equitable Juvenile Offender System which:

- diverts juveniles and offenders at risk from offending;
- provides timely intervention and resolution of justice issues;
- ensures the statutory requirements of justice are met; and
- contributes to reducing the rate of re-offending and detention.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 106,413	\$'000 100,575	\$'000 106,494	\$'000 96,753	
Less Income .....	2,713	2,387	2,653	2,702	
Net Cost of Service.....	103,700	98,188	103,841	94,051	
<b>Employees (Full Time Equivalents).....</b>	<b>664</b>	<b>734</b>	<b>719</b>	<b>693</b>	
<b>Efficiency Indicators</b>					
Cost per Day of Keeping a Juvenile in Detention.....	814	589	708	629	1
Cost per Day of Managing a Juvenile through Community Supervision.....	90	91	105	95	2

### Explanation of Significant Movements

(Notes)

1. The increase between the 2014-15 Budget and 2014-15 Estimated Actual relates primarily to movements in budgeted estimates for the Banksia Hill Detention Centre. The decrease between the 2014-15 Budget Estimate and 2015-16 Budget Target relates to the impacts on Full Time Equivalents (FTE) in relation to workforce reform.
2. The increase between the 2014-15 Budget and 2014-15 Estimated Actual reflects a reduction in the forecast of juveniles under community supervision. This reduction is forecast to continue into 2015-16 where the decrease in cost per day reflects the impacts on FTE in relation to workforce reform.



## Asset Investment Program

Expansion of prison capacity and infrastructure optimisation are important elements of the Department's Asset Investment Program including:

- the construction of a secure facility to house specialist cohorts, to initially accommodate women on remand (New Women's Custodial Centre \$22 million). Works will be undertaken within Hakea Prison to create a standalone facility and will include a secure dividing fence, a gatehouse and additional support buildings. Construction is expected to be completed by late 2016;
- the ongoing maintenance and infrastructure upgrade program across all of the Department's owned and leased facilities has also been an area of priority for the Department; and
- the continuation of the Cell Upgrade and Ligature Minimisation Program across the prison estate.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Adult Custodial							
Building Infrastructure and Maintenance .....	26,717	16,179	6,874	2,493	2,606	2,682	2,757
Female Prisons – New Women's Custodial Centre .....	22,000	2,005	2,005	16,165	3,830	-	-
Community and Youth Justice							
Building and Infrastructure and Maintenance .....	2,935	1,601	545	315	330	340	349
Corporate							
Physical Infrastructure							
Asset Replacement .....	2,976	826	676	499	530	553	568
Office Equipment Replacement .....	3,723	3,506	50	52	53	55	57
System Management							
Information and Communications Technology							
Infrastructure Upgrade .....	25,165	16,536	2,183	2,041	2,134	2,197	2,257
Prison Services							
Additional Prisoner Accommodation - Infrastructure and Systems Upgrade and Replacement Programs .....	72,331	59,192	3,660	3,179	3,227	3,319	3,414
<b>COMPLETED WORKS</b>							
Adult Custodial							
Community Safety Network .....	959	959	602	-	-	-	-
Custodial Infrastructure Program .....	117,687	117,687	13,889	-	-	-	-
Perimeter Obsolescence .....	16,500	16,500	686	-	-	-	-
Regional Work Camp Enhancement Program - Royalties for Regions <sup>(a)</sup> .....	15,734	15,734	583	-	-	-	-
West Kimberley Regional Prison .....	121,956	121,956	4,170	-	-	-	-
Work Camp - Wyndham .....	8,302	8,302	200	-	-	-	-
Community and Youth Justice							
Office Establishment and Refurbishment 2014-15 Program .....	1,109	1,109	1,109	-	-	-	-
GPS Offender Tracking of Dangerous Sex Offenders .....	446	446	49	-	-	-	-
Corporate							
System Management							
Information Technology Systems - Life Extension and Upgrades .....	5,850	5,850	1,849	-	-	-	-
Prison Services							
Prison Industries - Mobile Plant 2014-15 Program .....	901	901	901	-	-	-	-
<b>NEW WORKS</b>							
Community and Youth Justice							
Office Establishment and Refurbishment							
2015-16 Program .....	756	-	-	756	-	-	-
2016-17 Program .....	791	-	-	-	791	-	-
2017-18 Program .....	814	-	-	-	-	814	-
2018-19 Program .....	834	-	-	-	-	-	834
Office Accommodation North West Metro (Mirrabooka) .....	958	-	-	958	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Prison Services							
Cell Upgrade and Ligature Minimisation .....	3,111	-	-	704	925	765	717
Prison Industries - Mobile Plant							
2015-16 Program.....	728	-	-	728	-	-	-
2016-17 Program.....	656	-	-	-	656	-	-
2017-18 Program.....	685	-	-	-	-	685	-
2018-19 Program.....	698	-	-	-	-	-	698
<b>Total Cost of Asset Investment Program.....</b>	<b>455,322</b>	<b>389,289</b>	<b>40,031</b>	<b>27,890</b>	<b>15,082</b>	<b>11,410</b>	<b>11,651</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			6,707	18,674	5,126	1,635	1,609
Drawdowns from the Holding Account.....			11,830	9,216	9,956	9,775	10,042
Administered Equity Appropriation .....			21,344	-	-	-	-
Internal Funds and Balances.....			(433)	-	-	-	-
Drawdowns from Royalties for Regions Fund <sup>(b)</sup> .....			583	-	-	-	-
<b>Total Funding.....</b>			<b>40,031</b>	<b>27,890</b>	<b>15,082</b>	<b>11,410</b>	<b>11,651</b>

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

## Financial Statements

### Income Statement

#### Expenses

The 1.4% increase in Total Cost of Services between the 2014-15 Estimated Actual and the 2015-16 Budget Estimate primarily relates to government approved adjustments as outlined in the Spending Changes table. The \$65 million increase between the 2015-16 Budget Estimate and 2016-17 Forward Estimate largely reflects prior year movements for Adult Prisoner Growth, increased operations at the new Eastern Goldfields Regional Prison (EGRP) and the New Women's Custodial Centre.

#### Income

Increases for other appropriations between the 2014-15 Estimated Actual and 2015-16 Budget Estimate and between the 2015-16 Budget Estimate and 2016-17 Budget Estimate relate to Treasury Administered funding for the Acacia Prison expansion and the commencement of operations at the new EGRP.

### Statement of Financial Position

The small increase in total non-current assets between the 2014-15 Estimated Actual and 2015-16 Budget Estimate reflects the completion of major infrastructure projects including an additional 387 beds as part of the Acacia Prison expansion.

### Statement of Cashflows

The decrease in service appropriations between 2014-15 Estimated Actual and 2015-16 Budget Estimate reflects net increases for both Adult Prisoner Growth and RiskCover Insurance Costs during 2014-15 together with decreases in appropriation due to Government savings measures. The \$62 million increase for net cash provided by State Government between 2015-16 Budget Estimate and 2016-17 Forward Estimate largely reflects prior year movements for Adult Prisoner Growth, increased operations at the new EGRP and the New Women's Custodial Centre.

The decrease in net cash from financing activities between 2014-15 Estimated Actual and 2015-16 Budget Estimate is due to the impact of financial lease payments commencing for the new EGRP.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	481,040	490,723	506,332	498,665	528,921	526,604	515,781
Grants and subsidies <sup>(c)</sup> .....	8,681	9,768	9,859	9,887	10,129	10,267	10,684
Supplies and services .....	256,441	258,826	260,488	264,832	299,874	287,993	295,206
Accommodation .....	38,567	28,545	28,349	30,438	30,763	30,540	30,477
Depreciation and amortisation .....	30,147	30,524	30,524	35,398	35,577	35,741	35,741
Other expenses .....	47,250	51,868	57,583	66,557	65,194	62,224	63,161
<b>TOTAL COST OF SERVICES .....</b>	<b>862,126</b>	<b>870,254</b>	<b>893,135</b>	<b>905,777</b>	<b>970,458</b>	<b>953,369</b>	<b>951,050</b>
<b>Income</b>							
Sale of goods and services .....	2,856	3,979	4,379	3,979	3,979	3,979	3,979
Grants and subsidies .....	665	879	619	628	639	649	649
Other revenue .....	27,272	24,712	24,972	25,806	25,530	25,520	25,520
<b>Total Income .....</b>	<b>30,793</b>	<b>29,570</b>	<b>29,970</b>	<b>30,413</b>	<b>30,148</b>	<b>30,148</b>	<b>30,148</b>
<b>NET COST OF SERVICES .....</b>	<b>831,333</b>	<b>840,684</b>	<b>863,165</b>	<b>875,364</b>	<b>940,310</b>	<b>923,221</b>	<b>920,902</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	781,213	791,642	815,964	808,206	861,776	858,086	871,602
Resources received free of charge .....	19,785	13,508	19,683	14,388	14,388	14,388	14,388
Royalties for Regions Fund:							
Regional Community Services Fund .....	21,615	19,022	18,876	17,477	17,539	17,602	2,668
Regional Infrastructure and Headworks Fund .....	135	2,969	3,447	594	130	134	137
Other appropriations .....	-	15,943	10,595	31,676	48,877	33,011	32,107
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>822,748</b>	<b>843,084</b>	<b>868,565</b>	<b>872,341</b>	<b>942,710</b>	<b>923,221</b>	<b>920,902</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(8,585)</b>	<b>2,400</b>	<b>5,400</b>	<b>(3,023)</b>	<b>2,400</b>	<b>-</b>	<b>-</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 4,397, 4,570 and 4,346 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Prisoner Gratuities Payments .....	8,681	9,768	9,859	9,887	10,129	10,267	10,684
<b>TOTAL .....</b>	<b>8,681</b>	<b>9,768</b>	<b>9,859</b>	<b>9,887</b>	<b>10,129</b>	<b>10,267</b>	<b>10,684</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	7,292	16,079	6,908	20,347	19,458	18,487	20,125
Holding account receivables .....	11,826	9,738	9,216	9,956	9,775	10,042	10,042
Receivables .....	5,768	8,709	5,768	5,768	5,768	5,768	5,768
Other .....	238	618	238	238	238	238	238
<b>Total current assets .....</b>	<b>25,124</b>	<b>35,144</b>	<b>22,130</b>	<b>36,309</b>	<b>35,239</b>	<b>34,535</b>	<b>36,173</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	83,985	106,667	107,689	135,531	163,733	191,832	219,931
Property, plant and equipment .....	1,396,751	1,655,392	1,627,623	1,623,292	1,605,974	1,584,095	1,562,457
Intangibles .....	7,703	6,335	7,398	6,739	6,147	3,965	1,783
Restricted cash .....	11,356	14,248	13,550	1,551	3,856	6,218	6,218
Other .....	14,686	9,737	16,139	13,621	11,036	10,766	10,496
<b>Total non-current assets .....</b>	<b>1,514,481</b>	<b>1,792,379</b>	<b>1,772,399</b>	<b>1,780,734</b>	<b>1,790,746</b>	<b>1,796,876</b>	<b>1,800,885</b>
<b>TOTAL ASSETS .....</b>	<b>1,539,605</b>	<b>1,827,523</b>	<b>1,794,529</b>	<b>1,817,043</b>	<b>1,825,985</b>	<b>1,831,411</b>	<b>1,837,058</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	87,488	86,296	85,988	85,988	85,988	85,988	85,988
Payables .....	14,818	28,453	16,456	18,094	19,732	21,370	23,008
Other .....	17,871	15,164	17,808	17,832	17,857	17,879	17,879
<b>Total current liabilities .....</b>	<b>120,177</b>	<b>129,913</b>	<b>120,252</b>	<b>121,914</b>	<b>123,577</b>	<b>125,237</b>	<b>126,875</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	18,123	16,974	16,623	16,623	16,623	19,023	21,423
Borrowings .....	1,012	216,827	216,827	222,028	217,663	213,010	208,373
Other .....	1,296	1,140	1,296	1,296	1,296	1,296	1,296
<b>Total non-current liabilities .....</b>	<b>20,431</b>	<b>234,941</b>	<b>234,746</b>	<b>239,947</b>	<b>235,582</b>	<b>233,329</b>	<b>231,092</b>
<b>TOTAL LIABILITIES .....</b>	<b>140,608</b>	<b>364,854</b>	<b>354,998</b>	<b>361,861</b>	<b>359,159</b>	<b>358,566</b>	<b>357,967</b>
<b>EQUITY</b>							
Contributed equity .....	1,036,506	1,085,208	1,071,640	1,090,314	1,099,558	1,105,577	1,111,823
Accumulated surplus/(deficit) .....	(49,983)	(48,633)	(44,583)	(47,606)	(45,206)	(45,206)	(45,206)
Reserves .....	412,474	426,094	412,474	412,474	412,474	412,474	412,474
<b>Total equity .....</b>	<b>1,398,997</b>	<b>1,462,669</b>	<b>1,439,531</b>	<b>1,455,182</b>	<b>1,466,826</b>	<b>1,472,845</b>	<b>1,479,091</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,539,605</b>	<b>1,827,523</b>	<b>1,794,529</b>	<b>1,817,043</b>	<b>1,825,985</b>	<b>1,831,411</b>	<b>1,837,058</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	753,763	758,718	783,040	770,408	823,799	819,945	833,461
Capital appropriation .....	6,173	3,121	6,707	18,674	9,244	6,020	6,246
Holding account drawdowns.....	8,050	11,830	11,830	9,216	9,956	9,775	10,042
Royalties for Regions Fund:							
Regional Community Services Fund .....	21,679	19,022	18,876	17,477	17,539	17,602	2,668
Regional Infrastructure and Headworks Fund .....	9,135	2,969	4,030	594	130	134	137
Administered appropriations .....	58,723	52,934	32,939	31,676	48,877	33,011	32,107
<b>Net cash provided by State Government .....</b>	<b>857,523</b>	<b>848,594</b>	<b>857,422</b>	<b>848,045</b>	<b>909,545</b>	<b>886,487</b>	<b>884,661</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(475,981)	(490,191)	(508,800)	(498,133)	(528,389)	(523,672)	(512,849)
Grants and subsidies.....	(8,681)	(9,768)	(9,859)	(9,887)	(10,129)	(10,292)	(10,709)
Supplies and services .....	(236,504)	(245,196)	(240,711)	(250,348)	(285,378)	(273,726)	(280,929)
Accommodation .....	(38,567)	(27,808)	(27,612)	(29,701)	(29,896)	(29,720)	(29,658)
Other payments.....	(98,609)	(82,167)	(87,854)	(76,747)	(75,025)	(72,135)	(73,081)
<b>Receipts <sup>(b)</sup></b>							
Grants and subsidies.....	665	879	619	628	639	649	649
Sale of goods and services.....	2,856	3,979	4,379	3,979	3,979	3,979	3,979
GST receipts .....	41,930	30,546	30,546	30,546	30,546	30,546	30,546
Other receipts .....	29,377	24,712	24,972	25,806	25,530	25,520	25,520
<b>Net cash from operating activities .....</b>	<b>(783,514)</b>	<b>(795,014)</b>	<b>(814,320)</b>	<b>(803,857)</b>	<b>(868,123)</b>	<b>(848,851)</b>	<b>(846,532)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(100,148)	(48,942)	(40,031)	(27,890)	(15,082)	(11,410)	(11,651)
Proceeds from sale of non-current assets.....	40	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(100,108)</b>	<b>(48,942)</b>	<b>(40,031)</b>	<b>(27,890)</b>	<b>(15,082)</b>	<b>(11,410)</b>	<b>(11,651)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Other payments.....	(373)	(1,261)	(1,261)	(14,858)	(24,924)	(24,835)	(24,840)
<b>Net cash from financing activities.....</b>	<b>(373)</b>	<b>(1,261)</b>	<b>(1,261)</b>	<b>(14,858)</b>	<b>(24,924)</b>	<b>(24,835)</b>	<b>(24,840)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(26,472)</b>	<b>3,377</b>	<b>1,810</b>	<b>1,440</b>	<b>1,416</b>	<b>1,391</b>	<b>1,638</b>
Cash assets at the beginning of the reporting period .....	45,120	26,950	18,648	20,458	21,898	23,314	24,705
<b>Cash assets at the end of the reporting period .....</b>	<b>18,648</b>	<b>30,327</b>	<b>20,458</b>	<b>21,898</b>	<b>23,314</b>	<b>24,705</b>	<b>26,343</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Grants and Subsidies</b>							
Commonwealth Grants.....	126	879	155	160	165	170	170
Direct Grants and Subsidies - Recurrent.....	539	-	464	468	474	479	479
<b>Sale of Goods and Services</b>							
Proceeds from Sale of Industry Goods .....	2,856	3,979	4,379	3,979	3,979	3,979	3,979
<b>GST Receipts</b>							
GST Input Credits .....	41,575	26,858	26,858	26,858	26,858	26,858	26,858
GST Receipts on Sales .....	355	3,688	3,688	3,688	3,688	3,688	3,688
<b>Other Receipts</b>							
Proceeds from Prison Canteen Sales .....	10,158	9,034	10,477	9,089	9,035	9,037	9,037
Proceeds from Recoup of Other Costs .....	5,432	6,750	1,356	6,774	6,494	6,418	6,418
Proceeds from Recoup of Prisoner Telephone Calls.....	3,494	3,517	3,606	3,524	3,519	3,519	3,519
Proceeds from Recoup of Salary Costs .....	531	156	124	75	77	79	79
Proceeds from Recoup of Workers' Compensation Payments.....	9,762	5,255	9,409	6,344	6,405	6,467	6,467
<b>TOTAL .....</b>	<b>74,828</b>	<b>60,116</b>	<b>60,516</b>	<b>60,959</b>	<b>60,694</b>	<b>60,694</b>	<b>60,694</b>

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

## Division 66 Office of the Inspector of Custodial Services

### Part 15 Minister for Emergency Services; Corrective Services; Small Business; Veterans

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 104 Net amount appropriated to deliver services .....	3,243	3,180	3,180	<b>3,323</b>	3,337	3,422	3,506
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	247	247	247	<b>247</b>	247	247	247
Total appropriations provided to deliver services.....	3,490	3,427	3,427	<b>3,570</b>	3,584	3,669	3,753
<b>TOTAL APPROPRIATIONS .....</b>	<b>3,490</b>	<b>3,427</b>	<b>3,427</b>	<b>3,570</b>	<b>3,584</b>	<b>3,669</b>	<b>3,753</b>
<b>EXPENSES</b>							
Total Cost of Services .....	3,607	3,432	3,432	<b>3,575</b>	3,589	3,674	3,758
Net Cost of Services <sup>(a)</sup> .....	3,596	3,427	3,427	<b>3,570</b>	3,584	3,669	3,753
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>335</b>	<b>125</b>	<b>339</b>	<b>343</b>	<b>347</b>	<b>351</b>	<b>355</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding .....	-	65	-	-	-

#### Significant Issues Impacting the Agency

- The number of inspections and corresponding reports has substantially increased this year due to:
  - the opening of two new prisons (West Kimberley Regional Prison and Wandoo);
  - a follow up of the Banksia Hill Juvenile Detention Facility after the January 2013 riot and subsequent Directed Review;
  - the growing female prison population, leading to a focus on female prisoners and inspections of new women's precincts; and
  - the increasing complexity of inspections due to the expanding prisoner population.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Inspection and Review of Custodial Services .....	3,607	3,432	3,432	3,575	3,589	3,674	3,758
<b>Total Cost of Services .....</b>	<b>3,607</b>	<b>3,432</b>	<b>3,432</b>	<b>3,575</b>	<b>3,589</b>	<b>3,674</b>	<b>3,758</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:</b>					
Number of recommendations made .....	153	100	150	100	
Percentage of recommendations accepted.....	86%	80%	85%	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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 3,607	\$'000 3,432	\$'000 3,432	\$'000 3,575	
Less Income .....	11	5	5	5	
Net Cost of Service .....	3,596	3,427	3,427	3,570	
Employees (Full Time Equivalents).....	20	20	20	20	
<b>Efficiency Indicators</b>					
Average Cost per Report.....	\$206,064	\$200,000	\$165,000	\$200,000	1
Average Cost per Independent Visitors' Scheme Report .....	\$1,328	\$2,000	\$1,950	\$2,000	
Average Cost per Liaison Visit .....	\$4,826	\$10,000	\$9,785	\$10,000	2

### Explanation of Significant Movements

(Notes)

- The 2014-15 Estimated Actual is lower than usual due to a one-off year where additional inspection reports have been tabled.
- The 2014-15 Budget was rebased following a review of the costs attributed to the three efficiency indicators.

### Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Asset Replacement - Office Equipment - 2014-15 Program .....	26	26	26	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement - Office Equipment							
2015-16 Program .....	26	-	-	26	-	-	-
2016-17 Program .....	26	-	-	-	26	-	-
2017-18 Program .....	26	-	-	-	-	26	-
2018-19 Program .....	26	-	-	-	-	-	26
<b>Total Cost of Asset Investment Program.....</b>	<b>130</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account.....			26	26	26	26	26
<b>Total Funding.....</b>			<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	2,499	2,407	2,407	2,506	2,526	2,586	2,645
Supplies and services .....	514	408	407	427	431	456	481
Accommodation .....	322	364	364	374	374	374	374
Depreciation and amortisation .....	51	26	26	26	26	26	26
Other expenses .....	221	227	228	242	232	232	232
<b>TOTAL COST OF SERVICES .....</b>	<b>3,607</b>	<b>3,432</b>	<b>3,432</b>	<b>3,575</b>	<b>3,589</b>	<b>3,674</b>	<b>3,758</b>
<b>Income</b>							
Other revenue .....	11	5	5	5	5	5	5
<b>Total Income .....</b>	<b>11</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>NET COST OF SERVICES .....</b>	<b>3,596</b>	<b>3,427</b>	<b>3,427</b>	<b>3,570</b>	<b>3,584</b>	<b>3,669</b>	<b>3,753</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	3,490	3,427	3,427	3,570	3,584	3,669	3,753
Resources received free of charge .....	109	6	6	6	6	6	6
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>3,599</b>	<b>3,433</b>	<b>3,433</b>	<b>3,576</b>	<b>3,590</b>	<b>3,675</b>	<b>3,759</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>3</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 20, 20 and 20 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	262	57	262	262	262	266	270
Holding account receivables .....	26	26	26	26	26	26	26
Receivables .....	25	131	25	25	25	25	25
Other .....	48	-	48	48	48	48	48
<b>Total current assets .....</b>	<b>361</b>	<b>214</b>	<b>361</b>	<b>361</b>	<b>361</b>	<b>365</b>	<b>369</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	173	175	175	177	179	181	183
Property, plant and equipment .....	21	66	21	21	21	21	21
Intangibles .....	-	4	-	-	-	-	-
Restricted cash .....	73	68	77	81	85	85	85
<b>Total non-current assets .....</b>	<b>267</b>	<b>313</b>	<b>273</b>	<b>279</b>	<b>285</b>	<b>287</b>	<b>289</b>
<b>TOTAL ASSETS .....</b>	<b>628</b>	<b>527</b>	<b>634</b>	<b>640</b>	<b>646</b>	<b>652</b>	<b>658</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	615	427	613	611	609	609	609
Payables .....	70	157	70	70	70	70	70
Other .....	107	136	107	107	107	107	107
<b>Total current liabilities .....</b>	<b>792</b>	<b>720</b>	<b>790</b>	<b>788</b>	<b>786</b>	<b>786</b>	<b>786</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	101	63	103	105	107	107	107
<b>Total non-current liabilities .....</b>	<b>101</b>	<b>63</b>	<b>103</b>	<b>105</b>	<b>107</b>	<b>107</b>	<b>107</b>
<b>TOTAL LIABILITIES .....</b>	<b>893</b>	<b>783</b>	<b>893</b>	<b>893</b>	<b>893</b>	<b>893</b>	<b>893</b>
<b>EQUITY</b>							
Contributed equity .....	274	274	274	274	274	274	274
Accumulated surplus/(deficit) .....	(539)	(530)	(533)	(527)	(521)	(515)	(509)
<b>Total equity .....</b>	<b>(265)</b>	<b>(256)</b>	<b>(259)</b>	<b>(253)</b>	<b>(247)</b>	<b>(241)</b>	<b>(235)</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>628</b>	<b>527</b>	<b>634</b>	<b>640</b>	<b>646</b>	<b>652</b>	<b>658</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	3,460	3,399	3,399	3,542	3,556	3,641	3,725
Holding account drawdowns.....	26	26	26	26	26	26	26
<b>Net cash provided by State Government.....</b>	<b>3,486</b>	<b>3,425</b>	<b>3,425</b>	<b>3,568</b>	<b>3,582</b>	<b>3,667</b>	<b>3,751</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(2,494)	(2,407)	(2,407)	(2,506)	(2,526)	(2,586)	(2,645)
Supplies and services .....	(499)	(335)	(335)	(356)	(360)	(385)	(410)
Accommodation .....	(322)	(384)	(384)	(394)	(394)	(394)	(394)
Other payments.....	(342)	(316)	(316)	(329)	(319)	(319)	(319)
<b>Receipts <sup>(b)</sup></b>							
GST receipts .....	155	42	42	42	42	42	42
Other receipts .....	11	5	5	5	5	5	5
<b>Net cash from operating activities .....</b>	<b>(3,491)</b>	<b>(3,395)</b>	<b>(3,395)</b>	<b>(3,538)</b>	<b>(3,552)</b>	<b>(3,637)</b>	<b>(3,721)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	-	(26)	(26)	(26)	(26)	(26)	(26)
<b>Net cash from investing activities.....</b>	<b>-</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(5)</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Cash assets at the beginning of the reporting period .....	341	121	335	339	343	347	351
Net cash transferred to/from other agencies ....	(1)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>335</b>	<b>125</b>	<b>339</b>	<b>343</b>	<b>347</b>	<b>351</b>	<b>355</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>GST Receipts</b>							
GST Input Credits .....	155	42	42	42	42	42	42
<b>Other Receipts</b>							
Other Receipts .....	11	5	5	5	5	5	5
<b>TOTAL .....</b>	<b>166</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>

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

## Division 67 Small Business Development Corporation

### Part 15 Minister for Emergency Services; Corrective Services; Small Business; Veterans

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 105 Net amount appropriated to deliver services .....	11,402	11,544	12,780	11,751	12,129	12,357	12,589
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	243	247	247	254	260	260	260
Total appropriations provided to deliver services.....	11,645	11,791	13,027	12,005	12,389	12,617	12,849
<b>CAPITAL</b>							
Item 160 Capital Appropriation.....	60	60	60	60	60	60	60
<b>TOTAL APPROPRIATIONS .....</b>	<b>11,705</b>	<b>11,851</b>	<b>13,087</b>	<b>12,065</b>	<b>12,449</b>	<b>12,677</b>	<b>12,909</b>
<b>EXPENSES</b>							
Total Cost of Services .....	13,875	13,995	14,185	13,796	14,662	15,373	13,342
Net Cost of Services <sup>(a)</sup> .....	13,502	13,685	13,903	13,514	14,380	15,091	13,060
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>1,259</b>	<b>2,215</b>	<b>1,410</b>	<b>1,144</b>	<b>1,060</b>	<b>1,016</b>	<b>1,000</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Aboriginal Business Program .....	450	-	-	-	-
Business Migration Program .....	500	300	308	315	323
Payroll Tax Exemption .....	(34)	(260)	(260)	(260)	(260)
Royalties for Regions - Regional Buy Local Initiatives Stage 2 and 3.....	(980)	(500)	-	2,000	-
Small Business Centre Program.....	329	-	-	-	-
Workforce Renewal Policy .....	(9)	(74)	(152)	(234)	(320)

#### Significant Issues Impacting the Agency

- The Alternative Dispute Resolution (ADR) service provides hands-on, timely assistance to help small business operators resolve disputes quickly and inexpensively. The ADR service was recognised in the Productivity Commission's 2014 report into Access to Justice as a model in providing non-litigious, cheaper and quicker resolution of small business disputes.

- The Corporation continues to provide State Nominations for business migrants in a range of business and investment visa categories. Business migrants make a significant contribution to the State economy, bringing in new capital, establishing or reinvesting in local businesses, generating new jobs, developing new export opportunities and investing in Treasury bonds. The Business Migration program is forecast to deliver over \$1 billion in new capital into Western Australia over the forward estimates.
- Following a comprehensive independent review of the Small Business Centre program undertaken during 2013-14, the Corporation began transitioning its third party service delivery model into the new Business Local program. Commencing on 1 July 2015, the new model will see suitably qualified and experienced advisers providing a range of business services in 12 service delivery areas across the State (including nine in the regions). It is expected that the program will support an increased level of higher quality business start-ups, stronger business foundations, more profitable businesses with increased turnover, and employment opportunities throughout the State.
- Through the Regional Buy Local Initiatives program, the Corporation is supporting small businesses in the regions to build their capacity in order to take advantage of opportunities to supply major government and commercial projects. The program comprises a suite of capacity building support services designed to improve the competitive performance and resilience of regional small businesses, with a focus on tendering, building online capacity and accessing supply chains. This is expected to contribute to the broader economic development of the regions by enhancing the ongoing viability of regional businesses and local communities.
- The Corporation continued to influence small business policy development at all levels of government through contributing to major policy and legislative reviews at both the State and Federal level and influencing regulatory settings to minimise the compliance burden on small business operators. During 2014-15, the Corporation actively contributed to the State's Reinvigorating Regulatory Reform agenda and provided submissions in relation to competition policy, unfair contract terms, work health and safety, personal property securities, retail trade, workplace relations, planning regulations, workers compensation, small business tax impediments, and contracts in the construction industry.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Information, Guidance, Referral and Business Development Services .....	13,875	13,995	14,185	13,796	14,662	15,373	13,342
<b>Total Cost of Services .....</b>	<b>13,875</b>	<b>13,995</b>	<b>14,185</b>	<b>13,796</b>	<b>14,662</b>	<b>15,373</b>	<b>13,342</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Development of new and existing Small Business in Western Australia:</b>					
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%	93%	93%	
Not very or not at all useful .....	6%	nil	5%	5%	
Neutral .....	1%	10%	2%	2%	

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

**Services and Key Efficiency Indicators <sup>(a)</sup>****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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service .....	\$'000 13,875	\$'000 13,995	\$'000 14,185	\$'000 13,796	
Less Income .....	373	310	282	282	
Net Cost of Service .....	13,502	13,685	13,903	13,514	
<b>Employees (Full Time Equivalents) .....</b>	<b>55</b>	<b>55</b>	<b>54</b>	<b>55</b>	
<b>Efficiency Indicators</b>					
Average Cost per Direct Client Contact/Equivalent <sup>(b)</sup> .....	\$23.36	\$25.12	\$24.26	\$20.99	1
Average Cost per Indirect Client Contact <sup>(c)</sup> .....	\$2.65	\$3.01	\$2.77	\$2.75	
Average Cost per Small Business Centre Client Contact <sup>(d)</sup> .....	\$107.11	\$113.04	\$118.80	\$124.08	
Cost per Unit of Policy Advice <sup>(e)</sup> .....	\$1,270,455	\$1,245,769	\$1,296,758	\$1,297,538	

(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 Corporation's websites for four minutes or more, or have downloaded a license pack from the Business License Finder. Direct client contacts also include the Corporation's workshop attendees.

(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 the Corporation's representative has given an address on small business matters. This also includes Corporation's websites visits between two and four minutes.

(d) A network of 25 Small Business Centres operated during 2014-15. Effective from 1 July 2015 the Small Business Centre program will be replaced by the Business Local program, which will see small business services delivered in 12 key service delivery areas across the State (including nine in regional areas).

(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 2014-15 Estimated Actual and the 2015-16 Budget Target relates to the transfer of the Buy Local program and associated funding to the revised Business Local program.

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Furniture and Office Equipment Replacement							
2012-13 Program .....	120	120	43	-	-	-	-
2013-14 Program .....	120	120	120	-	-	-	-
2014-15 Program .....	126	126	126	-	-	-	-
<b>NEW WORKS</b>							
Furniture and Office Equipment Replacement							
2015-16 Program .....	120	-	-	120	-	-	-
2016-17 Program .....	120	-	-	-	120	-	-
2017-18 Program .....	120	-	-	-	-	120	-
2018-19 Program .....	120	-	-	-	-	-	120
<b>Total Cost of Asset Investment Program .....</b>	<b>846</b>	<b>366</b>	<b>289</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			60	60	60	60	60
Drawdowns from the Holding Account .....			60	60	60	60	60
Internal Funds and Balances .....			169	-	-	-	-
<b>Total Funding .....</b>			<b>289</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>

## Financial Statements

### Income Statement

#### Income

Service appropriations are estimated to decrease by \$1 million in the 2015-16 Budget Estimate compared to the 2014-15 Estimated Actual. This is mainly due to the discontinuation of funding for the Aboriginal Business program and the reduction in funding to the Small Business Centre/Business Local program. In addition, the Corporation will return \$0.3 million to the Consolidated Account as a result of payroll tax exemption.

The income from Royalties for Regions is estimated to increase by \$0.6 million from the 2014-15 Estimated Actual to the 2015-16 Budget Estimate. This increase is related to additional funding provided for the Regional Buy Local Initiatives Stage 2 and 3.



**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	6,131	6,235	6,340	6,320	6,541	6,628	6,690
Grants and subsidies <sup>(c)</sup> .....	3,681	3,804	3,830	3,530	3,586	3,668	3,760
Supplies and services .....	2,300	2,272	2,212	2,336	2,887	3,390	1,233
Accommodation .....	1,066	1,098	1,110	1,147	1,185	1,226	1,268
Depreciation and amortisation .....	123	80	140	140	140	140	140
Other expenses .....	574	506	553	323	323	321	251
<b>TOTAL COST OF SERVICES .....</b>	<b>13,875</b>	<b>13,995</b>	<b>14,185</b>	<b>13,796</b>	<b>14,662</b>	<b>15,373</b>	<b>13,342</b>
<b>Income</b>							
Sale of goods and services .....	263	280	252	252	252	252	252
Other revenue .....	110	30	30	30	30	30	30
<b>Total Income .....</b>	<b>373</b>	<b>310</b>	<b>282</b>	<b>282</b>	<b>282</b>	<b>282</b>	<b>282</b>
<b>NET COST OF SERVICES .....</b>	<b>13,502</b>	<b>13,685</b>	<b>13,903</b>	<b>13,514</b>	<b>14,380</b>	<b>15,091</b>	<b>13,060</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	11,645	11,791	13,027	12,005	12,389	12,617	12,849
Resources received free of charge .....	183	-	190	190	190	190	190
Royalties for Regions Fund: Regional Community Services Fund .....	-	1,710	664	1,256	1,716	2,224	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>11,828</b>	<b>13,501</b>	<b>13,881</b>	<b>13,451</b>	<b>14,295</b>	<b>15,031</b>	<b>13,039</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(1,674)</b>	<b>(184)</b>	<b>(22)</b>	<b>(63)</b>	<b>(85)</b>	<b>(60)</b>	<b>(21)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 55, 54 and 55 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Small Business Centre/Business Local Program - Operational Grants <sup>(a)</sup> .....	3,681	3,804	3,830	3,530	3,586	3,668	3,760
<b>TOTAL .....</b>	<b>3,681</b>	<b>3,804</b>	<b>3,830</b>	<b>3,530</b>	<b>3,586</b>	<b>3,668</b>	<b>3,760</b>

(a) Effective from 1 July 2015 the Small Business Centre program will be replaced by the Business Local program.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	1,157	2,179	1,308	1,042	958	914	898
Restricted cash .....	102	36	102	102	102	102	102
Holding account receivables .....	60	60	60	60	60	60	60
Receivables .....	111	216	111	111	111	111	111
Other .....	153	103	32	115	110	102	102
Total current assets .....	1,583	2,594	1,613	1,430	1,341	1,289	1,273
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	354	389	389	484	579	674	769
Property, plant and equipment .....	79	261	218	188	158	128	98
Intangibles .....	157	227	167	177	187	197	207
Total non-current assets .....	590	877	774	849	924	999	1,074
<b>TOTAL ASSETS .....</b>	<b>2,173</b>	<b>3,471</b>	<b>2,387</b>	<b>2,279</b>	<b>2,265</b>	<b>2,288</b>	<b>2,347</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,230	1,040	1,067	1,067	1,067	1,067	1,067
Payables .....	2	15	80	78	78	78	78
Other .....	336	459	512	409	420	443	463
Total current liabilities .....	1,568	1,514	1,659	1,554	1,565	1,588	1,608
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	204	289	289	289	289	289	289
Other .....	11	16	11	11	11	11	11
Total non-current liabilities .....	215	305	300	300	300	300	300
<b>TOTAL LIABILITIES .....</b>	<b>1,783</b>	<b>1,819</b>	<b>1,959</b>	<b>1,854</b>	<b>1,865</b>	<b>1,888</b>	<b>1,908</b>
<b>EQUITY</b>							
Contributed equity .....	1,179	1,239	1,239	1,299	1,359	1,419	1,479
Accumulated surplus/(deficit) .....	(789)	413	(811)	(874)	(959)	(1,019)	(1,040)
<b>Total equity .....</b>	<b>390</b>	<b>1,652</b>	<b>428</b>	<b>425</b>	<b>400</b>	<b>400</b>	<b>439</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>2,173</b>	<b>3,471</b>	<b>2,387</b>	<b>2,279</b>	<b>2,265</b>	<b>2,288</b>	<b>2,347</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	11,550	11,696	12,932	11,850	12,234	12,462	12,694
Capital appropriation .....	60	60	60	60	60	60	60
Holding account drawdowns.....	60	60	60	60	60	60	60
Royalties for Regions Fund:							
Regional Community Services Fund .....	-	1,710	664	1,256	1,716	2,224	-
<b>Net cash provided by State Government.....</b>	<b>11,670</b>	<b>13,526</b>	<b>13,716</b>	<b>13,226</b>	<b>14,070</b>	<b>14,806</b>	<b>12,814</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(6,067)	(6,187)	(6,292)	(6,272)	(6,493)	(6,577)	(6,639)
Grants and subsidies.....	(3,745)	(3,804)	(3,830)	(3,530)	(3,586)	(3,668)	(3,760)
Supplies and services .....	(2,240)	(2,322)	(1,772)	(2,380)	(2,727)	(3,279)	(1,103)
Accommodation .....	(1,071)	(1,098)	(1,110)	(1,147)	(1,185)	(1,226)	(1,268)
Other payments.....	(1,343)	(1,167)	(1,184)	(955)	(955)	(892)	(852)
<b>Receipts</b>							
Sale of goods and services.....	262	280	252	252	252	252	252
GST receipts .....	768	680	630	630	630	630	630
Other receipts .....	112	30	30	30	30	30	30
<b>Net cash from operating activities .....</b>	<b>(13,324)</b>	<b>(13,588)</b>	<b>(13,276)</b>	<b>(13,372)</b>	<b>(14,034)</b>	<b>(14,730)</b>	<b>(12,710)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(30)	(126)	(289)	(120)	(120)	(120)	(120)
<b>Net cash from investing activities.....</b>	<b>(30)</b>	<b>(126)</b>	<b>(289)</b>	<b>(120)</b>	<b>(120)</b>	<b>(120)</b>	<b>(120)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(1,684)</b>	<b>(188)</b>	<b>151</b>	<b>(266)</b>	<b>(84)</b>	<b>(44)</b>	<b>(16)</b>
Cash assets at the beginning of the reporting period .....	2,943	2,403	1,259	1,410	1,144	1,060	1,016
<b>Cash assets at the end of the reporting period .....</b>	<b>1,259</b>	<b>2,215</b>	<b>1,410</b>	<b>1,144</b>	<b>1,060</b>	<b>1,016</b>	<b>1,000</b>

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



## Part 16

### Minister for Water; Sport and Recreation; Forestry

#### Summary of Portfolio Appropriations

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
755	Water			
	– Delivery of Services .....	73,236	71,532	72,359
	– Capital Appropriation .....	6,810	6,447	8,867
	Total .....	80,046	77,979	81,226
770	Sport and Recreation			
	– Delivery of Services .....	85,404	65,317	80,517
	– Administered Grants, Subsidies and Other Transfer Payments ...	758	758	786
	– Capital Appropriation .....	12,826	12,826	-
	Total .....	98,988	78,901	81,303
781	Western Australian Sports Centre Trust			
	– Delivery of Services .....	47,880	48,216	41,490
	– Capital Appropriation .....	5,044	5,044	5,472
	Total .....	52,924	53,260	46,962
	<b>GRAND TOTAL</b>			
	– Delivery of Services .....	206,520	185,065	194,366
	– Administered Grants, Subsidies and Other Transfer Payments ...	758	758	786
	– Capital Appropriation .....	24,680	24,317	14,339
	<b>Total .....</b>	<b>231,958</b>	<b>210,140</b>	<b>209,491</b>



## Division 68 Water

### Part 16 Minister for Water; Sport and Recreation; Forestry

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 106 Net amount appropriated to deliver services .....	78,224	72,956	71,252	<b>72,071</b>	70,262	69,608	70,695
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	272	280	280	<b>288</b>	288	288	288
Total appropriations provided to deliver services.....	78,496	73,236	71,532	<b>72,359</b>	70,550	69,896	70,983
<b>ADMINISTERED TRANSACTIONS</b>							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments .....	56	-	-	-	-	-	-
<b>CAPITAL</b>							
Item 161 Capital Appropriation.....	8,739	6,810	6,447	<b>8,867</b>	6,568	3,443	4,783
<b>TOTAL APPROPRIATIONS .....</b>	<b>87,291</b>	<b>80,046</b>	<b>77,979</b>	<b>81,226</b>	<b>77,118</b>	<b>73,339</b>	<b>75,766</b>
<b>EXPENSES</b>							
Total Cost of Services .....	94,371	84,129	91,522	<b>92,247</b>	86,902	83,411	80,529
Net Cost of Services <sup>(a)</sup> .....	87,195	75,372	85,661	<b>86,980</b>	82,605	78,868	75,938
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>17,440</b>	<b>15,892</b>	<b>11,905</b>	<b>12,857</b>	<b>11,251</b>	<b>9,586</b>	<b>4,912</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(500)	(600)	(700)	(700)	(700)
15% Procurement Savings .....	-	(1,262)	(1,463)	(1,413)	(1,309)
2015-16 Streamlined Budget Process Incentive Funding .....	-	1,295	-	-	-
Government Office Accommodation - Karratha Value-for-Money Option.....	-	-	30	32	33
Royalties for Regions - Water for Food Initiative .....	7,614	14,598	8,874	5,296	-
Strategic Assessment of the Perth and Peel Regions .....	410	211	-	-	-
Workforce Renewal Policy .....	(145)	(1,196)	(2,460)	(3,789)	(5,126)

## Significant Issues Impacting the Agency

- To address the State's climatic variability, particularly the drying climatic trend in the South West of Western Australia, the Department has utilised innovative climate, groundwater and surface water modelling and assessments, in order to apply contemporary water resource management strategies that underpin the State's growth, amenity and lifestyle objectives.
- Over the next three years the Department will continue to lead the \$40 million Royalties for Regions (RfR) funded Water for Food program. With 11 projects reaching across the State, the program will accelerate water and land investigations and provide a boost to regional Western Australian communities through the development and diversification of their agriculture and food sectors.
- Now entering its fourth and final year, a major Groundwater Investigations Program is underway in priority areas including the Dampier Peninsula, West Canning Basin, Hamersley Range valleys, East Murchison, South Coast and the South West. Funded through RfR, these projects are confirming water availability in areas where there is additional demand for water and will underpin more precise management of existing water sources. This program prioritises sustainable water use in areas with both heavy water usage and declining rainfall. The investigations support the identification of water sources for industry, mining and agriculture in the West Kimberley, Pilbara and Murchison, identifies groundwater options for future town water supplies in the Pilbara and South Coast, and supports sustainable management of the sensitive groundwater aquifers of the South West.
- In parallel, the \$6.9 million Perth Region Confined Aquifer Capacity Project is investigating Perth's deep Leederville and Yarragadee groundwater aquifers so they can continue to provide water sources for Perth's Integrated Water Supply Scheme into the future. Most of Perth's water supply bores in the North West corridor are in close proximity to the coast, necessitating seawater interface monitoring bores. These bores, which are to be installed by June 2016, will provide vital information that will guide licencing decisions and avoid over-pumping, ensuring the ongoing protection of groundwater. The study, to end in June 2016, will identify which parts of the deep aquifers can support long-term pumping, and which parts will benefit from groundwater replenishment.
- The Department will continue to address water quality problems in the Geographe Catchment through the Vasse Wonnerup Water Quality Improvement Plan and the Vasse Taskforce. In partnership with 13 State agencies, local governments and independent organisations, the Department intends to investigate and implement practical solutions to estuary pollution. State Government funding will be supplemented with co-investment by delivery partners: the Water Corporation, the City of Busselton and local industry and landholders.
- In January 2016, the Department will move into the final year of its information technology and systems renewal program to improve data collection and provision of water allocation and licensing. When fully operational, the \$13.6 million Water Online project will deliver a new customer portal that will allow stakeholders to manage their personal details, apply for water licences, provide meter readings and allow delegates to act on their behalf. Water Online will enable the faster processing of licence applications and reduce red tape.



## 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.	Western Australia's growth and development is supported by the sustainable management of water resources for the long-term benefit of the State.	1. Water Information and Advice 2. Water Planning, Allocation and Optimisation 3. Water Regulation, Licensing and Industry Governance

### Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Water Information and Advice .....	43,935	38,776	39,789	36,835	38,528	38,543	39,757
2. Water Planning, Allocation and Optimisation .....	31,183	28,024	33,240	38,258	31,076	27,613	22,897
3. Water Regulation, Licensing and Industry Governance .....	19,253	17,329	18,493	17,154	17,298	17,255	17,875
<b>Total Cost of Services .....</b>	<b>94,371</b>	<b>84,129</b>	<b>91,522</b>	<b>92,247</b>	<b>86,902</b>	<b>83,411</b>	<b>80,529</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Western Australia's growth and development is supported by the sustainable management of water resources for the long-term benefit of the State:</b>					
Proportion of stakeholders who perceive the department to be effectively managing the state's water as a resource for sustainable, productive use .....	n/a	n/a	55%	60%	1
Proportion of priority growth areas that have a water supply planning strategy <sup>(b)</sup> .....	19%	44%	44%	56%	2

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

(b) Priority growth areas will be based on future growth areas identified through the Water Supply-Demand Model plus agreed prioritisation criteria (e.g. economic significance to the State). Priority growth areas will be identified in the Department's annual (November) supply and demand outlook statement. This will be provided to the State's Infrastructure Coordinating Committee for input and advice before submission to the Minister for Water.

### Explanation of Significant Movements

(Notes)

1. A stakeholder survey was undertaken to establish the 2014-15 Estimated Actual. Comparative figures are not available for the 2013-14 Actual or the 2014-15 Budget.
2. The Department is progressively developing water supply planning strategies for all priority growth areas over the next several years.

## Services and Key Efficiency Indicators

### 1. Water Information and Advice <sup>(a)</sup>

The Department enables investment decisions of regional and State significance through the provision of data and information on the quantity, quality, location of, and demand for, water across the State. The information also underpins policy advice for consideration by Government and supports other government agencies and stakeholders in their planning for future economic growth and urban and rural development.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 43,935	\$'000 38,776	\$'000 39,789	\$'000 36,835	
Less Income .....	2,318	821	1,460	1,321	1
Net Cost of Service.....	41,617	37,955	38,329	35,514	
Employees (Full Time Equivalents).....	214	223	211	214	
<b>Efficiency Indicators</b>					
Proportion of Statutory Referrals from Decision Making Authorities Where Advice is Provided within Target Timeframes <sup>(b)</sup> .....	n/a	n/a	96%	96%	
Average Cost per Statutory Referral Assessment.....	\$5,338	\$5,439	\$5,714	\$5,241	
Average Cost per Water Measurement Site Managed .....	\$9,216	\$8,004	\$8,286	\$7,648	

(a) Where indicated, comparative data for the new efficiency indicators are not available.

(b) Decision Making Authorities include the Office of the Environmental Protection Authority, Western Australian Planning Commission, Department of Mines and Petroleum, Department of Environment Regulation and Local Government. The target timeframe is 35 business days.

### Explanation of Significant Movements

(Notes)

1. The reduction in income between 2013-14 Actual and 2014-15 Budget is largely due to a decrease in externally funded projects.

### 2. Water Planning, Allocation and Optimisation <sup>(a)</sup>

Water planning, allocation and optimisation ensures the sustainable management of water resources for the long-term benefit of the State and rely on good science. This includes planning and allocating water for sustainable productive use, protecting public drinking water sources, and ensuring the sustainability of water resources and their dependent ecosystems.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 31,183	\$'000 28,024	\$'000 33,240	\$'000 38,258	1
Less Income .....	3,183	6,724	2,748	2,834	2
Net Cost of Service.....	28,000	21,300	30,492	35,424	
Employees (Full Time Equivalents).....	103	110	118	131	
<b>Efficiency Indicators</b>					
Average Cost per Plan, Report or Guidance Document to Support Water Planning, Allocation and Optimisation.....	\$262,472	\$131,099	\$205,745	\$321,608	3
Average Cost per Hour of Scientific Support for Water Planning, Allocation and Optimisation .....	n/a	\$184	\$195	\$206	

(a) Where indicated, comparative data for the new efficiency indicators are not available.

**Explanation of Significant Movements**

(Notes)

1. The increase in the Total Cost of Services between the 2014-15 Budget, the 2014-15 Estimated Actual and 2015-16 Budget Target mainly reflects the RfR funded Water for Food program.
2. The decrease in income between the 2014-15 Budget and the 2014-15 Estimated Actual largely reflects a revision in project income.
3. The increase in Average Cost per Plan, report or guidance document between the 2014-15 Budget, the 2014-15 Estimated Actual and the 2015-16 Budget Target reflects increased spending associated with RfR funded Water for Food program.

**3. Water Regulation, Licensing and Industry Governance <sup>(a)</sup>**

Responsible, proportional regulation ensures investment, growth and development is underpinned by sustainable management of the State's water resources for the long-term benefit of the State. This service includes the management of water licensing. It also includes the management of the legislation governing the operations of water service providers.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 19,253	\$'000 17,329	\$'000 18,493	\$'000 17,154	
Less Income .....	1,675	1,212	1,653	1,112	
Net Cost of Service .....	17,578	16,117	16,840	16,042	
Employees (Full Time Equivalents).....	119	113	110	124	
<b>Efficiency Indicators</b>					
Average Cost of Assessing a Water Licence Application by Risk Assessment Category:					
Low Risk.....	n/a	n/a	\$4,753	\$4,560	
Medium Risk.....	n/a	n/a	\$6,219	\$5,970	
High Risk.....	n/a	n/a	\$7,034	\$6,752	
Average Time Taken (Days) to Assess a Licence Application by Risk Assessment Category:					
Low Risk.....	n/a	n/a	57	57	
Medium Risk.....	n/a	n/a	76	76	
High Risk.....	n/a	n/a	95	95	
Average Cost of Compliance Monitoring and Enforcement Action.....	\$1,272	\$911	\$1,081	\$830	

(a) Where indicated, comparative data for the new efficiency indicators are not available.

## Asset Investment Program

The Department will spend \$18.6 million on its Asset Investment Program (AIP) in 2015-16. This expenditure will see the completion of the Perth Region Confined Aquifer Capacity Study and the Water Online project and the commencement of the construction phase of the Kent Street Weir Project.

Over the forward estimates the Department will spend \$54.9 million on its AIP. Major allocations include:

- \$17.5 million to replace and maintain bores to ensure the efficient allocation of groundwater licences and prevent over-pumping, ensuring groundwater is protected;
- \$11.5 million for groundwater resources investigation and monitoring to ensure government and industry have timely knowledge of the resources available for drinking water supply, agriculture, mining and industry in areas where it is most needed; and
- \$7.6 million to replace and maintain river gauging stations that will monitor surface water flows to support water use whilst protecting downstream environments.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Engineering Works - Kent Street Weir .....	4,800	800	800	4,000	-	-	-
Groundwater Resources Investigation and Monitoring Perth Region - Confined Aquifer Capacity Study.....	6,925	4,500	3,088	2,425	-	-	-
Pilbara Cities Initiative <sup>(a)</sup> .....	12,397	10,735	4,760	1,224	438	-	-
Upgrades to Oxygenation Plants - Bacon Street and Camsell Way .....	907	120	120	787	-	-	-
Water Online .....	13,646	9,506	4,668	4,140	-	-	-
<b>COMPLETED WORKS</b>							
Computing and Office Equipment Replacement 2014-15 Program .....	235	235	235	-	-	-	-
Groundwater Resources Investigation and Monitoring 2014-15 Program .....	2,235	2,235	2,235	-	-	-	-
Replace and Maintain Monitoring Bores 2014-15 Program .....	3,865	3,865	3,865	-	-	-	-
Replace and Maintain River Gauging Stations 2014-15 Program .....	1,347	1,347	1,347	-	-	-	-
<b>NEW WORKS</b>							
Computing and Office Equipment Replacement 2015-16 Program .....	342	-	-	342	-	-	-
2016-17 Program .....	261	-	-	-	261	-	-
2017-18 Program .....	272	-	-	-	-	272	-
2018-19 Program .....	375	-	-	-	-	-	375
Groundwater Resources Investigation and Monitoring 2015-16 Program .....	59	-	-	59	-	-	-
2016-17 Program .....	3,475	-	-	-	3,475	-	-
2017-18 Program .....	3,443	-	-	-	-	3,443	-
2018-19 Program .....	4,519	-	-	-	-	-	4,519
Land Acquisition - Land Purchase in Priority 1 Areas 2016-17 Program .....	3,093	-	-	-	3,093	-	-
2018-19 Program .....	1,000	-	-	-	-	-	1,000
Replace and Maintain Monitoring Bores 2015-16 Program .....	3,940	-	-	3,940	-	-	-
2016-17 Program .....	4,229	-	-	-	4,229	-	-
2017-18 Program .....	4,461	-	-	-	-	4,461	-
2018-19 Program .....	4,892	-	-	-	-	-	4,892
Replace and Maintain River Gauging Stations 2015-16 Program .....	1,688	-	-	1,688	-	-	-
2016-17 Program .....	1,846	-	-	-	1,846	-	-
2017-18 Program .....	1,884	-	-	-	-	1,884	-
2018-19 Program .....	2,148	-	-	-	-	-	2,148
<b>Total Cost of Asset Investment Program .....</b>	<b>88,284</b>	<b>33,343</b>	<b>21,118</b>	<b>18,605</b>	<b>13,342</b>	<b>10,060</b>	<b>12,934</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			6,447	8,867	6,568	3,443	4,783
Drawdowns from the Holding Account .....			4,657	5,970	6,336	6,567	7,904
Internal Funds and Balances .....			5,604	2,544	-	50	247
Drawdowns from Royalties for Regions Fund <sup>(b)</sup> .....			4,410	1,224	438	-	-
<b>Total Funding .....</b>			<b>21,118</b>	<b>18,605</b>	<b>13,342</b>	<b>10,060</b>	<b>12,934</b>

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

## Financial Statements

### Income Statement

#### *Expenses*

The Income Statement shows significant movements in the Total Cost of Services from the 2014-15 Budget to the current 2014-15 Estimated Actual which is largely due to the commencement of the RfR funded Water for Food program.

Total Cost of Services peaks in 2015-16, before declining over the forward estimates period due to the implementation of a range of efficiency measures and conclusion of some projects.

#### *Income*

The decrease in the Department's total income from the 2014-15 Budget to the 2014-15 Estimated Actual reflects a revision in project income. In addition, some items previously included as grants and subsidies have been reclassified as other revenue.

### Statement of Financial Position

The Department's total equity is expected to increase by \$12.7 million in 2015-16 compared to the 2014-15 Estimated Actual. This is mainly attributable to increases in non-current assets in the AIP.

### Statement of Cashflows

In 2015-16, cashflows from the State Government are forecast to increase by \$5.1 million compared to the 2014-15 Estimated Actual, then decrease over the forward estimates. This mainly reflects the scheduled completion of several major projects during 2015-16, including Water Online and the Perth Region Confined Aquifer Capacity Study, and the cashflows for the RfR funded Water for Food program.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	49,507	49,530	50,344	52,358	51,006	50,953	48,340
Grants and subsidies <sup>(c)</sup> .....	1,894	3,619	2,972	2,742	2,417	2,417	2,417
Supplies and services .....	22,558	11,919	20,389	20,167	14,949	10,879	10,121
Accommodation .....	4,583	4,505	4,710	4,800	4,892	4,985	5,079
Depreciation and amortisation .....	5,620	7,349	6,435	7,226	8,712	8,833	8,956
Other expenses .....	10,209	7,207	6,672	4,954	4,926	5,344	5,616
<b>TOTAL COST OF SERVICES .....</b>	<b>94,371</b>	<b>84,129</b>	<b>91,522</b>	<b>92,247</b>	<b>86,902</b>	<b>83,411</b>	<b>80,529</b>
<b>Income</b>							
Regulatory fees and fines .....	71	54	54	54	54	54	54
Grants and subsidies .....	5,210	7,592	1,449	1,458	-	-	-
Other revenue .....	1,895	1,111	4,358	3,755	4,243	4,489	4,537
<b>Total Income .....</b>	<b>7,176</b>	<b>8,757</b>	<b>5,861</b>	<b>5,267</b>	<b>4,297</b>	<b>4,543</b>	<b>4,591</b>
<b>NET COST OF SERVICES .....</b>	<b>87,195</b>	<b>75,372</b>	<b>85,661</b>	<b>86,980</b>	<b>82,605</b>	<b>78,868</b>	<b>75,938</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	78,496	73,236	71,532	72,359	70,550	69,896	70,983
Resources received free of charge .....	715	451	900	923	947	972	997
Royalties for Regions Fund:							
Regional Community Services Fund .....	182	125	7,727	14,669	8,947	5,371	77
Regional Infrastructure and Headworks Fund .....	3,339	4,043	4,125	1,650	-	-	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>82,732</b>	<b>77,855</b>	<b>84,284</b>	<b>89,601</b>	<b>80,444</b>	<b>76,239</b>	<b>72,057</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(4,463)</b>	<b>2,483</b>	<b>(1,377)</b>	<b>2,621</b>	<b>(2,161)</b>	<b>(2,629)</b>	<b>(3,881)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 436, 439 and 469 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
City of Geraldton Greenough Stormwater							
Harvesting and Efficiency .....	-	100	-	-	-	-	-
Community Development Employment Project ....	-	262	-	-	-	-	-
Other Grants .....	99	-	-	-	-	-	-
Rural Water Grants .....	994	2,582	2,505	2,325	1,950	1,950	1,950
State Water Strategy Grants .....	286	267	267	267	267	267	267
State-wide Water Efficiency Measures .....	40	-	50	50	50	50	50
Urban Drainage .....	150	150	150	100	150	150	150
Urban Waterways Renewal .....	-	258	-	-	-	-	-
Water and Natural Resource Management Initiative (RfR) .....	325	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>1,894</b>	<b>3,619</b>	<b>2,972</b>	<b>2,742</b>	<b>2,417</b>	<b>2,417</b>	<b>2,417</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	9,204	2,509	7,309	10,020	8,948	7,809	3,665
Restricted cash .....	6,911	12,096	3,105	2,242	1,542	842	142
Holding account receivables .....	5,159	6,330	5,970	6,336	6,567	7,904	7,927
Receivables .....	1,339	1,591	1,339	1,339	1,339	1,339	1,789
Other .....	2,371	860	2,371	2,371	2,371	2,371	2,371
Assets held for sale .....	1,123	3,041	1,123	1,123	1,123	1,123	1,123
<b>Total current assets .....</b>	<b>26,107</b>	<b>26,427</b>	<b>21,217</b>	<b>23,431</b>	<b>21,890</b>	<b>21,388</b>	<b>17,017</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	16,305	17,879	17,272	18,162	20,307	20,777	21,806
Property, plant and equipment .....	256,518	238,332	255,463	256,515	263,688	271,001	281,930
Intangibles .....	7,677	5,549	9,542	8,232	5,554	2,876	198
Restricted cash .....	1,325	1,287	1,491	595	761	935	1,105
Other .....	-	24,076	12,069	21,949	22,084	18,676	14,403
<b>Total non-current assets .....</b>	<b>281,825</b>	<b>287,123</b>	<b>295,837</b>	<b>305,453</b>	<b>312,394</b>	<b>314,265</b>	<b>319,442</b>
<b>TOTAL ASSETS .....</b>	<b>307,932</b>	<b>313,550</b>	<b>317,054</b>	<b>328,884</b>	<b>334,284</b>	<b>335,653</b>	<b>336,459</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	12,340	12,585	12,218	12,098	11,978	11,860	11,744
Payables .....	2,734	2,097	2,521	1,782	2,479	3,174	3,216
Other .....	48	2,159	48	48	48	48	48
<b>Total current liabilities .....</b>	<b>15,122</b>	<b>16,841</b>	<b>14,787</b>	<b>13,928</b>	<b>14,505</b>	<b>15,082</b>	<b>15,008</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	2,303	2,668	2,280	2,257	2,235	2,213	2,191
<b>Total non-current liabilities .....</b>	<b>2,303</b>	<b>2,668</b>	<b>2,280</b>	<b>2,257</b>	<b>2,235</b>	<b>2,213</b>	<b>2,191</b>
<b>TOTAL LIABILITIES .....</b>	<b>17,425</b>	<b>19,509</b>	<b>17,067</b>	<b>16,185</b>	<b>16,740</b>	<b>17,295</b>	<b>17,199</b>
<b>EQUITY</b>							
Contributed equity .....	251,699	263,415	262,556	272,647	279,653	283,096	287,879
Accumulated surplus/(deficit) .....	(16,983)	(14,421)	(18,360)	(15,739)	(17,900)	(20,529)	(24,410)
Reserves .....	55,791	45,047	55,791	55,791	55,791	55,791	55,791
<b>Total equity .....</b>	<b>290,507</b>	<b>294,041</b>	<b>299,987</b>	<b>312,699</b>	<b>317,544</b>	<b>318,358</b>	<b>319,260</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>307,932</b>	<b>313,550</b>	<b>317,054</b>	<b>328,884</b>	<b>334,284</b>	<b>335,653</b>	<b>336,459</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	70,592	65,332	65,097	65,133	61,838	61,522	62,027
Capital appropriation .....	8,739	6,810	6,447	8,867	6,568	3,443	4,783
Holding account drawdowns.....	8,873	5,159	4,657	5,970	6,336	6,567	7,904
Royalties for Regions Fund:							
Regional Community Services Fund .....	182	125	7,727	14,669	8,947	5,371	77
Regional Infrastructure and Headworks Fund .....	8,116	8,500	8,535	2,874	438	-	-
<b>Net cash provided by State Government.....</b>	<b>96,502</b>	<b>85,926</b>	<b>92,463</b>	<b>97,513</b>	<b>84,127</b>	<b>76,903</b>	<b>74,791</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(50,679)	(49,789)	(50,603)	(53,172)	(50,383)	(50,330)	(48,340)
Grants and subsidies.....	(2,121)	(3,619)	(2,972)	(2,742)	(2,417)	(2,417)	(2,417)
Supplies and services .....	(24,250)	(12,271)	(19,854)	(19,295)	(13,451)	(9,339)	(8,549)
Accommodation .....	(4,723)	(4,333)	(4,709)	(4,800)	(4,892)	(4,985)	(5,079)
Other payments.....	(14,195)	(10,344)	(11,065)	(9,721)	(10,390)	(10,921)	(11,776)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines.....	71	54	54	54	54	54	54
Grants and subsidies.....	5,375	7,592	1,449	1,458	-	-	-
GST receipts.....	4,277	2,750	4,658	4,750	4,845	4,941	5,039
Other receipts .....	1,786	2,061	4,358	3,755	4,243	4,489	4,537
<b>Net cash from operating activities .....</b>	<b>(84,459)</b>	<b>(67,899)</b>	<b>(78,684)</b>	<b>(79,713)</b>	<b>(72,391)</b>	<b>(68,508)</b>	<b>(66,531)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(17,331)	(18,230)	(21,118)	(18,605)	(13,342)	(10,060)	(12,934)
Proceeds from sale of non-current assets.....	1,495	1,804	1,804	1,757	-	-	-
<b>Net cash from investing activities.....</b>	<b>(15,836)</b>	<b>(16,426)</b>	<b>(19,314)</b>	<b>(16,848)</b>	<b>(13,342)</b>	<b>(10,060)</b>	<b>(12,934)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(3,793)</b>	<b>1,601</b>	<b>(5,535)</b>	<b>952</b>	<b>(1,606)</b>	<b>(1,665)</b>	<b>(4,674)</b>
Cash assets at the beginning of the reporting period .....	21,233	14,291	17,440	11,905	12,857	11,251	9,586
<b>Cash assets at the end of the reporting period .....</b>	<b>17,440</b>	<b>15,892</b>	<b>11,905</b>	<b>12,857</b>	<b>11,251</b>	<b>9,586</b>	<b>4,912</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.



**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Regulatory Fees and Fines</b>							
Regulatory Fees - Receipts .....	71	54	54	54	54	54	54
<b>Grants and Subsidies</b>							
Commonwealth Grants and Contributions.....	1,842	3,454	1,329	671	-	-	-
Other Grants and Contributions .....	3,533	4,138	120	787	-	-	-
<b>GST Receipts</b>							
GST Receipts.....	4,277	2,750	4,658	4,750	4,845	4,941	5,039
<b>Other Receipts</b>							
Lease of Commercial Land and Buildings.....	405	227	400	420	441	463	486
Other Receipts .....	1,381	1,834	3,958	3,335	3,802	4,026	4,051
<b>TOTAL .....</b>	<b>11,509</b>	<b>12,457</b>	<b>10,519</b>	<b>10,017</b>	<b>9,142</b>	<b>9,484</b>	<b>9,630</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Fines</b>							
Regulatory Fines .....	11	25	25	25	25	25	25
<b>Other</b>							
Administered Appropriations .....	56	-	-	-	-	-	-
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>67</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Carnarvon Irrigation Scheme .....	56	-	-	-	-	-	-
Receipts Paid into the Consolidated Account .....	10	25	25	25	25	25	25
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>66</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>

# Water Corporation

## Part 16

## Minister for Water; Sport and Recreation; Forestry

### Asset Investment Program

The Corporation continues to maintain a strong commitment to the provision of high quality and reliable water and wastewater services with \$3.1 billion being spent across the forward estimates period.

In 2015-16, a total of \$713 million has been committed to projects across the State. These projects will improve the Corporation's services, and ensure its customers have access to quality and reliable water and wastewater services.

#### Expenditure in the Regions

In the North West, a total of \$61 million will be spent in 2015-16 which includes a \$26 million commitment on projects to deliver water and wastewater projects that support the Pilbara Cities Initiative. Also included is a \$7 million commitment on improving wastewater infrastructure due to growth in Derby.

A total of \$57 million has been allocated to the South West region, including:

- \$7.3 million commitment 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; and
- \$6.9 million to provide upgraded wastewater treatment that meets the water quality requirements for disposal and reuse in Pemberton.

The Great Southern will benefit from a \$48 million investment, which includes \$11.3 million for improved water quality and continuity of supply in Denmark.

In the Goldfields and Agricultural region, \$55 million will be spent in 2015-16, including a total of \$10.6 million at Cunderdin and Barbalin to construct new storage tank facilities, to improve the operation of the Water Supply Scheme and flexibility to meet peak demand.

A total of \$39 million will be spent in the Mid West in 2015-16, including \$5.5 million in Allanooka to boost the water supply capacity to Dongara to meet future increased demand.

#### Expenditure in the Metropolitan Area

In 2015-16, \$7.8 million will be spent to continue construction of the East Rockingham Wastewater Treatment Plant, which is on track to be commissioned in late 2015. The plant involves construction of a 20 million litre per day secondary treatment plant to enable ongoing growth in Perth's South West corridor.

A provision of \$44.5 million has been allocated to the Groundwater Replenishment Scheme. This project will become the next new climate independent water source for Perth and will see at least 14 billion litres of recycled water recharged to aquifers for future extraction.

To ensure security of supply to meet growth in Perth's North East corridor, a total of \$42.7 million has been committed across the forward estimates to construct a water storage tank in Ellenbrook with a capacity of 80 million litres. This includes \$13.8 million to be spent in 2015-16.

To cater for growth in the Perth central metropolitan area, a total of \$45 million has been committed from 2014-15 onwards to upgrade the Subiaco Wastewater Treatment Plant. This includes \$16.5 million to be spent in 2015-16. The upgrade will increase the wastewater treatment plant's capacity from 60 million litres per day, to 67 million litres per day.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Capitalised Interest and Support Allocated to Capital							
Capital Support Costs .....	150,931	30,888	30,888	38,778	28,363	29,276	23,626
Capitalised Borrowings Costs .....	120,462	20,876	20,876	18,220	23,078	27,897	30,391
Corporate Programs - Other Asset Investment .....	2,248,493	234,016	234,016	96,088	584,879	634,127	699,383
<b>Wastewater Programs</b>							
<b>Country Wastewater</b>							
Albany Wastewater Treatment Plant Improvements .....	12,600	2,200	1,200	4,600	5,800	-	-
Bunbury Wastewater Treatment Plant Upgrade .....	27,890	10	10	150	680	4,900	12,800
Country Wastewater Treatment and Conveyance .....	155,040	69,340	69,340	85,700	-	-	-
Eaton Monash Pump Main to Bunbury Wastewater Treatment Plant .....	20,880	17,280	13,280	3,600	-	-	-
Northam Wastewater Treatment Plant Inlet Works and Walkaway .....	2,000	95	95	1,785	120	-	-
York Wastewater Treatment Plant Upgrade .....	4,659	280	280	199	280	3,900	-
Infill Sewerage Program .....	184,448	119,448	15,000	15,000	15,000	15,000	20,000
<b>Metropolitan Wastewater</b>							
Beenyup Wastewater Treatment Plant Energy Recovery .....	18,700	2,900	2,900	9,600	6,200	-	-
East Rockingham Wastewater Scheme .....	182,301	166,101	76,300	7,800	4,300	4,100	-
Metropolitan Wastewater Treatment and Conveyance .....	202,025	112,575	112,575	89,450	-	-	-
Subiaco Wastewater Treatment Plant .....	45,500	2,500	2,500	16,500	26,500	-	-
Woodman Point Wastewater Treatment Plant Interim Upgrade .....	154,150	2,020	2,020	930	29,900	86,800	31,100
<b>Water Programs</b>							
<b>Country Water</b>							
Sources and Distribution .....	283,819	108,219	108,219	175,600	-	-	-
Millstream to Greenbushes Link .....	28,500	21,100	9,100	6,400	1,000	-	-
<b>Metropolitan Water</b>							
Advanced Water Treatment Plant .....	118,500	66,500	54,000	44,500	7,500	-	-
Ellenbrook Tank .....	42,700	1,800	1,800	13,800	19,400	2,000	5,700
Metropolitan Water Sources and Distribution .....	172,284	87,684	87,684	84,600	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>4,175,882</b>	<b>1,065,832</b>	<b>842,083</b>	<b>713,300</b>	<b>753,000</b>	<b>808,000</b>	<b>823,000</b>
<b>FUNDED BY</b>							
Borrowings .....			305,000	215,000	205,000	255,000	235,000
Internal Funds and Balances .....			537,083	498,300	548,000	553,000	588,000
<b>Total Funding .....</b>			<b>842,083</b>	<b>713,300</b>	<b>753,000</b>	<b>808,000</b>	<b>823,000</b>

# Bunbury Water Corporation

## Part 16

## Minister for Water; Sport and Recreation; Forestry

### Asset Investment Program

The Asset Investment Program (AIP) of Bunbury Water Corporation (Aqwest) across the forward estimates period is \$11.6 million, with \$2.7 million allocated in 2015-16.

The AIP includes expenditure on the refurbishment of Aqwest's largest water storage facility and a continuing focus on valve and water mains replacement.

The AIP 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 well into the future.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Mains Subdivisions - 2014-15 Program .....	16	16	16	-	-	-	-
Plant and Other Purchases - 2014-15 Program .....	392	392	392	-	-	-	-
Works - 2014-15 Program							
Distribution and Reticulation .....	932	932	932	-	-	-	-
Reservoirs .....	994	994	994	-	-	-	-
Treatment Plants .....	942	942	942	-	-	-	-
<b>NEW WORKS</b>							
Mains Subdivisions							
2015-16 Program .....	17	-	-	17	-	-	-
2016-17 Program .....	17	-	-	-	17	-	-
2017-18 Program .....	17	-	-	-	-	17	-
2018-19 Program .....	17	-	-	-	-	-	17
Plant and Other Purchases							
2015-16 Program .....	336	-	-	336	-	-	-
2016-17 Program .....	367	-	-	-	367	-	-
2017-18 Program .....	252	-	-	-	-	252	-
2018-19 Program .....	450	-	-	-	-	-	450
Works							
Distribution and Reticulation							
2015-16 Program .....	946	-	-	946	-	-	-
2016-17 Program .....	864	-	-	-	864	-	-
2017-18 Program .....	776	-	-	-	-	776	-
2018-19 Program .....	735	-	-	-	-	-	735
Reservoirs							
2015-16 Program .....	1,000	-	-	1,000	-	-	-
2016-17 Program .....	1,100	-	-	-	1,100	-	-
2017-18 Program .....	1,000	-	-	-	-	1,000	-
2018-19 Program .....	150	-	-	-	-	-	150
Treatment Plants							
2015-16 Program .....	401	-	-	401	-	-	-
2016-17 Program .....	460	-	-	-	460	-	-
2017-18 Program .....	602	-	-	-	-	602	-
2018-19 Program .....	2,056	-	-	-	-	-	2,056
<b>Total Cost of Asset Investment Program .....</b>	<b>14,839</b>	<b>3,276</b>	<b>3,276</b>	<b>2,700</b>	<b>2,808</b>	<b>2,647</b>	<b>3,408</b>
<b>FUNDED BY</b>							
Internal Funds and Balances .....			3,276	2,700	2,808	2,647	3,408
<b>Total Funding .....</b>			<b>3,276</b>	<b>2,700</b>	<b>2,808</b>	<b>2,647</b>	<b>3,408</b>

# Busselton Water Corporation

## Part 16

## Minister for Water; Sport and Recreation; Forestry

### Asset Investment Program

The Corporation's Asset Investment Program (AIP) across the forward estimates period is \$11.6 million, with \$3.6 million allocated in 2015-16. The AIP includes expenditure on:

- a program of new trunk mains to meet growth and improve network performance;
- planned asset replacement and upgrades to infrastructure at various water treatment plants; and
- continued implementation of an information and communications technology strategic plan including advanced metering infrastructure.

The AIP ensures existing infrastructure is maintained and new infrastructure provided to maintain water supplies in a rapidly expanding region of the State.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Office Equipment - 2014-15 Program .....	386	386	386	-	-	-	-
Plant, Mobile and Other Purchases - 2014-15 Program .....	489	489	489	-	-	-	-
Works							
New Connections and Meters - 2014-15 Program .....	453	453	453	-	-	-	-
New Mains and Services - 2014-15 Program .....	1,019	1,019	1,019	-	-	-	-
Treatment Plants - 2014-15 Program .....	1,635	1,635	1,635	-	-	-	-
<b>NEW WORKS</b>							
Building, Land and Land Improvements							
2015-16 Program .....	90	-	-	90	-	-	-
2016-17 Program .....	59	-	-	-	59	-	-
2017-18 Program .....	78	-	-	-	-	78	-
Office Equipment							
2015-16 Program .....	85	-	-	85	-	-	-
2016-17 Program .....	169	-	-	-	169	-	-
2017-18 Program .....	166	-	-	-	-	166	-
2018-19 Program .....	149	-	-	-	-	-	149
Plant, Mobile and Other Purchases							
2015-16 Program .....	135	-	-	135	-	-	-
2016-17 Program .....	126	-	-	-	126	-	-
2017-18 Program .....	141	-	-	-	-	141	-
2018-19 Program .....	247	-	-	-	-	-	247
Works							
New Connections and Meters							
2015-16 Program .....	560	-	-	560	-	-	-
2016-17 Program .....	728	-	-	-	728	-	-
2017-18 Program .....	521	-	-	-	-	521	-
2018-19 Program .....	497	-	-	-	-	-	497
New Mains and Services							
2015-16 Program .....	1,485	-	-	1,485	-	-	-
2016-17 Program .....	979	-	-	-	979	-	-
2017-18 Program .....	989	-	-	-	-	989	-
2018-19 Program .....	228	-	-	-	-	-	228
Treatment Plants							
2015-16 Program .....	1,248	-	-	1,248	-	-	-
2016-17 Program .....	740	-	-	-	740	-	-
2017-18 Program .....	928	-	-	-	-	928	-
2018-19 Program .....	1,221	-	-	-	-	-	1,221
<b>Total Cost of Asset Investment Program .....</b>	<b>15,551</b>	<b>3,982</b>	<b>3,982</b>	<b>3,603</b>	<b>2,801</b>	<b>2,823</b>	<b>2,342</b>
<b>FUNDED BY</b>							
Internal Funds and Balances .....			3,982	3,603	2,801	2,823	2,342
<b>Total Funding .....</b>			<b>3,982</b>	<b>3,603</b>	<b>2,801</b>	<b>2,823</b>	<b>2,342</b>

## Division 69 Sport and Recreation

### Part 16 Minister for Water; Sport and Recreation; Forestry

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 107 Net amount appropriated to deliver services .....	36,310	40,290	40,054	<b>44,008</b>	36,472	29,737	32,751
Item 108 Contribution to Community Sporting and Recreation Facilities Fund...	12,750	29,349	9,498	<b>20,000</b>	20,000	17,270	9,060
<b>Amount Authorised by Other Statutes</b>							
- Lotteries Commission Act 1990 .....	14,800	15,456	15,456	<b>16,192</b>	16,965	17,774	18,627
- Salaries and Allowances Act 1975 .....	302	309	309	<b>317</b>	325	325	325
Total appropriations provided to deliver services.....	64,162	85,404	65,317	<b>80,517</b>	73,762	65,106	60,763
<b>ADMINISTERED TRANSACTIONS</b>							
Item 109 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	700	758	758	<b>786</b>	814	839	860
<b>CAPITAL</b>							
Capital Appropriation .....	41,506	12,826	12,826	-	-	-	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>106,368</b>	<b>98,988</b>	<b>78,901</b>	<b>81,303</b>	<b>74,576</b>	<b>65,945</b>	<b>61,623</b>
<b>EXPENSES</b>							
Total Cost of Services .....	86,757	105,404	94,940	<b>94,204</b>	85,463	76,607	68,486
Net Cost of Services <sup>(a)</sup> .....	79,728	98,099	87,693	<b>86,820</b>	77,924	69,025	60,883
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>37,982</b>	<b>4,206</b>	<b>4,168</b>	<b>3,701</b>	<b>3,712</b>	<b>3,723</b>	<b>3,734</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	-	(400)	(300)	-	-
15% Procurement Savings.....	-	(366)	(375)	(384)	(390)
2015-16 Streamlined Budget Process Incentive Funding .....	-	799	-	-	-
Adjustments to Commonwealth Grants .....	(58)	(58)	(58)	(58)	(58)
City of Cockburn .....	-	3,000	3,000	-	-
Ellenbrook Recreation Centre .....	-	-	-	2,000	5,000
Revisions to Own Source Revenue Estimates - Camp Quaranup .....	-	698	715	733	733
Transfer of Western Australian Institute of Sport (WAIS) High Performance Service Centre Operating Costs to Western Australian Sports Centre Trust.....	(197)	(795)	(817)	(818)	(866)
Workforce Renewal Policy .....	(39)	(323)	(657)	(998)	(1,351)

## Significant Issues Impacting the Agency

- Time spent by children and adolescents playing outside and in nature has been declining. The adventure activities at the Department's camps and Nature Play WA are two important initiatives to get more young people active more often. Other lifestyle, adventure and alternative sport and recreation activities are also attracting new enthusiasts. The State Government is working proactively with industry stakeholders to identify these activities and plan accordingly.
- Initiatives like Your Move Cockburn and Your Move Wanneroo are turning good intentions into genuine lifestyle change. Physical inactivity is a behavioural risk factor associated with several chronic health conditions. People generally know they should be more active but behaviours do not reflect that. The Your Move programs, delivered in partnership with local governments, service providers and commercial partners work at household levels to change behaviours, not just attitudes. Early evaluations have shown positive impacts on activity levels of individuals involved in these programs.
- Rapid population growth has increased the demand for useable open space, especially in outer metropolitan Perth and some regional centres. As a result, the Department continues to work closely with the Department of Planning (to inform and influence State planning policies/guidelines), the Department of Water and Water Corporation (to investigate potential solutions for addressing water related pressures), and the Department of Education (to develop a Shared Use Guide for facilities).
- The Government investment in the City of Cockburn will contribute to the development of the new aquatic and recreation centre at Cockburn Central.
- The new Perth Stadium has moved into the project delivery phase. Focus in 2015-16 will be on finalising selection of the venue operator and progressing construction. This project remains on schedule and on budget.
- Participation rates in physical activity decrease steadily with age, despite the overwhelming evidence of the health and economic benefits. The State Government is continuing to provide funding support to the Seniors Recreation Council's programs, as well as funding support to State sporting associations, and innovative exergaming activities are demonstrating innovation to other service providers.
- The cost of participation in sport and recreation can be a barrier, especially for some young Western Australians. The KidSport program is helping eligible families overcome this barrier to enrol their children in local sporting clubs. This outcome supports better education, social and health outcomes for children and adolescents.
- Research indicates 40% of volunteers are engaged in delivery of sport and recreation in Western Australia. Most are parents supporting the positive involvement of their children. Supporting the gaining, training and recognition of these volunteers is critical. The Department has key partnerships with State sporting associations and recreation organisations to assist these volunteers with governance, administration, education for coaches and officials and other related tasks.
- A comprehensive Sport Integrity Strategy continues to evolve and includes: 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. Other key dimensions of Sports Integrity, including safety for children and sports betting, are also in scope within this Strategy.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Industry Leadership and Infrastructure Development .....	42,074	58,279	47,846	44,858	36,347	31,925	23,398
2. Building Capacity and Participation .....	44,683	47,125	47,094	49,346	49,116	44,682	45,088
<b>Total Cost of Services .....</b>	<b>86,757</b>	<b>105,404</b>	<b>94,940</b>	<b>94,204</b>	<b>85,463</b>	<b>76,607</b>	<b>68,486</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: A strong and diverse sport and recreation system in Western Australia that is accessible, encourages maximum participation and develops talent:</b>					
Satisfaction rating of policy development and leadership provided by the Department .....	89%	85%	85%	85%	
Satisfaction rating of the Department's consultation advice to clients .....	88%	90%	90%	90%	
Satisfaction rating of the Department's grant's management, programs/initiatives and resources .....	91%	85%	85%	85%	
Western Australian participation in physical activities (biennial) .....	28%	28%	26%	28%	
Satisfaction rating of recreation camps management and service delivery .....	95%	87%	87%	87%	

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



## Services and Key Efficiency Indicators

### 1. 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 42,074	\$'000 58,279	\$'000 47,846	\$'000 44,858	1
Less Income .....	287	85	85	85	
Net Cost of Service .....	41,787	58,194	47,761	44,773	
Employees (Full Time Equivalents).....	49	49	50	51	
<b>Efficiency Indicators</b>					
Average Cost of Providing Consultancy and Contact Services (Policy, Advocacy and Infrastructure) to Organisations .....	\$1,409	\$1,739	\$1,571	\$1,644	2
Average Cost to Manage Infrastructure Grants.....	\$4,532	\$3,714	\$3,778	\$3,833	

### Explanation of Significant Movements

(Notes)

1. The reduction in 2014-15 Estimated Actual compared to 2014-15 Budget is due to the revised expenditure profile for the Department's programs.
2. The reduction in Average Cost to Manage Infrastructure Grants in 2014-15 Estimated Actual compared to the 2013-14 Actual is due to additional grants managed in the Community Pools program. The inclusion of these grants from 2014-15 results 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 44,683	\$'000 47,125	\$'000 47,094	\$'000 49,346	
Less Income .....	6,742	7,220	7,162	7,299	
Net Cost of Service .....	37,941	39,905	39,932	42,047	
Employees (Full Time Equivalents).....	137	147	146	146	
<b>Efficiency Indicators</b>					
Average Cost of Providing Consultancy and Contact Services (Organisational Development and Participation) to Organisations .....	\$992	\$1,291	\$1,191	\$1,243	1
Average Cost to Manage Sport and Recreation Development Grants.....	\$1,822	\$2,223	\$2,498	\$2,535	2
Average Cost per Recreation Camp Experience.....	\$34	\$40	\$38	\$38	

### Explanation of Significant Movements

(Notes)

1. The variation from the 2013-14 Actual is due to the refinement of reporting contacts. General enquiries received by the Information Centre are no longer included in the calculation.
2. The increase from the 2013-14 Actual to the 2014-15 Estimated Actual and 2015-16 Budget Target is due to the consolidation of small grants, and a revised approach on how the Trails grants are being managed.

## Asset Investment Program

The new Perth Stadium continues to progress positively. Stadium construction commenced on schedule in December 2014. The State is currently progressing the three stages of the 'Detailed Design' process with Stage One complete and the remaining stages due for completion by mid-2015.

The State's investment in the construction of major sporting facilities for the State Netball Centre and the WAIS High Performance Service Centre will be completed in 2014-15.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
New Perth Stadium - Sports Precinct .....	35,480	24,880	5,500	4,300	4,400	1,900	-
New Perth Stadium and Plaza .....	79,460	18,360	4,530	19,900	29,600	11,600	-
New Perth Stadium Project Management - Department of Sport and Recreation .....	6,900	2,900	1,500	1,500	1,600	900	-
New Perth Stadium Project Management - Strategic Projects .....	9,100	4,000	2,000	1,900	1,900	1,300	-
<b>COMPLETED WORKS</b>							
Camps Plant and Equipment Ongoing Replacement							
2013-14 Program .....	65	65	39	-	-	-	-
2014-15 Program .....	65	65	65	-	-	-	-
Computer Hardware and Software							
2013-14 Program .....	213	213	198	-	-	-	-
2014-15 Program .....	330	330	330	-	-	-	-
Office Equipment Replacement - 2014-15 Program .....	114	114	114	-	-	-	-
Perth Rectangular Stadium Development .....	94,308	94,308	3,372	-	-	-	-
Perth Rectangular Stadium Enhancement .....	321	321	321	-	-	-	-
Program Equipment - 2014-15 Program .....	95	95	95	-	-	-	-
State Netball Centre - Construction .....	24,372	24,372	5,618	-	-	-	-
Western Australian Institute of Sport High Performance Service Centre .....	31,730	31,730	19,186	-	-	-	-
<b>NEW WORKS</b>							
Camps Plant and Equipment Ongoing Replacement							
2015-16 Program .....	65	-	-	65	-	-	-
2016-17 Program .....	65	-	-	-	65	-	-
2017-18 Program .....	65	-	-	-	-	65	-
2018-19 Program .....	65	-	-	-	-	-	65
Computer Hardware and Software							
2015-16 Program .....	330	-	-	330	-	-	-
2016-17 Program .....	330	-	-	-	330	-	-
2017-18 Program .....	330	-	-	-	-	330	-
2018-19 Program .....	330	-	-	-	-	-	330
Office Equipment Replacement							
2015-16 Program .....	114	-	-	114	-	-	-
2016-17 Program .....	114	-	-	-	114	-	-
2017-18 Program .....	114	-	-	-	-	114	-
2018-19 Program .....	114	-	-	-	-	-	114
Program Equipment							
2015-16 Program .....	95	-	-	95	-	-	-
2016-17 Program .....	95	-	-	-	95	-	-
2017-18 Program .....	95	-	-	-	-	95	-
2018-19 Program .....	95	-	-	-	-	-	95
<b>Total Cost of Asset Investment Program .....</b>	<b>284,969</b>	<b>201,753</b>	<b>42,868</b>	<b>28,204</b>	<b>38,104</b>	<b>16,304</b>	<b>604</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			12,826	-	-	-	-
Drawdowns from the Holding Account .....			604	604	604	604	604
Internal Funds and Balances .....			19,538	-	-	-	-
Funding Included in Department of Treasury - New Perth Stadium Account .....			9,900	27,600	37,500	15,700	-
<b>Total Funding .....</b>			<b>42,868</b>	<b>28,204</b>	<b>38,104</b>	<b>16,304</b>	<b>604</b>

## Financial Statements

### Income Statement

#### *Expenses*

The Total Cost of Services decreases each year across the forward estimates. This is mainly due to a reduction in grants and subsidies expenditure resulting from the finalisation of Budget Priorities and Royalties for Regions (RfR) funded projects.

#### *Income*

The majority of the Department's income derives from the operation of the Department's camps chain, which includes four metropolitan sites and one regional site located at Albany. The income derived from the camps is net appropriated to the Department resulting in a reduced requirement for Government funding to ensure the ongoing viability of the camps. This is detailed in the sale of goods and services line.

Grants and subsidies revenue mainly reflects receipts from the Commonwealth. Other revenue comprises the recoup of funds that are provided as an 'Administered Appropriation' to the Combat Sports Commission (CSC). The staff and operating costs for the CSC are provided by the Department and recouped from the CSC.

The \$7.4 million surplus in 2013-14 and the \$12.2 million deficiency in the 2014-15 Estimated Actual mainly reflects the expenditure on projects associated with the Community Sporting and Recreation Facilities Fund (CSRFF) and RfR programs. Expenditure is to occur in 2014-15 whereas funding was received in the 2013-14 financial year.

### Statement of Financial Position

The increase in non-current assets and contributed equity up to 2016-17 reflects the approved funding for the construction of the new Perth Stadium, WAIS High Performance Service Centre and State Netball Centre. The new Perth Stadium is scheduled to be transferred to the Western Australian Sports Centre Trust upon completion in 2017-18.

### Statement of Cashflows

During the period covered in the Budget Statements, the purchase of non-current assets includes the new Perth Stadium, the WAIS High Performance Service Centre and the State Netball Centre. The Department is funded for the construction of these projects. Additionally, the new Perth Stadium Design, Build, Finance and Maintain contract costs are displayed in the Cashflows from Financing Activities section. Upon completion, the control of these venues is scheduled to be transferred to the Western Australian Sports Centre Trust.

The utilisation of cash in the 2014-15 Estimated Actual mainly reflects the spend on projects funded through the Department's Asset Investment Program including the new Perth Stadium, WAIS High Performance Service Centre, State Netball Centre and some residual funding for the Perth Rectangular Stadium. In addition, approved spending on projects carried forward from the 2013-14 RfR and CSRFF programs form part of the 2014-15 Estimated Actual and associated drawdown on the cash balance.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	17,839	19,625	19,676	20,389	20,313	20,031	19,939
Grants and subsidies <sup>(c)</sup> .....	57,629	74,242	63,924	61,801	52,807	43,989	35,804
Supplies and services .....	6,475	6,401	6,261	6,929	7,136	7,215	7,311
Accommodation .....	2,028	2,897	2,897	2,881	2,983	3,121	3,171
Depreciation and amortisation .....	1,469	1,399	1,399	1,399	1,399	1,399	1,399
Other expenses .....	1,317	840	783	805	825	852	862
<b>TOTAL COST OF SERVICES .....</b>	<b>86,757</b>	<b>105,404</b>	<b>94,940</b>	<b>94,204</b>	<b>85,463</b>	<b>76,607</b>	<b>68,486</b>
<b>Income</b>							
Sale of goods and services .....	4,171	4,714	4,714	4,823	4,950	4,968	4,968
Grants and subsidies .....	1,649	1,236	1,178	1,178	1,178	1,178	1,178
Other revenue .....	1,209	1,355	1,355	1,383	1,411	1,436	1,457
<b>Total Income .....</b>	<b>7,029</b>	<b>7,305</b>	<b>7,247</b>	<b>7,384</b>	<b>7,539</b>	<b>7,582</b>	<b>7,603</b>
<b>NET COST OF SERVICES .....</b>	<b>79,728</b>	<b>98,099</b>	<b>87,693</b>	<b>86,820</b>	<b>77,924</b>	<b>69,025</b>	<b>60,883</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	64,162	85,404	65,317	80,517	73,762	65,106	60,763
Resources received free of charge .....	70	-	-	-	-	-	-
Royalties for Regions Fund: Regional Community Services Fund .....	22,850	12,685	10,195	6,364	4,091	3,848	49
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>87,082</b>	<b>98,089</b>	<b>75,512</b>	<b>86,881</b>	<b>77,853</b>	<b>68,954</b>	<b>60,812</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>7,354</b>	<b>(10)</b>	<b>(12,181)</b>	<b>61</b>	<b>(71)</b>	<b>(71)</b>	<b>(71)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 186, 196 and 197 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Commonwealth Grants .....	378	428	292	292	292	292	292
Community Sporting and Recreation Facilities Fund .....	6,073	28,689	15,242	19,340	19,340	16,610	8,400
Royalties for Regions Grants .....	18,323	12,613	15,700	6,318	4,044	3,800	-
Sports Financial Grants .....	17,785	17,898	18,076	20,501	13,008	6,355	9,327
Sports Lotteries Account .....	15,070	14,614	14,614	15,350	16,123	16,932	17,785
<b>TOTAL .....</b>	<b>57,629</b>	<b>74,242</b>	<b>63,924</b>	<b>61,801</b>	<b>52,807</b>	<b>43,989</b>	<b>35,804</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	22,508	1,080	591	791	717	728	739
Restricted cash .....	14,842	3,086	3,538	2,871	2,871	2,871	2,871
Holding account receivables .....	604	604	604	604	604	604	604
Receivables .....	3,260	1,670	3,260	3,260	3,249	3,238	3,227
Other .....	196	115	196	196	196	196	196
<b>Total current assets .....</b>	<b>41,410</b>	<b>6,555</b>	<b>8,189</b>	<b>7,722</b>	<b>7,637</b>	<b>7,637</b>	<b>7,637</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	8,375	9,170	9,170	9,965	10,760	11,555	12,350
Property, plant and equipment .....	102,749	328,813	144,020	170,826	207,531	79,478	78,683
Intangibles .....	65	96	263	263	263	263	263
Restricted cash .....	632	40	39	39	124	124	124
Other .....	-	-	-	209,100	433,700	-	-
<b>Total non-current assets .....</b>	<b>111,821</b>	<b>338,119</b>	<b>153,492</b>	<b>390,193</b>	<b>652,378</b>	<b>91,420</b>	<b>91,420</b>
<b>TOTAL ASSETS .....</b>	<b>153,231</b>	<b>344,674</b>	<b>161,681</b>	<b>397,915</b>	<b>660,015</b>	<b>99,057</b>	<b>99,057</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	2,120	2,653	2,126	2,098	2,103	2,109	2,115
Payables .....	495	495	495	495	495	495	495
Other .....	1,127	1,090	1,203	709	770	835	900
<b>Total current liabilities .....</b>	<b>3,742</b>	<b>4,238</b>	<b>3,824</b>	<b>3,302</b>	<b>3,368</b>	<b>3,439</b>	<b>3,510</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,672	1,036	1,674	1,669	1,674	1,674	1,674
<b>Total non-current liabilities .....</b>	<b>1,672</b>	<b>1,036</b>	<b>1,674</b>	<b>1,669</b>	<b>1,674</b>	<b>1,674</b>	<b>1,674</b>
<b>TOTAL LIABILITIES .....</b>	<b>5,414</b>	<b>5,274</b>	<b>5,498</b>	<b>4,971</b>	<b>5,042</b>	<b>5,113</b>	<b>5,184</b>
<b>EQUITY</b>							
Contributed equity .....	133,754	339,004	154,301	391,001	653,101	92,143	92,143
Accumulated surplus/(deficit) .....	10,194	(3,210)	(1,987)	(1,926)	(1,997)	(2,068)	(2,139)
Reserves .....	3,869	3,606	3,869	3,869	3,869	3,869	3,869
<b>Total equity .....</b>	<b>147,817</b>	<b>339,400</b>	<b>156,183</b>	<b>392,944</b>	<b>654,973</b>	<b>93,944</b>	<b>93,873</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>153,231</b>	<b>344,674</b>	<b>161,681</b>	<b>397,915</b>	<b>660,015</b>	<b>99,057</b>	<b>99,057</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	62,851	84,005	63,918	79,118	72,363	63,707	59,364
Capital appropriation .....	41,506	12,826	12,826	-	-	-	-
Holding account drawdowns.....	604	604	604	604	604	604	604
Royalties for Regions Fund:							
Regional Community Services Fund .....	22,850	12,685	10,195	6,364	4,091	3,848	49
Receipts paid into Consolidated Account.....	-	-	(2,179)	-	-	-	-
New Perth Stadium Account.....	40,240	101,030	9,900	236,700	262,100	58,100	-
<b>Net cash provided by State Government.....</b>	<b>168,051</b>	<b>211,150</b>	<b>95,264</b>	<b>322,786</b>	<b>339,158</b>	<b>126,259</b>	<b>60,017</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(17,612)	(19,541)	(19,592)	(20,917)	(20,242)	(19,960)	(19,868)
Grants and subsidies.....	(57,629)	(74,242)	(63,924)	(61,801)	(52,807)	(43,989)	(35,804)
Supplies and services .....	(6,931)	(6,401)	(6,261)	(6,929)	(7,136)	(7,215)	(7,307)
Accommodation .....	(1,860)	(2,756)	(2,756)	(2,735)	(2,832)	(2,965)	(3,015)
Other payments.....	(15,927)	(6,126)	(6,069)	(4,831)	(4,856)	(4,888)	(4,902)
<b>Receipts <sup>(b)</sup></b>							
Grants and subsidies.....	1,649	1,236	1,178	1,178	1,178	1,178	1,178
Sale of goods and services.....	4,313	4,676	4,676	4,785	4,912	4,930	4,930
GST receipts .....	13,273	5,145	5,145	3,880	3,891	3,891	3,891
Other receipts .....	1,075	1,393	1,393	1,421	1,449	1,474	1,495
<b>Net cash from operating activities .....</b>	<b>(79,649)</b>	<b>(96,616)</b>	<b>(86,210)</b>	<b>(85,949)</b>	<b>(76,443)</b>	<b>(67,544)</b>	<b>(59,402)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(82,131)	(114,460)	(42,868)	(28,204)	(38,104)	(16,304)	(604)
<b>Net cash from investing activities.....</b>	<b>(82,131)</b>	<b>(114,460)</b>	<b>(42,868)</b>	<b>(28,204)</b>	<b>(38,104)</b>	<b>(16,304)</b>	<b>(604)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Other payments – new Perth Stadium .....	-	-	-	(209,100)	(224,600)	(42,400)	-
<b>Net cash from financing activities.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(209,100)</b>	<b>(224,600)</b>	<b>(42,400)</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>6,271</b>	<b>74</b>	<b>(33,814)</b>	<b>(467)</b>	<b>11</b>	<b>11</b>	<b>11</b>
Cash assets at the beginning of the reporting period .....	31,711	4,132	37,982	4,168	3,701	3,712	3,723
<b>Cash assets at the end of the reporting period .....</b>	<b>37,982</b>	<b>4,206</b>	<b>4,168</b>	<b>3,701</b>	<b>3,712</b>	<b>3,723</b>	<b>3,734</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION <sup>(a)</sup>**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Grants and Subsidies</b>							
Proceeds from the Provision of Sport Development Services to Industry Bodies.....	713	332	332	332	332	332	332
Proceeds from the Provision of Sport Participation Services to the Commonwealth.....	936	904	846	846	846	846	846
<b>Sale of Goods and Services</b>							
Revenue Received for Provision of Accommodation and Recreation Programs ....	4,313	4,676	4,676	4,785	4,912	4,930	4,930
<b>GST Receipts</b>							
GST Input Credits .....	12,088	4,790	4,790	3,514	3,514	3,514	3,514
GST Receipts on Sales .....	1,185	355	355	366	377	377	377
<b>Other Receipts</b>							
Other.....	1,075	1,393	1,393	1,421	1,449	1,474	1,495
<b>TOTAL .....</b>	<b>20,310</b>	<b>12,450</b>	<b>12,392</b>	<b>11,264</b>	<b>11,430</b>	<b>11,473</b>	<b>11,494</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Other</b>							
Administered Appropriation.....	700	758	758	786	814	839	860
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>700</b>	<b>758</b>	<b>758</b>	<b>786</b>	<b>814</b>	<b>839</b>	<b>860</b>
<b>EXPENSES</b>							
<b>Other</b>							
Combat Sports Commission Expenditure ...	700	758	758	786	814	839	860
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>700</b>	<b>758</b>	<b>758</b>	<b>786</b>	<b>814</b>	<b>839</b>	<b>860</b>

**Agency Special Purpose Account Details****COMMUNITY SPORTING AND RECREATION FACILITIES SPECIAL PURPOSE ACCOUNT**

Account Purpose: 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.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	57	57	6,404	-
Receipts:				
Appropriations.....	12,750	29,349	9,498	20,000
Other .....	-	-	-	-
	12,807	29,406	15,902	20,000
Payments .....	6,403	29,349	15,902	20,000
<b>CLOSING BALANCE .....</b>	<b>6,404</b>	<b>57</b>	<b>-</b>	<b>-</b>

**SPORTS LOTTERIES SPECIAL PURPOSE ACCOUNT**

Account Purpose: The purpose of the Account is to hold moneys received, pursuant to sections 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.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	3,537	2,693	2,407	2,407
Receipts:				
Appropriations.....	14,800	15,456	15,456	16,192
Other .....	30	-	-	-
	18,367	18,149	17,863	18,599
Payments .....	15,960	15,456	15,456	16,192
<b>CLOSING BALANCE .....</b>	<b>2,407</b>	<b>2,693</b>	<b>2,407</b>	<b>2,407</b>

**LOGUE BROOK RECREATION OFFSET TRUST ACCOUNT**

Account Purpose: 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.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	223	-	229	-
Receipts:				
Other .....	6	-	-	-
	229	-	229	-
Payments .....	-	-	229	-
<b>CLOSING BALANCE .....</b>	<b>229</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Division 70 Western Australian Sports Centre Trust

## Part 16 Minister for Water; Sport and Recreation; Forestry

### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
<b>Item 110 Net amount appropriated to deliver services .....</b>	38,059	47,880	48,216	<b>41,490</b>	43,162	43,537	43,661
Total appropriations provided to deliver services.....	38,059	47,880	48,216	<b>41,490</b>	43,162	43,537	43,661
<b>CAPITAL</b>							
<b>Item 162 Capital Appropriation.....</b>	12,370	5,044	5,044	<b>5,472</b>	1,167	957	957
<b>TOTAL APPROPRIATIONS .....</b>	50,429	52,924	53,260	<b>46,962</b>	44,329	44,494	44,618
<b>EXPENSES</b>							
Total Cost of Services .....	68,271	61,764	63,860	<b>64,177</b>	61,704	61,442	61,565
Net Cost of Services <sup>(a)</sup> .....	40,067	33,389	34,594	<b>32,201</b>	29,808	37,662	37,782
<b>CASH ASSETS <sup>(b)</sup> .....</b>	8,702	4,018	4,966	<b>3,023</b>	4,225	5,147	6,073

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
15% Procurement Savings.....	-	(485)	(486)	(508)	(514)
2015-16 Tariffs, Fees and Charges .....	-	98	101	104	107
Catering Outsourcing Agreement .....	(2,581)	(4,350)	(4,350)	(4,350)	(4,350)
HBF Naming Rights Agreement .....	102	105	60	-	-
nib Stadium - Operating Costs .....	4,433	4,832	644	-	-
Transfer of Western Australian Institute of Sport High Performance Centre Operating Costs from the Department of Sport and Recreation.....	197	795	817	818	866
Workforce Renewal Policy .....	(17)	(135)	(279)	(451)	(648)

## Significant Issues Impacting the Agency

- Progression of the new Perth Stadium project will deliver the most significant investment in a sport and entertainment venue this State has seen, and will elevate the city's capacity and competitiveness with respect to bidding and hosting major events. The Western Australian Sports Centre Trust's (VenuesWest) input will ensure the venue design and functionality delivers an efficient and effective asset for the State. A rigorous new Perth Stadium Operator Procurement process will ensure that the best operator is appointed to manage this outstanding piece of public infrastructure, and realise the vision for the delivery of a successful operational venue.
- Delivering expanded facilities and services at HBF Arena (formerly Arena Joondalup) is nearing completion with the rugby fields now constructed, and the additional netball courts currently under construction. The redevelopment will deliver significantly improved facilities for high performance sport, community users and commercial clients.
- Increased commercial success has enabled the implementation of a Strategic Asset Management Plan with a higher level of self-funded investment. This is delivering real improvements to ageing facilities but also presenting new challenges in terms of balancing the needs of today's customers and operations, and managing necessary disruptions to deliver capital works.
- There is increasing competition for live events with improving and expanding coverage via television and other technologies, which is also driving commercial success for sport with the attraction of marketing and gaming investment. VenuesWest will therefore seek to ensure that the live event experience is better than what can be gained from a televised event. The Strategic Asset Management Plan for VenuesWest will drive reinvestment in initiatives which enhance venue presentation and the overall customer experience through the integration of new technologies, and upgrading of facilities to enable increased interaction and satisfaction levels.
- Touring has become critically important for commercial success for the music/concert market, particularly as access to music has changed behaviours markedly with technology enabling cheap to free downloading. In spite of historical concerns regarding distance and time required to travel to Perth, the State has successfully attracted world-class touring acts.
- The recent drop in Australian dollar exchange rates is expected to impact the touring market negatively, with a reduction in the number of artists touring as well as a down-scaling of events expected. However, the diversity of venues within the portfolio reduces dependence on any one type of activity. Usage activities for all venues are prioritised and related revenues and costs assessed to minimise the impacts of changing activities.
- The need for increasingly effective and efficient technology deployment by major venues has escalated. Consumers require the ability to self-service, be informed, provide feedback in real-time and feel confident that personal safety concerns are addressed at all times. As a result, the use of social media as an essential marketing and communication tool and increasing Closed Circuit Television coverage are becoming more important.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Provision of Elite Sport Facilities and Support.....	26,488	24,470	25,576	25,950	24,966	24,864	24,919
2. Provision of Community Facilities and Services .....	15,843	13,792	14,295	14,160	13,325	13,180	13,113
3. Provision of Competitive and Cost Effective State Owned Assets .....	25,940	23,502	23,989	24,067	23,413	23,398	23,533
<b>Total Cost of Services .....</b>	<b>68,271</b>	<b>61,764</b>	<b>63,860</b>	<b>64,177</b>	<b>61,704</b>	<b>61,442</b>	<b>61,565</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Sustainable, accessible and profitable state assets delivering sport, recreation and entertainment opportunities for Western Australians:</b>					
Percentage of targeted sports where venues meet international competition standards .....	81%	81%	81%	81%	
Elite user satisfaction .....	73%	77%	77%	77%	
Percentage of visitors whose expectations were met or exceeded by VenuesWest services .....	83%	77%	77%	80%	
Commercial user satisfaction .....	86%	82%	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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	26,488	24,470	25,576	25,950	1
Less Income .....	3,896	3,133	3,130	3,568	2
Net Cost of Service.....	22,592	21,337	22,446	22,382	
<b>Employees (Full Time Equivalents).....</b>	<b>70</b>	<b>71</b>	<b>77</b>	<b>78</b>	
<b>Efficiency Indicators</b>					
Direct Government Funding Compared to Provision of Elite Sports					
Facilities (\$ per Hour) .....	\$1,116	\$1,059	\$1,020	\$967	3

### Explanation of Significant Movements

(Notes)

1. The higher Total Cost of Service in the 2013-14 Actual compared to the 2014-15 Estimated Actual reflects the compensation payment for nib Stadium. The increase between the 2014-15 Budget and the 2014-15 Estimated Actual (of 4.5%) mainly reflects the extra costs associated with the management of nib Stadium.
2. The higher Income in the 2013-14 Actual compared to the 2014-15 Estimated Actual reflects the higher number of high performance events held in 2013-14. The increase in Income for the 2015-16 Budget Target reflects the additional revenue associated with the management of nib Stadium.
3. The decrease in cost per hour in the 2015-16 Budget Target compared to the 2014-15 Estimated Actual reflects the additional hours of elite training and competition as a result of the opening of the State Netball Centre and the management of nib Stadium.

### 2. Provision of Community Facilities and Services

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	15,843	13,792	14,295	14,160	1
Less Income .....	6,655	7,935	7,256	9,648	2
Net Cost of Service.....	9,188	5,857	7,039	4,512	
<b>Employees (Full Time Equivalents).....</b>	<b>87</b>	<b>87</b>	<b>83</b>	<b>83</b>	
<b>Efficiency Indicators</b>					
Average Cost per Visit of Providing Community Facilities and Services .....	\$7.68	\$7.24	\$7.45	\$7.13	

### Explanation of Significant Movements

(Notes)

1. The higher Total Cost of Service in the 2013-14 Actual compared to the 2014-15 Estimated Actual reflects the compensation payment for nib Stadium.
2. The higher income in the 2015-16 Budget Target compared to the 2014-15 Estimated Actual reflects grant income to be received for the HBF Arena expansion projects.

### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 25,940	\$'000 23,502	\$'000 23,989	\$'000 24,067	1
Less Income .....	17,653	17,307	18,880	18,760	2
Net Cost of Service.....	8,287	6,195	5,109	5,307	
Employees (Full Time Equivalents).....	91	91	67	68	
<b>Efficiency Indicators</b>					
Ratio of Commercial Revenue Compared to Total Operating Expenses .....	67%	78%	81%	83%	3

#### Explanation of Significant Movements

(Notes)

1. The higher Total Cost of Service in the 2013-14 Actual compared to the 2014-15 Estimated Actual reflects the compensation payment for nib Stadium.
2. The increase in Income for the 2014-15 Estimated Actual compared to the 2014-15 Budget reflects the additional revenue associated with the management of nib Stadium.
3. Commercial revenue has continued to increase since 2013-14. This trend is forecast to continue in 2015-16 in line with the increased number of venues now within the portfolio of responsibility, and the increase in commercial events.

### Asset Investment Program

The 2015-16 Asset Investment Program totals \$21.4 million, comprising \$10.9 million for the HBF Arena expansion projects and \$10.5 million for capital upgrades and maintenance across VenuesWest's asset portfolio.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
HBF Arena Expansion Projects .....	20,058	1,395	1,395	10,893	7,590	180	-
<b>COMPLETED WORKS</b>							
Capital Upgrades and Maintenance							
2013-14 Program .....	10,794	10,794	3,892	-	-	-	-
2014-15 Program .....	11,328	11,328	11,328	-	-	-	-
Information and Communications Technology Plan .....	1,110	1,110	685	-	-	-	-
Perth Arena .....	538,163	538,163	1,802	-	-	-	-
<b>NEW WORKS</b>							
Capital Upgrades and Maintenance							
2015-16 Program .....	10,511	-	-	10,511	-	-	-
2016-17 Program .....	10,429	-	-	-	10,429	-	-
2017-18 Program .....	10,430	-	-	-	-	10,430	-
2018-19 Program .....	10,610	-	-	-	-	-	10,610
<b>Total Cost of Asset Investment Program.....</b>	<b>623,433</b>	<b>562,790</b>	<b>19,102</b>	<b>21,404</b>	<b>18,019</b>	<b>10,610</b>	<b>10,610</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			5,044	5,472	1,167	957	957
Drawdowns from the Holding Account.....			4,700	4,700	4,700	4,700	4,700
Internal Funds and Balances.....			9,358	11,232	12,152	4,953	4,953
<b>Total Funding.....</b>			<b>19,102</b>	<b>21,404</b>	<b>18,019</b>	<b>10,610</b>	<b>10,610</b>

## Financial Statements

### Income Statement

#### Income

The 2015-16 Budget Estimate for income is forecast to increase by \$2.7 million (9.3%) compared with the 2014-15 Estimated Actual. This is mainly attributed to grant income of \$2.3 million for the HBF Arena expansion projects.

### Statement of Financial Position

A decrease of \$1.9 million (9.3%) in Current Assets in the 2015-16 Budget Estimate relative to the 2014-15 Estimated Actual is primarily due to an increase in capital expenditure for the HBF Arena expansion projects.

The increase of \$99.6 million (9.5%) in Non-current Assets in the 2015-16 Budget Estimate relative to the 2014-15 Estimated Actual is primarily due to anticipated revaluation increments in land and buildings, the HBF Arena expansion projects and an increase in holding account receivables.

### Statement of Cashflows

A decrease of \$7.3 million in Service Appropriations provided by the State Government in the 2015-16 Budget Estimate relative to the 2014-15 Estimated Actual reflects the additional funding of \$8 million received for the compensation payment for nib Stadium. This is offset by a corresponding reduction in payments for supplies and services in the 2015-16 Budget Estimate relative to the 2014-15 Estimated Actual, recognising the compensation payment that was made in 2014-15.

The increase of \$2.3 million (12.1%) in the Purchase of Non-current Assets in the 2015-16 Budget Estimate compared with the 2014-15 Estimated Actual reflects expenditure on the HBF Arena expansion projects.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	17,415	18,169	17,999	17,922	17,693	17,333	16,988
Supplies and services .....	14,519	7,470	8,268	7,747	6,208	6,026	5,967
Accommodation .....	6,320	5,293	6,626	6,794	6,127	6,033	5,858
Depreciation and amortisation .....	25,574	27,743	27,705	28,308	28,819	29,192	29,761
Other expenses .....	4,443	3,089	3,262	3,406	2,857	2,858	2,991
<b>TOTAL COST OF SERVICES .....</b>	<b>68,271</b>	<b>61,764</b>	<b>63,860</b>	<b>64,177</b>	<b>61,704</b>	<b>61,442</b>	<b>61,565</b>
<b>Income</b>							
Sale of goods and services .....	24,002	23,080	21,977	22,144	20,867	21,078	21,081
Grants and subsidies .....	1,129	2,000	250	2,250	7,500	-	-
Other revenue .....	3,073	3,295	7,039	7,582	3,529	2,702	2,702
<b>Total Income .....</b>	<b>28,204</b>	<b>28,375</b>	<b>29,266</b>	<b>31,976</b>	<b>31,896</b>	<b>23,780</b>	<b>23,783</b>
<b>NET COST OF SERVICES .....</b>	<b>40,067</b>	<b>33,389</b>	<b>34,594</b>	<b>32,201</b>	<b>29,808</b>	<b>37,662</b>	<b>37,782</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	38,059	47,880	48,216	41,490	43,162	43,537	43,661
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>38,059</b>	<b>47,880</b>	<b>48,216</b>	<b>41,490</b>	<b>43,162</b>	<b>43,537</b>	<b>43,661</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(2,008)</b>	<b>14,491</b>	<b>13,622</b>	<b>9,289</b>	<b>13,354</b>	<b>5,875</b>	<b>5,879</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 248, 227 and 229 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	8,702	4,018	4,966	3,023	4,225	5,147	6,073
Holding account receivables .....	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Receivables .....	2,046	3,592	2,046	2,046	2,046	2,046	2,046
Other .....	9,088	2,087	9,088	9,088	9,088	9,088	9,088
<b>Total current assets .....</b>	<b>24,536</b>	<b>14,397</b>	<b>20,800</b>	<b>18,857</b>	<b>20,059</b>	<b>20,981</b>	<b>21,907</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	59,528	82,571	82,533	106,141	130,260	153,338	176,985
Property, plant and equipment .....	891,706	891,550	960,788	1,036,825	1,043,310	2,106,662	2,106,909
Intangibles .....	89	-	1,157	1,157	1,157	1,157	1,157
<b>Total non-current assets .....</b>	<b>951,323</b>	<b>974,121</b>	<b>1,044,478</b>	<b>1,144,123</b>	<b>1,174,727</b>	<b>2,261,157</b>	<b>2,285,051</b>
<b>TOTAL ASSETS .....</b>	<b>975,859</b>	<b>988,518</b>	<b>1,065,278</b>	<b>1,162,980</b>	<b>1,194,786</b>	<b>2,282,138</b>	<b>2,306,958</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,907	1,629	1,907	1,907	1,907	1,907	1,907
Payables .....	8,849	1,404	849	849	849	849	849
Other .....	2,295	2,148	2,295	2,295	2,295	2,295	2,295
<b>Total current liabilities .....</b>	<b>13,051</b>	<b>5,181</b>	<b>5,051</b>	<b>5,051</b>	<b>5,051</b>	<b>5,051</b>	<b>5,051</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	838	818	838	838	838	838	838
Borrowings .....	-	-	-	-	-	422,831	422,831
<b>Total non-current liabilities .....</b>	<b>838</b>	<b>818</b>	<b>838</b>	<b>838</b>	<b>838</b>	<b>423,669</b>	<b>423,669</b>
<b>TOTAL LIABILITIES .....</b>	<b>13,889</b>	<b>5,999</b>	<b>5,889</b>	<b>5,889</b>	<b>5,889</b>	<b>428,720</b>	<b>428,720</b>
<b>EQUITY</b>							
Contributed equity .....	825,049	738,578	830,093	835,565	836,732	1,477,747	1,478,704
Accumulated surplus/(deficit) .....	46,068	56,760	59,690	68,979	82,333	88,208	94,087
Reserves .....	90,853	187,181	169,606	252,547	269,832	287,463	305,447
<b>Total equity .....</b>	<b>961,970</b>	<b>982,519</b>	<b>1,059,389</b>	<b>1,157,091</b>	<b>1,188,897</b>	<b>1,853,418</b>	<b>1,878,238</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>975,859</b>	<b>988,518</b>	<b>1,065,278</b>	<b>1,162,980</b>	<b>1,194,786</b>	<b>2,282,138</b>	<b>2,306,958</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	11,486	20,137	20,511	13,182	14,343	14,345	13,900
Capital appropriation .....	12,370	5,044	5,044	5,472	1,167	957	957
Holding account drawdowns.....	4,700	4,700	4,700	4,700	4,700	4,700	4,700
<b>Net cash provided by State Government.....</b>	<b>28,556</b>	<b>29,881</b>	<b>30,255</b>	<b>23,354</b>	<b>20,210</b>	<b>20,002</b>	<b>19,557</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(17,086)	(18,169)	(17,999)	(17,922)	(17,693)	(17,333)	(16,988)
Supplies and services .....	(5,931)	(14,212)	(15,127)	(6,679)	(5,160)	(4,978)	(4,919)
Accommodation .....	(6,287)	(5,293)	(6,626)	(6,794)	(6,127)	(6,033)	(5,858)
Other payments.....	(9,149)	(5,807)	(5,863)	(5,934)	(5,365)	(5,366)	(5,499)
<b>Receipts</b>							
Grants and subsidies.....	1,349	2,000	250	2,250	7,500	-	-
Sale of goods and services.....	18,791	23,080	21,977	22,144	20,867	21,078	21,081
GST receipts .....	3,432	1,460	1,460	1,460	1,460	1,460	1,460
Other receipts .....	3,053	3,295	7,039	7,582	3,529	2,702	2,702
<b>Net cash from operating activities .....</b>	<b>(11,828)</b>	<b>(13,646)</b>	<b>(14,889)</b>	<b>(3,893)</b>	<b>(989)</b>	<b>(8,470)</b>	<b>(8,021)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(27,672)	(17,228)	(19,102)	(21,404)	(18,019)	(10,610)	(10,610)
Proceeds from sale of non-current assets.....	10	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(27,662)</b>	<b>(17,228)</b>	<b>(19,102)</b>	<b>(21,404)</b>	<b>(18,019)</b>	<b>(10,610)</b>	<b>(10,610)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(10,934)</b>	<b>(993)</b>	<b>(3,736)</b>	<b>(1,943)</b>	<b>1,202</b>	<b>922</b>	<b>926</b>
Cash assets at the beginning of the reporting period .....	19,636	5,011	8,702	4,966	3,023	4,225	5,147
<b>Cash assets at the end of the reporting period .....</b>	<b>8,702</b>	<b>4,018</b>	<b>4,966</b>	<b>3,023</b>	<b>4,225</b>	<b>5,147</b>	<b>6,073</b>

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



# Western Australian Institute of Sport

## Part 16

## Minister for Water; Sport and Recreation; Forestry

### 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Asset Replacement - 2014-15 Program.....	283	283	283	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement							
2015-16 Program .....	237	-	-	237	-	-	-
2016-17 Program .....	143	-	-	-	143	-	-
2017-18 Program .....	143	-	-	-	-	143	-
2018-19 Program .....	143	-	-	-	-	-	143
<b>Total Cost of Asset Investment Program.....</b>	<b>949</b>	<b>283</b>	<b>283</b>	<b>237</b>	<b>143</b>	<b>143</b>	<b>143</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			283	237	143	143	143
<b>Total Funding.....</b>			<b>283</b>	<b>237</b>	<b>143</b>	<b>143</b>	<b>143</b>

# Forest Products Commission

## Part 16

## Minister for Water; Sport and Recreation; Forestry

### 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Finance and Human Resources System.....	450	395	395	55	-	-	-
Forest Planning and Management System.....	530	243	243	287	-	-	-
<b>COMPLETED WORKS</b>							
Computers, Plant and Equipment - 2014-15 Program.....	513	513	513	-	-	-	-
<b>NEW WORKS</b>							
Computers, Plant and Equipment							
2015-16 Program .....	600	-	-	600	-	-	-
2016-17 Program .....	600	-	-	-	600	-	-
2017-18 Program .....	600	-	-	-	-	600	-
2018-19 Program .....	600	-	-	-	-	-	600
<b>Total Cost of Asset Investment Program.....</b>	<b>3,893</b>	<b>1,151</b>	<b>1,151</b>	<b>942</b>	<b>600</b>	<b>600</b>	<b>600</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			1,151	942	600	600	600
<b>Total Funding.....</b>			<b>1,151</b>	<b>942</b>	<b>600</b>	<b>600</b>	<b>600</b>

## Part 17

### Minister for Transport

#### Summary of Portfolio Appropriations

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
793	Transport			
	– Delivery of Services .....	52,537	48,251	38,934
	– Administered Grants, Subsidies and Other Transfer Payments ...	95	95	100
	– Capital Appropriation .....	24,819	25,767	9,754
	Total .....	77,451	74,113	48,788
809	Commissioner of Main Roads			
	– Delivery of Services .....	862,995	830,568	882,701
	– Capital Appropriation .....	301,035	310,412	425,414
	Total .....	1,164,030	1,140,980	1,308,115
825	Public Transport Authority of Western Australia			
	– Delivery of Services .....	359	359	359
	– Capital Appropriation .....	94,405	94,405	139,661
	Total .....	94,764	94,764	140,020
<b>GRAND TOTAL</b>				
	– Delivery of Services .....	915,891	879,178	921,994
	– Administered Grants, Subsidies and Other Transfer Payments ...	95	95	100
	– Capital Appropriation .....	420,259	430,584	574,829
	<b>Total .....</b>	<b>1,336,245</b>	<b>1,309,857</b>	<b>1,496,923</b>



## Division 71 Transport

### Part 17 Minister for Transport

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 111 Net amount appropriated to deliver services <sup>(a)</sup> .....	56,575	51,364	47,078	37,719	46,187	40,203	41,887
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	1,133	1,173	1,173	1,215	1,257	1,257	1,257
Total appropriations provided to deliver services.....	57,708	52,537	48,251	38,934	47,444	41,460	43,144
<b>ADMINISTERED TRANSACTIONS</b>							
Item 112 Western Australian Coastal Shipping Commission.....	90	95	95	100	100	100	100
<b>CAPITAL</b>							
Item 163 Capital Appropriation.....	38,164	24,819	25,767	9,754	12,916	12,261	17,899
<b>TOTAL APPROPRIATIONS</b> .....	95,962	77,451	74,113	48,788	60,460	53,821	61,143
<b>EXPENSES</b>							
Total Cost of Services .....	374,627	378,069	375,092	377,194	382,444	379,394	389,944
Net Cost of Services <sup>(b)</sup> .....	72,295	66,986	58,190	40,230	43,601	34,289	38,679
<b>CASH ASSETS</b> <sup>(c)</sup> .....	124,643	77,918	79,853	75,182	97,613	135,754	178,356

- (a) Motor Vehicle Registration Recording Fee and Motor Driver's Licence Fee revenue were collected under a net appropriation arrangement from 2014-15. This resulted in a substantial reduction in the level of service appropriation provided to the Department, offset by an equivalent increase in retained revenue. The 2013-14 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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
15% Procurement Savings.....	-	(4,709)	(4,758)	(4,797)	(4,797)
2015-16 Tariffs, Fees and Charges .....	(50)	8,965	4,904	(1,062)	(5,938)
Alcohol Interlock Scheme Implementation .....	941	1,019	-	-	-
Cessation of Information and Technology Services to Department of Regional Development .....	(307)	(442)	(442)	(442)	(442)
Department of Planning - Information and Communications Technology Services .....	312	343	374	405	438
Depreciation and Amortisation .....	-	3,500	3,500	3,500	3,500
Enhanced Speed Enforcement.....	184	1,423	-	-	-
Office Accommodation Karratha.....	-	-	1	9	11
Perth Transport Model Surveys .....	-	-	4,000	2,000	1,000
Rail Safety .....	2,477	-	-	-	-
Targeted Voluntary Separation Scheme <sup>(a)</sup> .....	834	-	-	-	-
Western Australian Bicycle Network.....	-	-	-	3,670	7,340
Workforce Renewal Policy .....	(70)	(576)	(1,181)	(1,816)	(2,483)

- (a) Preliminary cost required to make payments to staff departing prior to the closure of the Targeted Voluntary Separation Scheme at 30 April 2015. The final cost of the Scheme will be known once staff leave the public sector and will be published in the 2014-15 Annual Report on State Finances. Agency savings flowing from the Scheme will be dependent on the final costs and will be allocated to agency budgets as part of the 2015-16 Mid-year Review.

## Significant Issues Impacting the Agency

- The rapid development of the CBD and major activity centres is requiring a proactive approach to transport planning and delivery of new initiatives to manage traffic growth and ensure a balanced transport system. The Central Area Transit (CAT) bus system has been expanded to handle increasing demand on weekdays and weekends, new bus and bike lanes are being installed and 34 intersections have been converted to 'parallel phasing' to improve safety for pedestrians and to reduce signal cycle times. The tow away initiative is also resulting in a reduction in illegally parked vehicles in clearways.
- The Department has been developing a suite of strategic transport network plans. Together, these plans will establish a blueprint for the development, investment and operation of the transport network across all modes to support the development of the State.
  - Detailed transport planning and modelling is being undertaken for the Stirling City Centre, Murdoch, Cannington, Joondalup, Morley, Karrinyup and Bentley/Curtin to inform changes that will be needed for the transport network and new travel demand management measures to meet the expansion plans for these centres. This particularly applies where large shopping centre expansions are being planned.
- Western Australia has seen a significant expansion in regional port facilities and shipping operations in the past decade. Port governance arrangements are being updated to ensure further developments are well planned and the risks associated with the operation of ports and shipping are appropriately managed.
  - The Government delivered on its plan to consolidate seven regional port authorities into four in 2014. The next phase of amalgamations is for legislation to be drafted and progressed to enable the transfer of responsibility for 13 regional port facilities from the Department to the new regional ports authorities.
- The Rail Safety National Law (WA) Bill 2014 will bring Western Australia into line with national rail safety reform by introducing a National Rail Safety Regulator and National Rail Safety Investigator. Subject to Parliamentary approval, the Office of the National Rail Safety Regulator will commence operations in Western Australia from 1 July 2015.
- The Government has released Western Australia's first State Aviation Strategy. The landmark aviation strategy provides a framework for future policy, planning and investment in the State's aviation sector by the private sector and the Government. Consistent with the Strategy, the State will play a more active role in the aviation sector to ensure air services and airports support Western Australia's economic and social development. The strategy particularly focuses on timely provision of aviation infrastructure at Perth and regional airports to keep up with our State's growth.
- There have been significant increases in cycling numbers well above the rate of population growth, with a 32% increase in cyclists on the Principal Shared Path (PSP) network since 2011.
  - The Government continues to invest in cycling infrastructure with a further \$9.1 million allocated to the Department in 2015-16. Construction work is currently underway on the Fremantle rail line PSP between Shenton Park and Loch Street stations and in 2015-16, construction will commence to extend the PSP along the Midland rail line from Guildford Station to East Street, with East Street to Morrison Road following in 2016. Designs are progressing for additional PSP projects in the freeway and railway reserves within a 15 km radius of the CBD.
  - Over the 2015-16 Budget and forward estimates period, Main Roads WA will be delivering around \$34.4 million worth of cycling infrastructure as part of its major project delivery. This is a record investment in project related cycle infrastructure and does not include facilities to be built as part of Perth Freight Link and NorthLink WA.
  - In the year ahead, the Department will be developing a range of innovative options to create greater separation of cyclists and motorised traffic on arterial and local roads to further improve safety and support the increased use of cycling as a transport mode.

- Demand for coastal infrastructure continues to grow with ongoing demand for new or improved facilities in both metropolitan and regional locations. The Department has made significant progress in addressing this with the completion of a new boat harbour at Augusta and increased boating infrastructure around the State. The \$18.3 million Royalties for Regions funded harbour upgrade at Exmouth has also commenced to support the development of marine tourism and recreational activities, and enhance business opportunities associated with the resources sector.
  - Seagrass accumulation and beach erosion at Port Geographe has been an issue for a number of years. In 2013, the State Government provided \$27.8 million to reconfigure the coastal structures at Port Geographe. Major works have been underway since July 2013, with the rock breakwaters completed in June 2014. The final component, foreshore landscaping, is due for completion in June 2015. In addition to addressing environmental issues, the project will improve amenity and viability of the Port Geographe development.
  - Ageing coastal infrastructure around the State continues to impact the Department, requiring ongoing maintenance and ultimately asset replacement. As part of the Denham foreshore redevelopment, the 109 year old Denham jetty is being replaced with a new \$2.2 million multi-purpose jetty. The project commenced in May 2015 with practical completion anticipated by November 2015.
- The Western Australian community continues to demand convenient access to Driver and Vehicle Services (DVS) information and transactions. Initiatives completed in 2014-15 and planned for 2015-16 include:
  - the purpose built Mirrabooka DVS centre opened in October 2014 replacing the Morley DVS centre with improved customer amenity and leading edge-technology;
  - in September 2014, DVS introduced efficiencies with its telephony system, encompassing a streamlined call options menu and a 70% increase in incoming call capacity for customer service assistance;
  - the introduction of online vehicle transfers in December 2014, allows individuals to transfer vehicles 24 hours a day, seven days a week. This service will be expanded to organisations and motor vehicle dealers in late 2015;
  - the Heavy Vehicle Training and Assessment Partners Trial was successfully completed and then formally implemented in December 2014;
  - DVS continues to provide customers with alternative service arrangements for vehicle inspections (Authorised Inspection Stations) and over the counter transactions (Australia Post); and
  - the governance and compliance programs will be strengthened by progressive implementation of audit and data intelligence systems from July 2015.
- The safety and security of the on-demand transport sector remains a priority for the Department. In 2015-16 the *Taxi Driver Licensing Act 2014* is expected to come into force, improving the regulation of driver standards. The associated information and communication technology systems will also assist in the adoption of best practice risk based regulation of the on-demand transport industry.
  - Increasing calls for regulatory reform have highlighted the need for definitive changes in the on-demand transport sector. To this end, the Department will be presenting a green paper to outline reform options, adopt best practice risk based regulation and enable transport providers to take responsibility for improving services to the public.

## Resource Agreement

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

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
<b>Results-Based Service Delivery:</b>  Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.  <b>State Building – Major Projects:</b>  Building strategic infrastructure that will create jobs and underpin Western Australia's long-term economic development.	An accessible and safe transport system.	1. Coastal Infrastructure 2. Marine and Rail Safety 3. Passenger Services
	Vehicles and road users that meet established vehicle standards and driver competencies to deliver safe vehicles and safe drivers.	4. Driver and Vehicle Services
	Integrated transport systems that facilitate economic development.	5. Strategic Transport Policy and Integrated Planning

### Service Summary <sup>(a)</sup>

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Coastal Infrastructure .....	61,367	56,231	58,619	64,502	59,155	57,702	58,059
2. Marine and Rail Safety .....	25,942	24,350	29,067	26,810	27,508	27,885	28,288
3. Passenger Services .....	23,578	27,846	26,638	28,282	29,196	29,422	30,306
4. Driver and Vehicle Services .....	178,285	183,535	184,275	193,356	205,500	204,877	211,007
5. Strategic Transport Policy and Integrated Planning .....	85,455	86,107	76,493	64,244	61,085	59,508	62,284
<b>Total Cost of Services .....</b>	<b>374,627</b>	<b>378,069</b>	<b>375,092</b>	<b>377,194</b>	<b>382,444</b>	<b>379,394</b>	<b>389,944</b>

(a) The Department is operating under a new service structure from 2015-16 and accordingly the expenditure and income and Full Time Equivalents for the services have been recast for 2013-14 and 2014-15.



**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: An accessible and safe transport system:</b>					
Compliance with mandatory taxi operating hours.....	n/a	n/a	79.4%	80%	
Percentage by which, the waiting time standard, for metropolitan area taxis, is met.....	92.3%	91%	92.2%	91%	
Percentage of time maritime infrastructure is fit for purpose when required....	99.1%	99.7%	99.4%	99.3%	
Rate of reported incidents (accidents) on the water per 100 commercial vessels surveyed.....	6.5	5.6	5.6	5.7	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels.....	10.6	9.5	9.9	9.7	
Rate of serious rail accidents per million train kilometres .....	1.4	1.6	1	1	
<b>Outcome: Vehicles and Road users that meet established vehicle standards and driver competencies to deliver safe vehicles and safe drivers:</b>					
Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles).....	85%	100%	93%	100%	
Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers) .....	87%	100%	96%	100%	
Percentage of driver's licence cards issued within 21 days of completed application.....	99.9%	100%	99.9%	99.9%	
<b>Outcome: Integrated transport systems that facilitate economic development:</b>					
Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle Port.....	13.6%	14.5%	13.7%	15%	
Percentage of regional airports receiving scheduled regular public transport air services .....	96%	100%	96%	96%	

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

## Services and Key Efficiency Indicators

### 1. Coastal Infrastructure

This service contributes towards the Department's outcome of an accessible and safe transport system through the provision of a range of coastal infrastructure services, including:

- plans, builds and manages new and existing land and water-based maritime facilities;
- coastal engineering advice and solutions for new and existing land and water based maritime facilities; and
- oceanographic, hydrographic, cartographic and geographic information.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 61,367	\$'000 56,231	\$'000 58,619	\$'000 64,502	
Less Income .....	43,821	33,085	35,188	39,338	
Net Cost of Service.....	17,546	23,146	23,431	25,164	
Employees (Full Time Equivalents).....	100	101	96	97	
<b>Efficiency Indicators</b>					
Average Cost per Day per Maritime Infrastructure Asset Managed .....	\$76	\$70	\$70	\$73	

### 2. Marine and Rail Safety

#### Marine Safety

This service contributes towards the safe and sustainable use of navigable waters through the provision of a range of marine safety regulatory and education services, including:

- regulation and administration of marine industry service and safety standards, including on water compliance patrols;
- licensing of recreational vessels, marine safety education, navigational services and aids in accordance with relevant legislation; and
- marine protection through provision of a pollution response team.

#### Rail Safety

This service contributes towards the planning, safety and coordination of rail functions in Western Australia through the provision of a range of services, including:

- accrediting and registering rail transport operators in accordance with the *Rail Safety Act 2010* and Regulations 2011;
- ensuring rail transport operators comply with the terms of their accreditation or registration;
- providing or facilitating the provision of advice, education and training in relation to rail safety; and
- collecting and publishing information relating to rail safety.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 25,942	\$'000 24,350	\$'000 29,067	\$'000 26,810	
Less Income .....	22,691	22,154	26,247	23,781	
Net Cost of Service.....	3,251	2,196	2,820	3,029	
Employees (Full Time Equivalents).....	136	124	133	114	
<b>Efficiency Indicators</b>					
Average Survey Cost per Commercial Vessel .....	\$3,514	\$2,808	\$4,045	\$3,551	
Average Cost per Private Recreational Vessel Registration.....	\$98	\$100	\$98	\$107	
Cost to Maintain Marine Pollution Response Preparedness per Registered Vessel .....	\$19	\$20	\$19	\$22	

### 3. Passenger Services

This service contributes towards the provision of safe, accessible and sustainable personal on-demand transport services and systems through the provision of services for:

- setting and monitoring standards for on-demand transport vehicles;
- testing and registration of new taxi drivers entering the industry;
- administering subsidies for taxi users, student and pensioner travel schemes; and
- investigating complaints from on-demand transport patrons, operators and drivers.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 23,578	\$'000 27,846	\$'000 26,638	\$'000 28,282	
Less Income .....	12,282	13,626	12,739	14,340	
Net Cost of Service .....	11,296	14,220	13,899	13,942	
Employees (Full Time Equivalents).....	47	60	56	60	
<b>Efficiency Indicators</b>					
Cost of Regulation per Taxi Plate Administered.....	\$3,303	\$3,208	\$3,639	\$3,756	

### 4. Driver and Vehicle Services

This service contributes towards the provision of safe, accessible, sustainable and efficient transport services and systems through the provision of driver licensing and vehicle registration services for:

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 178,285	\$'000 183,535	\$'000 184,275	\$'000 193,356	
Less Income .....	181,333	193,318	193,292	201,836	
Net Cost of Service .....	(3,048)	(9,783)	(9,017)	(8,480)	
Employees (Full Time Equivalents).....	1,014	1,012	995	1,000	
<b>Efficiency Indicators</b>					
Average Cost per Vehicle and Driver Transaction .....	\$17	\$18	\$17	\$18	
Average Cost per Vehicle Inspection Performed by Vehicle Examination Centres .....	\$122	\$139	\$151	\$247	
Average Cost per Vehicle Inspection Delivered Through Authorised Inspection Stations .....	\$106	\$84	\$116	\$86	
Average Cost per Driver Assessment.....	\$108	\$104	\$86	\$86	

## 5. Strategic Transport Policy and Integrated Planning

This service contributes towards the provision of leadership for strategic transport management, development and protection of economic nodes and networks through the provision of a range of services, including:

- analysis, planning and implementation of urban infrastructure projects and models to manage future travel demands;
- strategic policy development which supports the achievement of sustainable, effective and practical solutions for Western Australian transport networks and addresses capacity issues;
- policy advice and strategic transport solutions to Government;
- representation and negotiation, on behalf of the Government, at national level transport-related forums to produce positive outcomes that promote and protect Western Australian interests;
- program management and delivery of major intermodal infrastructure planning and development activities that assists in economic development;
- quality assurance and assessment of the return on investment for Government funds in transport projects; and
- monitoring industry and public demand-growth to provide best practice transport channels and access which alleviates environmental impacts.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 85,455	\$'000 86,107	\$'000 76,493	\$'000 64,244	
Less Income .....	42,205	48,900	49,436	57,669	
Net Cost of Service.....	43,250	37,207	27,057	6,575	
Employees (Full Time Equivalents).....	113	109	102	101	
<b>Efficiency Indicators</b>					
Average Cost per Policy Hour for Strategic Transport Policy Development...	\$81	\$88	\$91	\$93	
Average Cost per Planning Hour for Integrated Transport Planning Development.....	\$72	\$94	\$82	\$95	

## Asset Investment Program

The Department's planned asset investment for 2015-16 is \$19.6 million. Major projects include:

### Denham Recreational Jetty

This project will replace the existing century old recreational jetty with a new multipurpose modern structure approximately 90 metres in length and is expected to be practically completed in 2015-16. The western side of the jetty is designed to cater for both temporary berthing of visiting recreational vessels and permanent berthing for smaller vessels. The eastern side of the jetty will be reserved for recreational uses such as swimming and fishing.

### Exmouth Boat Harbour

This project will deliver the design and construction of a 100 metre service wharf extension, and associated infrastructure, construction of a heavy lift and hardstand facility capable of accommodating crane loads and service upgrades, relocation of trawler pens and improve water-side access to facilities.

### 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 planned to be undertaken in 2015-16 include the ongoing Fremantle Boat Harbour Jetty 2 replacement, a new fishing platform at Onslow (Beaon Creek) Maritime Facility and completion of the Department's new pen management system.

### Driver and Vehicle Services Reform Program

This program of works is to reform driver and vehicle services information systems by implementing new technology that increases the number of transactions customers can conduct online or at partner service providers, thereby reducing the need for face to face attendance at Licensing Centres.

### Information and Communications Infrastructure

This is a program for ongoing maintenance of information communications infrastructure and applications for the Department as well as shared projects on behalf of the Department of Planning, including upgrade and replacement of data storage, networks, servers, communications hardware and corporate information systems.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Coastal Infrastructure							
Denham Recreational Jetty <sup>(a)</sup> .....	2,200	750	750	1,440	10	-	-
Exmouth Boat Harbour <sup>(a)</sup> .....	18,275	1,000	1,000	4,600	12,675	-	-
Passenger Services Business Unit - Taxi Industry Security Initiatives .....	4,747	3,347	2,067	1,400	-	-	-
<b>COMPLETED WORKS</b>							
Coastal Infrastructure							
Augusta Boat Harbour <sup>(a)</sup> .....	34,599	34,599	7,722	-	-	-	-
Maritime Facilities - 2014-15 Program .....	7,875	7,875	7,875	-	-	-	-
Port Geographe Coastal Reconfiguration .....	27,750	27,750	7,298	-	-	-	-
Corporate - Accommodation and Refurbishment 2014-15 Program .....	4,192	4,192	4,192	-	-	-	-
Driver and Vehicle Services Reform - 2014-15 Program .....	8,992	8,992	8,992	-	-	-	-
Information and Communications Infrastructure 2014-15 Program .....	3,759	3,759	3,759	-	-	-	-
Marine Safety							
Marine Oil Pollution Response Equipment Enhancement/Replacement - 2014-15 Program .....	49	49	49	-	-	-	-
Navigational Aids - 2014-15 Program .....	216	216	216	-	-	-	-
Vessel Replacement - 2014-15 Program .....	482	482	482	-	-	-	-
Minor works - 2014-15 Program .....	214	214	214	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>NEW WORKS</b>							
Coastal Infrastructure - Maritime Facilities							
2015-16 Program.....	4,264	-	-	4,264	-	-	-
2016-17 Program.....	6,627	-	-	-	6,627	-	-
2017-18 Program.....	9,588	-	-	-	-	9,588	-
2018-19 Program.....	4,629	-	-	-	-	-	4,629
Corporate - Accommodation and Refurbishment							
2015-16 Program.....	500	-	-	500	-	-	-
2016-17 Program.....	500	-	-	-	500	-	-
2017-18 Program.....	500	-	-	-	-	500	-
2018-19 Program.....	543	-	-	-	-	-	543
Driver and Vehicle Services Reform							
2015-16 Program.....	4,073	-	-	4,073	-	-	-
2016-17 Program.....	2,839	-	-	-	2,839	-	-
2017-18 Program.....	1,885	-	-	-	-	1,885	-
2018-19 Program.....	4,177	-	-	-	-	-	4,177
Information and Communications Infrastructure							
2015-16 Program.....	2,424	-	-	2,424	-	-	-
2016-17 Program.....	4,077	-	-	-	4,077	-	-
2017-18 Program.....	1,296	-	-	-	-	1,296	-
2018-19 Program.....	8,724	-	-	-	-	-	8,724
Marine Safety							
Marine Oil Pollution Response Equipment Enhancement/Replacement							
2015-16 Program.....	100	-	-	100	-	-	-
2016-17 Program.....	80	-	-	-	80	-	-
2017-18 Program.....	80	-	-	-	-	80	-
2018-19 Program.....	80	-	-	-	-	-	80
Navigational Aids							
2015-16 Program.....	702	-	-	702	-	-	-
2016-17 Program.....	684	-	-	-	684	-	-
2017-18 Program.....	437	-	-	-	-	437	-
2018-19 Program.....	1,032	-	-	-	-	-	1,032
Vessel Replacement							
2015-16 Program.....	96	-	-	96	-	-	-
2016-17 Program.....	506	-	-	-	506	-	-
2017-18 Program.....	553	-	-	-	-	553	-
2018-19 Program.....	580	-	-	-	-	-	580
Minor works							
2015-16 Program.....	50	-	-	50	-	-	-
2016-17 Program.....	50	-	-	-	50	-	-
2017-18 Program.....	9	-	-	-	-	9	-
2018-19 Program.....	341	-	-	-	-	-	341
<b>Total Cost of Asset Investment Program.....</b>	<b>175,376</b>	<b>93,225</b>	<b>44,616</b>	<b>19,649</b>	<b>28,048</b>	<b>14,348</b>	<b>20,106</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			25,767	9,754	12,916	12,261	17,899
Internal Funds and Balances.....			11,799	3,855	2,447	2,087	2,207
Drawdowns from Royalties for Regions Fund <sup>(a)</sup> .....			7,050	6,040	12,685	-	-
<b>Total Funding.....</b>			<b>44,616</b>	<b>19,649</b>	<b>28,048</b>	<b>14,348</b>	<b>20,106</b>

(a) Regional Infrastructure and Headworks Fund.

## Financial Statements

INCOME STATEMENT <sup>(a)</sup>  
(Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	137,024	134,367	139,240	137,824	139,635	142,444	145,744
Grants and subsidies <sup>(c)</sup> .....	89,767	106,070	97,685	90,314	87,001	81,715	85,212
Supplies and services .....	78,974	81,311	77,701	81,726	87,870	87,703	91,121
Accommodation .....	19,339	18,215	21,509	22,090	22,642	23,095	23,557
Depreciation and amortisation .....	15,964	14,214	14,214	17,914	17,914	17,914	17,914
Other expenses .....	33,559	23,892	24,743	27,326	27,382	26,523	26,396
<b>TOTAL COST OF SERVICES .....</b>	<b>374,627</b>	<b>378,069</b>	<b>375,092</b>	<b>377,194</b>	<b>382,444</b>	<b>379,394</b>	<b>389,944</b>
<b>Income</b>							
Sale of goods and services .....	20,996	20,092	20,092	21,035	21,557	22,093	22,642
Regulatory fees and fines .....	202,156	253,647	209,381	218,680	222,328	225,367	231,257
Grants and subsidies .....	5,331	3,169	5,394	5,896	2,910	2,910	2,910
Taxation .....	39,526	-	47,855	57,114	58,227	59,868	59,868
Other revenue .....	34,323	34,175	34,180	34,239	33,821	34,867	34,588
<b>Total Income .....</b>	<b>302,332</b>	<b>311,083</b>	<b>316,902</b>	<b>336,964</b>	<b>338,843</b>	<b>345,105</b>	<b>351,265</b>
<b>NET COST OF SERVICES .....</b>	<b>72,295</b>	<b>66,986</b>	<b>58,190</b>	<b>40,230</b>	<b>43,601</b>	<b>34,289</b>	<b>38,679</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations <sup>(d)</sup> .....	57,708	52,537	48,251	38,934	47,444	41,460	43,144
Resources received free of charge .....	1,954	1,989	1,989	1,989	1,989	1,989	1,989
Royalties for Regions Fund:							
Regional Community Services Fund .....	24,206	28,876	27,634	30,688	34,515	34,892	35,599
Regional Infrastructure and Headworks Fund .....	7,605	15,249	10,056	9,687	1,705	-	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>91,473</b>	<b>98,651</b>	<b>87,930</b>	<b>81,298</b>	<b>85,653</b>	<b>78,341</b>	<b>80,732</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>19,178</b>	<b>31,665</b>	<b>29,740</b>	<b>41,068</b>	<b>42,052</b>	<b>44,052</b>	<b>42,053</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 1,410, 1,382 and 1,372 respectively. In some cases the figures for 2013-14 and 2014-15 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) Motor Vehicle Registration Recording Fee and Motor Driver's Licence Fee revenue were collected under a net appropriation arrangement from 2014-15. This resulted in a substantial reduction in the level of service appropriation provided to the Department, offset by an equivalent increase in retained revenue. The 2013-14 Actual financial data has been recast for comparability purposes.

## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2013-14	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Australian Maritime Safety Authority.....	332	436	436	460	448	448	448
Aviation (Public Air Route) Subsidies .....	583	600	600	600	600	600	600
CBD Transport Plan.....	5,304	7,850	7,850	4,750	2,250	2,250	2,250
Coastal Projects and Zone Management.....	1,236	1,057	1,057	1,057	1,057	1,057	1,057
Community Police.....	1,800	1,300	1,300	1,300	1,300	1,300	1,300
Country Age Pension Fuel Card Scheme .....	21,223	25,873	25,873	27,717	31,149	31,486	32,123
Emergency Vehicle Insurance.....	153	120	120	120	120	120	120
Fare Subsidies (Pensioners) .....	1,393	1,589	1,589	1,474	1,474	1,474	1,474
Fremantle Port Rail Service .....	3,460	3,700	3,700	2,959	2,458	-	-
Marine Communications .....	557	670	670	645	670	670	670
Metropolitan Taxi Camera Surveillance Unit Replacement Project .....	860	1,052	1,052	-	-	-	-
Multi-purpose Taxi Vehicle Modification Grant.....	225	345	345	345	345	345	345
National Transport Reforms .....	1,271	1,500	1,500	-	-	-	-
North West Shipping Service.....	2,724	-	-	-	-	-	-
Other Grants and Subsidies .....	882	283	353	579	633	633	633
Port of Wyndham .....	2,247	1,988	1,988	1,988	1,988	1,988	1,988
Public Transport Authority CAT Bus Services .....	15,156	15,292	15,292	15,292	15,292	15,292	15,292
Regional Airport Development Scheme.....	3,832	8,129	4,581	4,398	3,271	411	3,271
Recreational Boat Facilities .....	3,515	5,800	5,943	6,000	3,205	1,500	1,500
Student Fare Concessions.....	1,474	1,241	1,241	1,356	1,356	1,356	1,356
Taxi User - Lifting Subsidy .....	1,968	1,959	1,959	1,959	1,959	1,959	1,959
Taxi User Subsidy Scheme .....	7,963	8,826	8,826	8,205	8,826	8,826	8,826
Western Australian Bicycle Network.....	11,609	16,460	11,410	9,110	8,600	10,000	10,000
<b>TOTAL .....</b>	<b>89,767</b>	<b>106,070</b>	<b>97,685</b>	<b>90,314</b>	<b>87,001</b>	<b>81,715</b>	<b>85,212</b>



**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	32,091	30,657	27,142	33,277	39,041	42,470	52,945
Restricted cash .....	89,086	44,167	49,108	41,108	57,419	92,131	123,902
Receivables .....	11,639	9,998	11,639	11,639	11,639	11,639	11,639
Other.....	2,074	2,884	2,074	2,074	2,074	2,074	2,074
Assets held for sale.....	1,800	-	1,800	1,800	1,800	1,800	1,800
<b>Total current assets .....</b>	<b>136,690</b>	<b>87,706</b>	<b>91,763</b>	<b>89,898</b>	<b>111,973</b>	<b>150,114</b>	<b>192,360</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables.....	173,740	187,561	185,554	201,068	216,582	232,096	247,610
Property, plant and equipment.....	417,990	453,791	446,823	449,339	460,254	457,469	460,442
Intangibles .....	23,615	18,677	22,934	22,153	21,372	20,591	19,810
Restricted cash .....	3,466	3,094	3,603	797	1,153	1,153	1,509
Other.....	-	2,250	2,250	2,250	2,250	2,250	2,250
<b>Total non-current assets .....</b>	<b>618,811</b>	<b>665,373</b>	<b>661,164</b>	<b>675,607</b>	<b>701,611</b>	<b>713,559</b>	<b>731,621</b>
<b>TOTAL ASSETS .....</b>	<b>755,501</b>	<b>753,079</b>	<b>752,927</b>	<b>765,505</b>	<b>813,584</b>	<b>863,673</b>	<b>923,981</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	26,454	25,579	25,326	25,326	25,326	25,326	25,326
Payables.....	24,698	21,763	24,698	24,698	24,698	24,698	24,698
Other.....	7,130	6,383	6,772	2,184	2,229	2,273	2,629
<b>Total current liabilities .....</b>	<b>58,282</b>	<b>53,725</b>	<b>56,796</b>	<b>52,208</b>	<b>52,253</b>	<b>52,297</b>	<b>52,653</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	5,767	6,314	5,767	5,767	5,767	5,767	5,767
Other.....	120	1,073	120	120	120	120	120
<b>Total non-current liabilities .....</b>	<b>5,887</b>	<b>7,387</b>	<b>5,887</b>	<b>5,887</b>	<b>5,887</b>	<b>5,887</b>	<b>5,887</b>
<b>TOTAL LIABILITIES.....</b>	<b>64,169</b>	<b>61,112</b>	<b>62,683</b>	<b>58,095</b>	<b>58,140</b>	<b>58,184</b>	<b>58,540</b>
<b>EQUITY</b>							
Contributed equity .....	540,634	511,587	509,806	485,904	491,886	497,879	515,778
Accumulated surplus/(deficit).....	143,227	177,407	172,967	214,035	256,087	300,139	342,192
Reserves.....	7,411	2,913	7,411	7,411	7,411	7,411	7,411
<b>Total equity .....</b>	<b>691,272</b>	<b>691,907</b>	<b>690,184</b>	<b>707,350</b>	<b>755,384</b>	<b>805,429</b>	<b>865,381</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>755,441</b>	<b>753,019</b>	<b>752,867</b>	<b>765,445</b>	<b>813,524</b>	<b>863,613</b>	<b>923,921</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations <sup>(b)</sup> .....	45,501	40,723	36,437	23,420	31,930	25,946	27,630
Capital appropriation .....	38,164	24,819	25,767	9,754	12,916	12,261	17,899
Royalties for Regions Fund:							
Regional Community Services Fund .....	24,206	28,876	27,634	30,688	34,515	34,892	35,599
Regional Infrastructure and Headworks Fund .....	17,003	25,049	17,106	15,727	14,390	-	-
<b>Net cash provided by State Government .....</b>	<b>124,784</b>	<b>119,467</b>	<b>106,944</b>	<b>79,589</b>	<b>93,751</b>	<b>73,099</b>	<b>81,128</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits .....	(136,636)	(133,944)	(139,945)	(141,631)	(139,279)	(142,088)	(145,388)
Grants and subsidies .....	(91,515)	(106,070)	(97,685)	(90,314)	(87,001)	(81,715)	(85,212)
Supplies and services .....	(76,941)	(77,489)	(73,941)	(77,939)	(84,048)	(83,881)	(87,299)
Accommodation .....	(20,011)	(18,215)	(21,509)	(22,090)	(22,642)	(23,095)	(23,557)
Other payments .....	(54,372)	(26,832)	(53,220)	(55,830)	(55,921)	(55,062)	(54,935)
<b>Receipts <sup>(c)</sup></b>							
Regulatory fees and fines .....	159,396	159,613	163,202	172,183	176,450	178,594	183,886
Grants and subsidies .....	4,840	3,169	5,394	5,896	2,910	2,910	2,910
Sale of goods and services .....	20,670	20,092	20,092	21,035	21,557	22,093	22,642
Taxation .....	81,323	93,253	93,253	102,830	103,794	106,329	107,239
GST receipts .....	24,054	1,107	26,706	26,706	26,706	26,706	26,706
Other receipts .....	35,848	34,175	34,180	34,239	33,821	34,867	34,588
<b>Net cash from operating activities .....</b>	<b>(53,344)</b>	<b>(51,141)</b>	<b>(43,473)</b>	<b>(24,915)</b>	<b>(23,653)</b>	<b>(14,342)</b>	<b>(18,420)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(54,131)	(41,303)	(44,616)	(19,649)	(28,048)	(14,348)	(20,106)
Proceeds from sale of non-current assets .....	1,992	-	-	-	-	-	-
<b>Net cash from investing activities .....</b>	<b>(52,139)</b>	<b>(41,303)</b>	<b>(44,616)</b>	<b>(19,649)</b>	<b>(28,048)</b>	<b>(14,348)</b>	<b>(20,106)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>19,391</b>	<b>27,023</b>	<b>18,855</b>	<b>35,025</b>	<b>42,050</b>	<b>44,409</b>	<b>42,602</b>
Cash assets at the beginning of the reporting period .....	139,646	114,540	124,643	79,853	75,182	97,613	135,754
Net cash transferred to/from other agencies .....	(34,394)	(63,645)	(63,645)	(39,696)	(19,619)	(6,268)	-
<b>Cash assets at the end of the reporting period .....</b>	<b>124,643</b>	<b>77,918</b>	<b>79,853</b>	<b>75,182</b>	<b>97,613</b>	<b>135,754</b>	<b>178,356</b>

(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 were collected under a net appropriation arrangement from 2014-15. This resulted in a substantial reduction in the level of service appropriation provided to the Department, offset by an equivalent increase in retained revenue. The 2013-14 Actual financial data has been recast for comparability purposes.

(c) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION <sup>(a)</sup>

	2013-14	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Regulatory Fees and Fines</b>							
Motor Vehicle - Recording Fee .....	52,808	51,507	51,507	54,052	57,746	59,144	60,577
Motor Driver							
Licence Fees .....	42,731	43,600	43,602	47,893	47,855	47,817	49,754
Application and Other Fees .....	15,760	16,748	16,746	17,197	17,346	17,515	17,685
Other Driver and Vehicle Services Fees .....	1,194	3,359	3,905	2,927	3,393	3,435	3,792
Omnibus Licence Fees .....	1,009	1,201	1,201	1,325	1,364	1,397	1,430
Taxi Licence Fees .....	10,540	11,135	10,539	11,716	11,929	12,246	13,290
Boat Registration Fees .....	14,576	16,319	16,319	17,882	17,512	17,693	17,876
Other Marine Safety Fees .....	1,201	1,452	1,452	1,434	1,434	1,392	1,433
Jetty Licences and Coastal Facility Fees .....	15,257	12,045	12,045	15,455	15,511	15,536	15,570
Rail Safety Fees .....	3,442	-	3,639	-	-	-	-
Proof of Age Card .....	878	-	-	-	-	-	-
Western Australia Photo Card .....	-	2,247	2,247	2,302	2,360	2,419	2,479
<b>Grants and Subsidies</b>							
Grants and Contributions .....	4,840	3,169	5,394	5,896	2,910	2,910	2,910
<b>Sale of Goods and Services</b>							
Sale of Goods and Services .....	20,670	20,092	20,092	21,035	21,557	22,093	22,642
<b>Taxation</b>							
Perth Parking Levy .....	39,526	47,855	47,855	57,114	58,227	59,868	59,868
Motor Vehicle							
Plate Fees .....	16,092	17,421	17,421	17,052	17,358	17,669	17,987
Inspection Fees .....	12,611	13,909	13,909	14,522	14,446	14,895	15,357
Transfer Fees .....	9,180	10,510	10,510	10,685	10,281	10,389	10,498
Other Motor Vehicle Fees .....	3,914	3,558	3,558	3,457	3,482	3,508	3,529
<b>GST Receipts</b>							
GST Input Credits .....	18,826	500	18,825	18,825	18,825	18,825	18,825
GST Receipts on Sales .....	5,228	607	7,881	7,881	7,881	7,881	7,881
<b>Other Receipts</b>							
Rents and Leases .....	20,423	14,919	14,919	16,056	16,377	16,704	16,704
Other Revenue .....	11,171	12,204	12,209	12,761	12,204	12,923	12,644
Service Delivery Agreement .....	2,793	5,629	5,629	3,999	3,816	3,816	3,816
Interest Revenue .....	1,461	1,423	1,423	1,423	1,424	1,424	1,424
<b>TOTAL</b> .....	326,131	311,409	342,827	362,889	365,238	371,499	377,971

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

## DETAILS OF ADMINISTERED TRANSACTIONS

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Taxation</b>							
Motor Vehicle Licence Fees.....	686,983	788,201	788,201	833,362	878,445	924,843	975,710
<b>Fines</b>							
Speed and Red Light Fines.....	66,081	82,123	95,834	97,738	91,243	89,458	91,116
Final Demand Fees .....	1,881	2,000	2,000	2,000	2,000	2,000	2,000
Plate and Transfer Infringements .....	7,799	7,565	7,565	7,906	8,025	8,145	8,267
Other Fines .....	25,655	27,042	31,732	31,732	31,732	31,732	31,732
<b>Other</b>							
Firearm Licence Fees .....	4,145	3,900	3,900	4,000	4,100	4,203	4,308
Dealer Plates Annual Fees .....	99	99	97	125	125	125	125
Off Road Vehicle Fees.....	-	-	50	32	32	32	32
Collection of Interstate Licence Fees .....	2,471	3,817	3,817	3,826	3,826	4,514	4,514
Appropriation .....	90	95	95	100	100	100	100
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>795,204</b>	<b>914,842</b>	<b>933,291</b>	<b>980,821</b>	<b>1,019,628</b>	<b>1,065,152</b>	<b>1,117,904</b>
<b>EXPENSES</b>							
<b>Statutory Authorities</b>							
Western Australian Coastal Shipping Commission.....	90	95	95	100	100	100	100
<b>Other</b>							
Payments to the Consolidated Account.....	724,037	828,807	833,495	879,125	924,427	971,048	1,022,142
Payment to Road Trauma Trust Fund .....	66,081	82,123	95,834	97,738	91,243	89,458	91,116
Payment to Off Road Vehicle Trust Account .....	-	-	50	32	32	32	32
All Other Expenses.....	5,718	3,817	3,817	3,826	3,826	4,514	4,514
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>795,926</b>	<b>914,842</b>	<b>933,291</b>	<b>980,821</b>	<b>1,019,628</b>	<b>1,065,152</b>	<b>1,117,904</b>

## Division 72 Commissioner of Main Roads

### Part 17 Minister for Transport

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 113 Net amount appropriated to deliver services .....	257,357	241,972	216,322	<b>293,090</b>	313,881	332,422	340,831
<b>Amount Authorised by Other Statutes</b>							
- Road Traffic Act 1974 .....	558,539	620,633	613,856	<b>589,209</b>	639,892	710,949	799,841
- Salaries and Allowances Act 1975 .....	379	390	390	<b>402</b>	425	425	425
Total appropriations provided to deliver services.....	816,275	862,995	830,568	<b>882,701</b>	954,198	1,043,796	1,141,097
<b>CAPITAL</b>							
Item 164 Capital Appropriation.....	307,911	127,667	127,667	<b>172,661</b>	160,675	232,665	581,674
<b>Amount Authorised by Other Statutes</b>							
- Road Traffic Act 1974 .....	135,681	173,368	182,745	<b>252,753</b>	247,453	222,994	185,169
<b>TOTAL APPROPRIATIONS .....</b>	<b>1,259,867</b>	<b>1,164,030</b>	<b>1,140,980</b>	<b>1,308,115</b>	<b>1,362,326</b>	<b>1,499,455</b>	<b>1,907,940</b>
<b>EXPENSES</b>							
Adjusted Total Cost of Services <sup>(a)</sup> .....	1,525,118	1,505,409	1,504,640	<b>1,642,357</b>	1,822,410	2,045,428	1,770,520
Adjusted Net Cost of Services <sup>(b)</sup> .....	954,055	882,509	693,338	<b>914,602</b>	135,727	194,355	965,819
<b>CASH ASSETS <sup>(c)</sup> .....</b>	<b>168,445</b>	<b>124,842</b>	<b>232,187</b>	<b>260,673</b>	<b>364,631</b>	<b>438,989</b>	<b>508,678</b>

- (a) Adjusted Total Cost of Services excludes non-cash adjustments and local government network adjustments, and includes road works capitalised to infrastructure. This accounts for the difference between the figure in the Income Statement and that shown in this table and the Service Summary. Refer to the Total Cost of Services - Reconciliation 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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
15% Procurement Savings.....	-	(6,464)	(6,594)	(6,680)	(6,680)
15% Road Maintenance Reduction .....	(37,700)	(55,100)	(60,000)	-	-
Asset Investment Program Carryover - Recurrent Impacts .....	43,662	(14,940)	-	-	-
Commonwealth Funding Adjustment (Maintenance and Blackspots) .....	(8,180)	2,800	2,800	(8,720)	(8,720)
Depreciation Update .....	(32,692)	(28,225)	(24,218)	(35,295)	(51,893)
Heavy Vehicle Safety and Productivity Program Update.....	5,310	4,540	-	-	-
ICT Savings and Reform.....	(1,001)	(2,052)	(2,103)	(2,156)	-
Office of Road Safety - Funding Adjustment.....	3,781	17,994	-	-	-
Over Size Over Mass Unit - Expenditure Review.....	(3,844)	(3,942)	(4,045)	(4,154)	(3,983)
Royalties for Regions - Funding Adjustments .....	(244)	(1,038)	(1,069)	(1,056)	(1,042)
Sundry Debtors Update.....	54,423	44,241	-	3,670	7,340
Superannuation Estimates Update.....	-	(1,850)	(2,599)	(2,642)	(2,710)
Targeted Voluntary Separation Scheme <sup>(a)</sup> .....	1,828	-	-	-	-
Workforce Renewal Policy .....	(11)	(93)	(191)	(294)	(401)

- (a) Preliminary cost required to make payments to staff departing prior to the closure of the Targeted Voluntary Separation Scheme at 30 April 2015. The final cost of the Scheme will be known once staff leave the public sector and will be published in the 2014-15 Annual Report on State Finances. Agency savings flowing from the Scheme will be dependent on the final costs and will be allocated to agency budgets as part of the 2015-16 Mid-year Review.

## Significant Issues Impacting the Agency

- Since the start of the Government's Towards Zero strategy with its Safe System approach, there has been a 20% reduction in the number of people killed and seriously injured on Western Australian roads. This shows that, together with continued community responsibility, the major priority road safety initiatives by Government including improving the safety of intersections, improving roadside safety, enhancing speed and drink/drug driving enforcement, improving vehicle safety, community education and legislation are having a positive impact. Road safety remains a priority for Government as the rate of improvement in Western Australia is behind leading jurisdictions.
- The Office of Road Safety and Main Roads are playing significant roles in progressing the Minister for Road Safety's in-depth reviews of highway, motorcycle and cycling safety to identify further areas for new and enhanced actions.
- To help ensure the ambitious results expected under the Towards Zero strategy can be achieved, the Government is making improvements to the governance and administration of road safety to improve accountability for results. The changes include establishing a new lead agency, the Office of the Commissioner for Road Safety with a Commissioner reporting directly to the Minister for Road Safety, new membership on a road safety advisory committee and defined road safety performance accountabilities for key agencies.
- The Office of Road Safety and Main Roads will assist the Government in the transition to implement the new governance and administration changes for road safety.
- Traffic in Perth has increased in the last 10 years, due to the rapid growth in population, a high concentration of employment within the CBD and a high reliance on car travel. Main Roads has successfully implemented a number of projects to address congestion including a Traffic Signal Optimisation Review Program; an Incident Response Service to assist in clearing crashes on the freeways and CBD; and targeted widening works on the Kwinana, Mitchell and Graham Farmer Freeways.
- An audit in March 2015 by the Office of the Auditor General (OAG) acknowledged that Main Roads projects have improved traffic flow on parts of the road network. However, the OAG also highlighted the need for more real-time traffic data and information which will enable Main Roads to improve its traffic management and demonstrate it has made the best use of resources.
- Main Roads is introducing significant changes to the way that it does business, changing its focus from an agency that builds roads and manages assets to one that manages the road network and is responsible for traffic flow. This will bring Main Roads in-line with best practice in managing heavy traffic.
- 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.
- 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;
  - Great Northern Highway - Muchea to Wubin Stage 2;
  - NorthLink WA - Swan Valley Section;
  - NorthLink WA - Tonkin Highway Grade Separations;
  - North West Coastal Highway - Minilya to Barradale; and
  - Perth Freight Link.

## Resource Agreement

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

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
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 (Adjusted Total Cost of Services)**

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Road Safety .....	81,471	86,809	98,633	113,452	109,030	96,361	97,674
2. Road System Management .....	123,208	152,637	137,586	163,648	164,974	188,866	171,856
3. Road Efficiency Improvements .....	572,959	778,062	734,760	810,632	833,920	918,870	761,933
4. Infrastructure for Community Access .....	56,986	13,937	28,909	57,509	20,161	32,916	34,298
5. Road Network Maintenance .....	302,877	313,689	276,967	290,571	300,665	376,789	384,405
6. Infrastructure for State Development .....	309,687	60,198	120,798	95,657	349,266	402,162	290,890
7. Office of Road Safety .....	77,930	100,077	106,987	110,888	44,394	29,464	29,464
<b>Adjusted Total Cost of Services.....</b>	<b>1,525,118</b>	<b>1,505,409</b>	<b>1,504,640</b>	<b>1,642,357</b>	<b>1,822,410</b>	<b>2,045,428</b>	<b>1,770,520</b>

**Total Cost of Services – Reconciliation Table (Adjusted to Income Statement)**

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Adjusted Total Cost of Services.....</b>	<b>1,525,118</b>	<b>1,505,409</b>	<b>1,504,640</b>	<b>1,642,357</b>	<b>1,822,410</b>	<b>2,045,428</b>	<b>1,770,520</b>
Non-Cash Adjustments							
Road Infrastructure Depreciation <sup>(a)</sup> .....	255,076	285,532	250,730	330,732	355,586	366,389	381,925
Road Transfers and Retirements <sup>(b)</sup> .....	141,094	23,494	23,494	74,244	27,360	27,499	27,644
Local Government Network Adjustments							
State Road Funds to Local Government Agreement <sup>(c)</sup> .....	180,148	161,615	202,579	150,414	172,380	194,217	204,899
Major Works on Local Government Roads <sup>(d)</sup> ....	10,275	6,700	58,200	26,134	52,800	20,000	15,000
Natural Disaster Expenditure on Local Government Roads <sup>(e)</sup> .....	19,394	10,000	21,770	10,000	10,000	10,000	10,000
Road Infrastructure Capital Works <sup>(f)</sup> .....	(977,753)	(869,656)	(1,013,308)	(1,076,005)	(1,300,470)	(1,393,111)	(1,041,372)
<b>Total Cost of Services .....</b>	<b>1,153,352</b>	<b>1,123,094</b>	<b>1,048,105</b>	<b>1,157,876</b>	<b>1,140,066</b>	<b>1,270,422</b>	<b>1,368,616</b>

(a) Road Infrastructure Depreciation for 2015-16 onwards includes capitalisation of reseals (refer to Budget Paper 3, Chapters 5 and 6).

(b) Road Transfers and Retirements reflect retired non-current fixed assets expense and expenditure related to non-current fixed assets transferred to local authorities, both of which are non-cash transactions.

(c) State Road Funds to Local Government Agreement estimates from 2016-17 onwards are indicative. The current Agreement expires at the end of 2015-16.

(d) Major Works on Local Government Roads include the Mandurah Traffic Bridge, Gngangara Road and Curtin Avenue.

(e) Natural Disaster Expenditure on Local Government Roads estimates reflect a base notional allocation, which is updated when actual natural disaster event expenditure is recouped.

(f) Road Infrastructure Capital Works reflects road works expenditure capitalised to infrastructure which has been removed from the Income Statement in accordance with Australian Accounting Standard AASB 1055.



**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: A safe road environment:</b>					
Community satisfaction with road safety.....	95%	90%	90%	90%	
Blackspot location indicator.....	10	9.68	9.68	9.37	
<b>Outcome: Reliable and efficient movement of people and goods:</b>					
Community satisfaction.....	94%	90%	90%	90%	
Road network permitted for use by heavy freight vehicles					
B-Doubles 27.5m.....	97%	96%	98%	96%	
Double road trains 27.5m.....	97%	96%	97%	96%	
Double road trains 36.5m.....	79%	78%	80%	78%	
Triple road trains 53.5m.....	45%	44%	44%	44%	
Network configuration - roads.....	90%	90%	90%	90%	
Network configuration - bridges					
Strength.....	89%	89%	89%	89%	
Width.....	94%	95%	94%	95%	
<b>Outcome: Improved community access and roadside amenity:</b>					
Percentage of the year that 100% of the Main Roads' state road network is available.....	96%	85%	90%	85%	
Community satisfaction with cycleways and pedestrian facilities.....	85%	90%	90%	90%	
<b>Outcome: A well maintained road network:</b>					
Smooth travel exposure.....	n/a	97%	97%	97%	
Community satisfaction with road maintenance.....	90%	90%	90%	90%	
Preventative maintenance indicator.....	86%	85%	85%	84%	
<b>Outcome: Facilitate economic and regional development:</b>					
Return on construction expenditure.....	5.4	4.3	5.8	4.3	
<b>Outcome: Improve coordination and community awareness of road safety in Western Australia:</b>					
Effectiveness of road safety awareness campaigns.....	n/a	65%	70%	70%	

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

## Services and Key Efficiency Indicators

Due to the removal of non-cash expenses and expenditure on the local road network from the Service Summary (as detailed in the Total Cost of Services - Reconciliation Table), service amounts for 2013-14 Actual and 2014-15 Budget shown below have been amended for comparative purposes, and will not reflect service totals previously reported in the 2014-15 Budget. Refer to the explanatory information provided at Financial Statements - Income Statement - Expenses.

### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 81,471	\$'000 86,809	\$'000 98,633	\$'000 113,452	1
Less Income .....	16,624	11,895	17,505	21,125	2
Net Cost of Service.....	64,847	74,914	81,128	92,327	
<b>Employees (Full Time Equivalents).....</b>	50	50	50	50	
<b>Efficiency Indicators</b>					
Percentage of Projects Completed on Time.....	100%	90%	88%	90%	
Percentage of Projects Completed on Budget .....	94%	90%	93%	90%	

### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Services between the 2014-15 Estimated Actual and the 2014-15 Budget is due mainly to works on Toodyay Road Rail Crossing and the completion of works carried over from 2013-14.

The increase in Total Cost of Services between the 2015-16 Budget Target and the 2014-15 Estimated Actual is due mainly to an increase in the Commonwealth's Black Spot program.

2. The increase in Income between the 2014-15 Estimated Actual and the 2014-15 Budget is due mainly to increases in third party funded works and the Commonwealth's Black Spot program.

The increase in Income between the 2015-16 Budget Target and the 2014-15 Estimated Actual is due mainly to increases in the Commonwealth's Black Spot 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 123,208	\$'000 152,637	\$'000 137,586	\$'000 163,648	1
Less Income .....	19,081	10,803	7,962	7,464	
Net Cost of Service.....	104,127	141,834	129,624	156,184	
Employees (Full Time Equivalents).....	563	578	567	571	
<b>Efficiency Indicators</b>					
Average Cost of Network Management per Million Vehicle Kilometres Travelled .....	\$4,983	\$5,451	\$4,592	\$5,349	

### Explanation of Significant Movements

(Notes)

- The reduction in the Total Cost of Services between the 2014-15 Estimated Actual and the 2014-15 Budget is due mainly to a reduction in Over Size Over Mass operational expenditure and the allocation of project development funding to specific programs.

The increase in the Total Cost of Services between the 2015-16 Budget Target and the 2014-15 Estimated Actual is due mainly to the initial allocation for the Traffic Congestion Management project.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 572,959	\$'000 778,062	\$'000 734,760	\$'000 810,632	1
Less Income .....	243,986	430,640	510,570	425,904	
Net Cost of Service.....	328,973	347,422	224,190	384,728	
Employees (Full Time Equivalents).....	94	95	93	93	
<b>Efficiency Indicators</b>					
Percentage of Projects Completed on Time.....	89%	90%	70%	90%	
Percentage of Projects Completed on Budget .....	84%	90%	100%	90%	

### Explanation of Significant Movements

(Notes)

- The increase in the Total Cost of Services between the 2015-16 Budget Target and the 2014-15 Estimated Actuals is due mainly to works on the North West Coastal Highway, Minilya to Barradale.

#### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 56,986	\$'000 13,937	\$'000 28,909	\$'000 57,509	1
Less Income .....	21,535	4,623	14,628	42,505	2
Net Cost of Service.....	35,451	9,314	14,281	15,004	
Employees (Full Time Equivalents).....	28	28	28	28	
<b>Efficiency Indicators</b>					
Percentage of Projects Completed on Time.....	75%	90%	80%	90%	
Percentage of Projects Completed on Budget .....	50%	90%	80%	90%	

#### Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Services between the 2014-15 Estimated Actual and 2014-15 Budget is mainly due to third party works including Principal Shared Paths (PSP).

The increase in Total Cost of Services between the 2015-16 Budget Target and the 2014-15 Estimated Actual is due mainly to the start of works on the new Perth Stadium - Swan River Pedestrian Bridge.

- The increase in Income between the 2014-15 Estimated Actual and the 2014-15 Budget is due mainly to increased funding from third parties for PSP works.

The increase in Income between the 2015-16 Budget Target and the 2014-15 Estimated Actual is due mainly to third party funded works for the new Perth Stadium.

#### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 302,877	\$'000 313,689	\$'000 276,967	\$'000 290,571	1
Less Income .....	94,039	63,598	92,473	66,479	2
Net Cost of Service.....	208,838	250,091	184,494	224,092	
Employees (Full Time Equivalents).....	151	158	144	146	
<b>Efficiency Indicators</b>					
Average Cost of Road Network Maintenance per Lane Kilometre of Network.....	\$8,125	\$8,349	\$7,500	\$7,700	

#### Explanation of Significant Movements

(Notes)

- The decrease in Total Cost of Services between the 2014-15 Estimated Actual and the 2014-15 Budget Target is mainly due to the road maintenance reduction savings measure applied as part of the 2014-15 Mid-year Review.
- The increase in Income between the 2014-15 Estimate Actual and the 2014-15 Budget is due mainly to third party funded works and works funded through Natural Disaster Funding for State Roads.

The reduction in Income between the 2015-16 Budget Target and the 2014-15 Estimated Actual is due mainly to reduced third party funded works and Natural Disaster Funding for State Roads.

## 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 309,687	\$'000 60,198	\$'000 120,798	\$'000 95,657	1
Less Income .....	91,421	3,886	59,040	48,961	2
Net Cost of Service .....	218,266	56,312	61,758	46,696	
<b>Employees (Full Time Equivalents).....</b>	129	129	130	130	
<b>Efficiency Indicators</b>					
Percentage of Projects Completed on Time.....	75%	90%	100%	90%	
Percentage of Projects Completed on Budget .....	100%	90%	100%	90%	

### Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Services between the 2014-15 Estimated Actual and the 2014-15 Budget is mainly due to works for NorthLink WA - Swan Valley Section and Roe Highway - Berkshire Road Grade Separation.

The reduction in Total Cost of Services between the 2015-16 Budget Target and the 2014-15 Estimated Actual is due mainly to the expected completion of the Roe Highway - Berkshire Road Grade Separation in 2015-16.

- The increase in Income between the 2014-15 Estimated Actual and the 2014-15 Budget is due mainly to Commonwealth funding for NorthLink WA - Swan Valley Section and Roe Highway - Berkshire Road Grade Separation.

The reduction in Income between the 2015-16 Budget Target and the 2014-15 Estimated Actual is due mainly to the expected completion of the Roe Highway - Berkshire Road Grade Separation in 2015-16.

## 7. Office of Road Safety

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 77,930	\$'000 100,077	\$'000 106,987	\$'000 110,888	
Less Income .....	84,377	97,455	109,124	115,317	
Net Cost of Service .....	(6,447)	2,622	(2,137)	(4,429)	
<b>Employees (Full Time Equivalents).....</b>	28	28	28	28	
<b>Efficiency Indicators</b>					
Percentage of Office of Road Safety Projects Completed on Time.....	83%	90%	90%	90%	
Percentage of Office of Road Safety Projects Completed on Budget .....	95%	90%	90%	90%	

## 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Albany Highway - Passing Lanes <sup>(a)</sup> .....	22,100	5,116	3,430	10,854	6,130	-	-
Bussell Highway - Vasse to Newtown .....	25,200	336	-	9,264	15,600	-	-
Coalfields Highway - Wellington Dam Turnoff to Collie Stage 1 .....	25,621	21,979	-	3,642	-	-	-
Gateway WA - Perth Airport and Freight Access .....	973,342	810,211	359,494	137,047	26,084	-	-
Gibb River Road Derby - Gibb River - Wyndham - Improve Formation, and Gravel .....	72,156	47,512	4,376	4,289	4,503	7,809	8,043
Great Eastern Highway Walgoolan to Coolgardie - Upgrade and Widening .....	47,100	39,166	37,000	7,934	-	-	-
Great Northern Highway - Muchea to Wubin Stage 2 .....	387,243	45,689	42,700	116,504	112,750	87,000	25,300
Kwinana Freeway Roe Highway to Russell Road - Widening South Bound .....	66,414	33,450	32,813	32,964	-	-	-
Lloyd Street Midland Underpass .....	83,734	71,200	56,521	12,534	-	-	-
Marble Bar Road Coongan Gorge - Construct Realignment .....	22,874	667	-	-	-	1,209	10,292
Fortescue River Crossing - Road Bridge <sup>(b)</sup> .....	12,660	1,500	1,500	11,160	-	-	-
Newman to Ripon Hills <sup>(b)</sup> .....	20,000	10,488	8,047	9,512	-	-	-
Mitchell Freeway - Burns Beach Road to Hester Avenue .....	261,348	10,306	7,000	115,694	135,348	-	-
North West Coastal Highway - Minilya to Barradale .....	217,965	40,987	37,000	57,700	30,518	88,760	-
NorthLink WA Swan Valley Section .....	836,600	59,700	29,237	38,576	190,284	327,220	220,820
Tonkin Highway Grade Separations .....	281,200	7,771	7,580	370	43,809	140,600	88,650
Office of Road Safety <sup>(a)</sup> LED School Zone Lights .....	35,936	3,936	3,936	20,000	12,000	-	-
Run-off Crashes on Regional Roads .....	89,968	66,468	23,535	23,500	-	-	-
Urban Intersection Crash Sites .....	30,885	18,885	6,238	12,000	-	-	-
Onslow Road - Post Construction Upgrade .....	67,000	640	575	11,000	500	32,500	22,360
Perth Freight Link - Construct .....	1,575,000	12,700	12,700	143,900	443,300	508,100	467,000
Reid Highway Duffy Road to Erindale Road Dual Carriageway .....	24,000	22,000	20,872	2,000	-	-	-
Malaga Drive Intersection Grade Separation .....	84,000	500	21	24,000	59,500	-	-
Roe Highway - Berkshire Road Grade Separation .....	45,000	29,000	29,000	16,000	-	-	-
Safer Roads and Bridges Program .....	298,961	161,111	34,549	35,000	31,800	35,000	36,050
Various Roads Royalties for Regions - Caravan and Camping Program Action Plan <sup>(b)</sup> .....	5,125	2,525	1,533	1,200	600	800	-
<b>COMPLETED WORKS</b>							
Albany Ring Road .....	3,592	3,592	1,866	-	-	-	-
Brand Highway - Greenough River Bridge <sup>(b)</sup> .....	11,946	11,946	4,145	-	-	-	-
Buildings and Equipment 2014-15 Program .....	20,548	20,548	20,548	-	-	-	-
Capitalised Operational Costs - 2014-15 Program .....	52,000	52,000	52,000	-	-	-	-
Coalfields Highway Wellington Dam Turn-off and Roelands Hill Dual Lanes <sup>(a)</sup> .....	27,615	27,615	27,500	-	-	-	-
Coolgardie - Esperance Highway - Esperance Port Access .....	117,519	117,519	3,711	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Dampier Highway							
Balmoral Road to Burrup Peninsula Road (Stages 2-6)							
Construct Second Carriageway .....	108,488	108,488	1,200	-	-	-	-
Gateway WA - Tonkin Highway - Abernethy Road							
Onramps .....	15,751	15,751	2,343	-	-	-	-
Goldfields Highway - Wiluna to Meekatharra <sup>(b)</sup> .....	21,400	21,400	26	-	-	-	-
Great Northern Highway							
Muchea to Wubin, Bindi Bindi Curves .....	40,000	40,000	21,441	-	-	-	-
Port Hedland Upgrade .....	259,756	259,756	5,464	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor Works)							
2014-15 Program .....	73,107	73,107	73,107	-	-	-	-
Mitchell Freeway - Hepburn Avenue to Hodges Drive .....	28,004	28,004	8,803	-	-	-	-
Narrogin Link Road - Northam-Cranbrook Road .....	7,500	7,500	7,500	-	-	-	-
Perth - Bunbury Highway							
Bunbury Outer Ring Road Stage 1 - Construct .....	76,451	76,451	3,066	-	-	-	-
Bunbury Port Access Road Stage 2 - Construct and Seal Including Bridges .....	39,813	39,813	5,255	-	-	-	-
Queen Victoria Street							
Fremantle Traffic Bridge Replacement - Planning, Design and Preliminary Works .....	16,457	16,457	12,874	-	-	-	-
Safer Roads and Bridges Program							
Wubin to Mullewa Road - Perenjori to Morawa <sup>(a) (b)</sup> .....	21,599	21,599	7,452	-	-	-	-
South Coast Highway - Ravensthorpe Heavy Vehicle Route <sup>(b)</sup> .....	17,500	17,500	14,866	-	-	-	-
<b>NEW WORKS</b>							
Aubin Grove Train Station Precinct - Traffic Congestion Solution .....	25,000	-	-	22,000	3,000	-	-
Buildings and Equipment							
2015-16 Program .....	13,922	-	-	13,922	-	-	-
2016-17 Program .....	13,800	-	-	-	13,800	-	-
2017-18 Program .....	7,500	-	-	-	-	7,500	-
2018-19 Program .....	7,725	-	-	-	-	-	7,725
Capitalised Operational Costs							
2015-16 Program .....	53,300	-	-	53,300	-	-	-
2016-17 Program .....	54,480	-	-	-	54,480	-	-
2017-18 Program .....	32,800	-	-	-	-	32,800	-
2018-19 Program .....	33,784	-	-	-	-	-	33,784
Great Eastern Highway							
Bilgoman Road to Mundaring .....	12,000	-	-	8,600	3,400	-	-
Great Eastern Highway - Passing Lanes <sup>(b)</sup> .....	48,000	-	-	2,000	12,000	12,000	12,000
Minor Works (Includes Black Spot and Urgent Minor Works)							
2015-16 Program .....	28,605	-	-	28,605	-	-	-
2016-17 Program .....	33,004	-	-	-	33,004	-	-
2017-18 Program .....	33,355	-	-	-	-	33,355	-
2018-19 Program .....	34,309	-	-	-	-	-	34,309
Nation Building Program 1 (Unallocated) .....	16,921	-	-	16,921	-	-	-
National Highway Upgrade Program .....	40,250	-	-	13,000	13,000	14,250	-
Reseal Capitalisation Program .....	252,341	-	-	60,000	61,860	64,087	66,394
South Western Highway - Donnybrook to Greenbushes .....	25,781	-	-	-	-	621	16,370
Traffic Congestion Management Program .....	28,000	-	-	14,000	7,000	7,000	-
<b>Total Cost of Asset Investment Program .....</b>	<b>7,365,355</b>	<b>2,482,889</b>	<b>1,032,824</b>	<b>1,088,992</b>	<b>1,314,270</b>	<b>1,400,611</b>	<b>1,049,097</b>
<b>Loan and Other Repayments .....</b>			<b>5,000</b>	<b>5,000</b>	<b>766</b>	<b>-</b>	<b>-</b>
<b>Total .....</b>	<b>7,365,355</b>	<b>2,482,889</b>	<b>1,037,824</b>	<b>1,093,992</b>	<b>1,315,036</b>	<b>1,400,611</b>	<b>1,049,097</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			310,412	425,414	408,128	455,659	766,843
Asset Sales .....			14,500	14,500	14,500	2,000	2,000
Commonwealth Grants .....			527,271	453,733	776,307	822,980	170,830
Drawdowns from the Holding Account .....			47,553	54,063	60,606	67,617	75,054
Internal Funds and Balances .....			123,476	114,162	34,595	7,055	10
Other .....			2,575	17,760	8,300	32,500	22,360
Drawdowns from Royalties for Regions Fund <sup>(c)</sup> .....			12,037	14,360	12,600	12,800	12,000
<b>Total Funding .....</b>			<b>1,037,824</b>	<b>1,093,992</b>	<b>1,315,036</b>	<b>1,400,611</b>	<b>1,049,097</b>

(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 and Regional Community Services Fund.

## **Financial Statements**

### **Income Statement**

#### *Expenses*

Total Cost of Services as per the Income Statement, differs from the Adjusted Total Cost of Services as per the Service Summary table. The latter includes capitalised road works expenditure and excludes several expense groupings including road infrastructure depreciation, State road funds provided to local governments, natural disaster funding applied to local roads, road transfers to local government and road retirements. These expense groupings have been excluded to provide a clearer picture of the cost of works undertaken on the State road network. Refer to the Total Cost of Services - Reconciliation Table for more details.

#### *Income*

The increase in the sale of goods and services between the 2014-15 Budget and the 2014-15 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 revenue from speed and red light fixed camera infringements. These funds will be allocated to projects, subject to the recommendations of the Road Safety Council and approval by the State Government.

### **Statement of Cashflows**

The cashflow statement generally reflects movements as per the Income Statement with timing of actual payments being the major difference.



**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	72,174	78,567	80,175	78,374	80,744	82,408	84,353
Grants and subsidies <sup>(c)</sup> .....	311,161	211,194	177,011	195,214	154,270	166,166	173,354
Supplies and services .....	448,125	490,905	483,676	489,183	484,395	584,525	661,005
Accommodation .....	23,802	15,757	15,757	15,939	16,351	16,855	17,155
Depreciation and amortisation .....	255,927	294,325	261,633	342,283	367,207	382,520	394,157
Other expenses .....	42,163	32,346	29,853	36,883	37,099	37,948	38,592
<b>TOTAL COST OF SERVICES .....</b>	<b>1,153,352</b>	<b>1,123,094</b>	<b>1,048,105</b>	<b>1,157,876</b>	<b>1,140,066</b>	<b>1,270,422</b>	<b>1,368,616</b>
<b>Income</b>							
Sale of goods and services .....	86,874	19,075	74,173	71,076	17,375	55,245	48,775
Grants and subsidies .....	301,996	502,527	637,836	539,618	862,192	897,885	245,735
Other revenue .....	201,586	111,298	121,063	127,061	124,772	122,937	108,287
<b>Total Income .....</b>	<b>590,456</b>	<b>632,900</b>	<b>833,072</b>	<b>737,755</b>	<b>1,004,339</b>	<b>1,076,067</b>	<b>402,797</b>
<b>NET COST OF SERVICES .....</b>	<b>562,896</b>	<b>490,194</b>	<b>215,033</b>	<b>420,121</b>	<b>135,727</b>	<b>194,355</b>	<b>965,819</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	816,275	862,995	830,568	882,701	954,198	1,043,796	1,141,097
Resources received free of charge .....	1,814	2,700	2,700	2,700	2,700	2,700	2,700
Royalties for Regions Fund:							
Regional Community Services Fund .....	1,410	1,505	796	508	520	533	547
Regional Infrastructure and Headworks Fund .....	-	500	930	-	-	-	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>819,499</b>	<b>867,700</b>	<b>834,994</b>	<b>885,909</b>	<b>957,418</b>	<b>1,047,029</b>	<b>1,144,344</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>256,603</b>	<b>377,506</b>	<b>619,961</b>	<b>465,788</b>	<b>821,691</b>	<b>852,674</b>	<b>178,525</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 1,043, 1,040 and 1,046 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Local Road Grants and Subsidies .....	143,675	176,300	127,932	106,826	118,809	130,705	137,893
Office of Road Safety .....	21,852	22,894	20,389	29,388	23,461	23,461	23,461
Other .....	4,603	2,000	6,920	2,000	2,000	2,000	2,000
Road Assets Transferred .....	121,638	-	-	47,000	-	-	-
Western Australia Natural Disaster Relief and Recovery Arrangements Funding Applied to the Local Government Road Network .....	19,393	10,000	21,770	10,000	10,000	10,000	10,000
<b>TOTAL .....</b>	<b>311,161</b>	<b>211,194</b>	<b>177,011</b>	<b>195,214</b>	<b>154,270</b>	<b>166,166</b>	<b>173,354</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	95,390	45,483	155,574	179,631	217,206	212,237	217,420
Restricted cash .....	73,055	79,359	76,613	81,042	147,425	226,752	291,258
Holding account receivables .....	47,553	51,580	54,063	60,606	67,617	75,054	83,081
Receivables .....	55,144	60,556	54,472	53,800	53,128	52,456	51,784
Other .....	33,440	20,813	33,440	33,440	33,440	33,440	33,440
Assets held for sale .....	638	5,346	638	638	638	638	638
<b>Total current assets .....</b>	<b>305,220</b>	<b>263,137</b>	<b>374,800</b>	<b>409,157</b>	<b>519,454</b>	<b>600,577</b>	<b>677,621</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	1,544,651	1,734,070	1,698,895	1,927,246	2,173,510	2,427,650	2,685,400
Property, plant and equipment .....	41,639,740	43,128,614	43,520,078	45,498,558	47,556,277	49,685,945	51,452,549
Intangibles .....	18,074	16,434	18,104	18,134	18,164	18,194	18,224
Other .....	101,064	58,109	86,764	72,464	58,164	56,364	54,564
<b>Total non-current assets .....</b>	<b>43,303,529</b>	<b>44,937,227</b>	<b>45,323,841</b>	<b>47,516,402</b>	<b>49,806,115</b>	<b>52,188,153</b>	<b>54,210,737</b>
<b>TOTAL ASSETS .....</b>	<b>43,608,749</b>	<b>45,200,364</b>	<b>45,698,641</b>	<b>47,925,559</b>	<b>50,325,569</b>	<b>52,788,730</b>	<b>54,888,358</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	33,590	35,010	33,090	33,090	33,090	33,090	33,090
Payables .....	25,931	26,971	26,984	28,037	29,090	30,143	31,196
Other .....	279,859	218,032	281,758	279,423	280,556	282,455	284,354
<b>Total current liabilities .....</b>	<b>339,380</b>	<b>280,013</b>	<b>341,832</b>	<b>340,550</b>	<b>342,736</b>	<b>345,688</b>	<b>348,640</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	4,108	4,194	4,108	4,108	4,108	4,108	4,108
Borrowings .....	5,766	766	766	-	-	-	-
Other .....	40	24	40	40	40	40	40
<b>Total non-current liabilities .....</b>	<b>9,914</b>	<b>4,984</b>	<b>4,914</b>	<b>4,148</b>	<b>4,148</b>	<b>4,148</b>	<b>4,148</b>
<b>TOTAL LIABILITIES .....</b>	<b>349,294</b>	<b>284,997</b>	<b>346,746</b>	<b>344,698</b>	<b>346,884</b>	<b>349,836</b>	<b>352,788</b>
<b>EQUITY</b>							
Contributed equity .....	3,759,620	4,083,531	4,082,069	4,521,843	4,942,571	5,411,030	6,189,873
Accumulated surplus/(deficit) .....	12,045,230	12,478,837	12,665,191	13,130,979	13,952,670	14,805,344	14,983,869
Reserves .....	27,454,605	28,352,999	28,604,635	29,928,039	31,083,444	32,222,520	33,361,828
<b>Total equity .....</b>	<b>43,259,455</b>	<b>44,915,367</b>	<b>45,351,895</b>	<b>47,580,861</b>	<b>49,978,685</b>	<b>52,438,894</b>	<b>54,535,570</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>43,608,749</b>	<b>45,200,364</b>	<b>45,698,641</b>	<b>47,925,559</b>	<b>50,325,569</b>	<b>52,788,730</b>	<b>54,888,358</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	597,723	621,996	622,261	593,744	640,317	714,602	800,266
Capital appropriation .....	443,592	301,035	310,412	425,414	408,128	455,659	766,843
Holding account drawdowns.....	46,907	47,553	47,553	54,063	60,606	67,617	75,054
Royalties for Regions Fund:							
Regional Community Services Fund .....	2,785	1,505	1,946	1,708	1,120	1,333	547
Regional Infrastructure and Headworks Fund .....	29,328	19,528	11,817	13,160	12,000	12,000	12,000
<b>Net cash provided by State Government.....</b>	<b>1,120,335</b>	<b>991,617</b>	<b>993,989</b>	<b>1,088,089</b>	<b>1,122,171</b>	<b>1,251,211</b>	<b>1,654,710</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(76,662)	(78,567)	(80,175)	(78,374)	(80,744)	(82,408)	(84,353)
Grants and subsidies.....	(196,478)	(211,194)	(195,176)	(178,379)	(184,435)	(196,331)	(203,519)
Supplies and services .....	(418,726)	(465,721)	(440,952)	(433,898)	(428,980)	(546,306)	(622,721)
Accommodation .....	(23,691)	(15,757)	(15,757)	(15,939)	(16,351)	(16,855)	(17,155)
Other payments.....	(185,490)	(115,695)	(110,377)	(113,718)	(113,948)	(114,851)	(115,415)
<b>Receipts</b>							
Grants and subsidies.....	301,996	502,527	637,836	539,618	862,192	897,885	245,735
Sale of goods and services.....	112,104	20,017	75,115	72,018	18,317	56,187	49,717
GST receipts .....	146,712	101,700	101,700	101,700	101,700	101,700	101,700
Other receipts .....	100,808	113,798	120,863	126,861	124,572	122,737	108,087
<b>Net cash from operating activities .....</b>	<b>(239,427)</b>	<b>(148,892)</b>	<b>93,077</b>	<b>19,889</b>	<b>282,323</b>	<b>221,758</b>	<b>(537,924)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(983,034)	(883,025)	(1,032,824)	(1,088,992)	(1,314,270)	(1,400,611)	(1,049,097)
Proceeds from sale of non-current assets.....	12,964	14,500	14,500	14,500	14,500	2,000	2,000
<b>Net cash from investing activities.....</b>	<b>(970,070)</b>	<b>(868,525)</b>	<b>(1,018,324)</b>	<b>(1,074,492)</b>	<b>(1,299,770)</b>	<b>(1,398,611)</b>	<b>(1,047,097)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings.....	(5,000)	(5,000)	(5,000)	(5,000)	(766)	-	-
<b>Net cash from financing activities.....</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>(766)</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(94,162)</b>	<b>(30,800)</b>	<b>63,742</b>	<b>28,486</b>	<b>103,958</b>	<b>74,358</b>	<b>69,689</b>
Cash assets at the beginning of the reporting period .....	262,607	155,642	168,445	232,187	260,673	364,631	438,989
<b>Cash assets at the end of the reporting period .....</b>	<b>168,445</b>	<b>124,842</b>	<b>232,187</b>	<b>260,673</b>	<b>364,631</b>	<b>438,989</b>	<b>508,678</b>

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

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Taxation</b>							
Permits - Oversize Vehicles and Loads.....	7,234	8,400	8,400	8,600	8,900	9,100	9,300
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>7,234</b>	<b>8,400</b>	<b>8,400</b>	<b>8,600</b>	<b>8,900</b>	<b>9,100</b>	<b>9,300</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Receipts Paid into the Consolidated Account .....	7,234	8,400	8,400	8,600	8,900	9,100	9,300
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>7,234</b>	<b>8,400</b>	<b>8,400</b>	<b>8,600</b>	<b>8,900</b>	<b>9,100</b>	<b>9,300</b>

# Division 73 Public Transport Authority of Western Australia

## Part 17 Minister for Transport

### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	348	359	359	<b>359</b>	359	359	359
Total appropriations provided to deliver services.....	348	359	359	<b>359</b>	359	359	359
<b>CAPITAL</b>							
Item 165 Capital Appropriation.....	96,701	94,405	94,405	<b>139,661</b>	144,466	155,264	204,811
<b>TOTAL APPROPRIATIONS .....</b>	<b>97,049</b>	<b>94,764</b>	<b>94,764</b>	<b>140,020</b>	<b>144,825</b>	<b>155,623</b>	<b>205,170</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,236,588	1,291,733	1,265,284	<b>1,330,900</b>	1,385,368	1,400,316	1,482,656
Net Cost of Services <sup>(a)</sup> .....	965,705	1,019,268	999,583	<b>1,055,157</b>	1,100,334	1,108,329	1,193,914
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>116,024</b>	<b>67,999</b>	<b>116,075</b>	<b>88,042</b>	<b>90,464</b>	<b>100,310</b>	<b>89,810</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1% General Government Efficiency Dividend .....	(4,900)	(6,900)	(7,300)	(7,300)	(7,400)
ANZAC Commemorative Events .....	652	-	-	-	-
Expenditure Reduction to Offset Cessation of Commonwealth Funding for Out of State Seniors Concession .....	(407)	(407)	-	-	-
Externally Funded Services and Works .....	2,853	-	-	-	-
Fuel Expense Adjustment .....	(4,657)	(10,969)	(8,381)	(6,719)	(5,631)
ICT Savings and Reform .....	(1,891)	(3,977)	(4,074)	(4,173)	-
Interest Expense Adjustment .....	(8,680)	(13,512)	(9,907)	(19,614)	-
Nicholson Road Grade Separation Project .....	-	18,000	10,000	-	-
Removal of Carbon Tax .....	(2,013)	(2,013)	(2,013)	(2,013)	(2,013)
Royalties for Regions					
AvonLink Enhancement Project .....	2,235	2,395	2,456	-	-
Regional Workers Incentive Allowance Payments .....	2	6	7	11	11
School Bus Services Additional Service Days .....	2,390	2,460	-	-	-
Workforce Renewal Policy .....	(168)	(1,374)	(2,806)	(4,247)	(5,797)

## Significant Issues Impacting the Agency

- Predicting and planning for growth in public transport patronage remains a challenge for the Authority. In 2013-14, total patronage on Perth's Public Transport system declined by approximately 1.4% and in 2014-15 patronage is forecast to moderately increase by 0.5%. The 2013-14 negative patronage result broke a run of nine years of consecutive growth. Notwithstanding this aberration, growth of 0.6% is forecast for 2015-16 with continued growth thereafter.
- To ensure that the rail network will be able to cope with the future public transport needs, the Authority extended the Joondalup line to Butler (opened in September 2014). In January 2015, expressions of interest were invited for the construction of 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 (contracts awarded). 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.
- The Government is investing in the Transperth train network to provide for capacity growth. Twelve 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. To provide for growth, the Government has approved procurement of a further 300 new state of the art railcars to be delivered over a 10 year period commencing in 2019.
- Public transport will be the most efficient and effective way to travel to and from the new Perth Stadium. With over 35,000 of the 60,000 people capacity of the Stadium expected to use rail public transport and more than 14,000 people expected to use bus public transport, the provision of good public transport is essential. To ensure this, the Government is investing in a \$358.6 million transport package to service the new Perth Stadium (of which \$22.4 million is being delivered through the Public Private Partnership for the new Perth Stadium).
- 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 too does the demand on railway stations, bus interchanges and associated infrastructure. The Authority ensures that it has in place appropriate systems, processes and resources (particularly customer service and security staff) to safely control the increasingly large crowds using these facilities. This capacity to control crowds is of particular significance as the population ages and for people with disabilities, their families and carers.
- Perth's electric urban train system ranges from seven to 25 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 numbers of passengers that now rely on the network are provided safe and reliable travel.
- The demand for parking at train stations continues to grow. A contract for the construction of a multi-storey car parking facility at Edgewater station has been awarded with target completion in 2016. A very successful and customer friendly SmartParker ticketing system was implemented to manage the introduction of system wide paid parking on 1 July 2014. A positive and consequential outcome of this ticketing system has been the elimination of unauthorised parking (i.e. for purposes other than using public transport) freeing up parking bays for legitimate public transport users. Currently a further 350 parking bays are under construction and the Edgewater multi-storey car park and the Aubin Grove Station Park 'n' Ride will add approximately 500 and 2,000 bays respectively. On completion this will mean the Government has added more than 7,500 parking bays to the network since 2008.
- 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 1,400 buses deliver more than 66 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. In 2014, the Authority took delivery of the first of the new environmentally friendly Euro 6 buses and in 2015-16 will purchase 105 new buses.
- Providing safe and cost effective public transport services to regional Western Australia remains a priority. Despite experiencing declining patronage on TransWA rail and coach services, the Authority continues to invest in this critical service. In 2015, a contract was awarded which will see the ageing TransWA coach fleet replaced with 23 new coaches.
- When completed in 2016, the \$569.3 million Perth City Link (PCL) project will reconnect the city centre (extending from Perth Station to Perth Arena) with Northbridge for the first time in more than 100 years. The rail component of the PCL project was completed in December 2013, well ahead of the mid-2014 scheduled date. Work on the PCL underground Perth Busport is progressing.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Metropolitan and Regional Passenger Services .....	931,966	1,007,429	978,807	1,031,500	1,094,413	1,119,741	1,197,467
2. Country Passenger Rail and Road Coach Services .....	47,866	52,446	47,908	48,313	50,779	50,943	52,086
3. Regional School Bus Services.....	122,544	123,083	125,637	128,177	131,338	135,766	139,554
4. Rail Corridor and Residual Freight Issues Management .....	134,212	108,775	112,932	122,910	108,838	93,866	93,549
<b>Total Cost of Services .....</b>	<b>1,236,588</b>	<b>1,291,733</b>	<b>1,265,284</b>	<b>1,330,900</b>	<b>1,385,368</b>	<b>1,400,316</b>	<b>1,482,656</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Accessible, reliable and safe public transport system:</b>					
Use of public transport - passengers per service kilometre:					
Metropolitan Bus Services .....	1.32	1.33	1.28	1.28	
Metropolitan Train Services .....	3.81	3.56	3.58	3.35	1
Metropolitan Ferry Services .....	11.99	12.08	10.33	10.41	2
Regional Bus Services .....	0.746	0.752	0.748	0.748	
Country Passenger Rail Services .....	0.221	0.231	0.205	0.216	
Country Passenger Road Coach Services .....	0.063	0.070	0.063	0.060	3
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 .....					
	85%	86%	85%	85%	
Metropolitan and regional passenger services reliability:					
Bus services within four minutes of scheduled time .....	81%	80%	82%	82%	
Train arriving within four minutes of scheduled time .....	95%	95%	95%	95%	
Ferries arriving within three minutes of scheduled time .....	98%	98%	96%	96%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time .....	81%	80%	59%	80%	4
Australind arriving within 10 minutes of scheduled time .....	92%	90%	94%	90%	
MerredinLink arriving within 10 minutes of scheduled time .....	90%	95%	85%	95%	4
AvonLink arriving within 10 minutes of scheduled time .....	98%	95%	95%	97%	
Road Coaches arriving within 10 minutes of scheduled time .....	97%	95%	97%	95%	
Regional school bus services reliability:					
Drop off no less than 10 minutes before the school starts and pick up within 10 minutes of school ending .....					
	100%	99%	100%	100%	
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan Bus Services .....	83%	81%	81%	81%	
Metropolitan Train Services .....	89%	90%	90%	90%	
Metropolitan Ferry Services .....	97%	98%	96%	98%	
Country Passenger Rail and Road Coach Services .....	90%	92%	92%	92%	
Customer perception of safety - independent external surveys:					
Train station - Daytime .....	97%	96%	96%	96%	
On-board train - Daytime .....	98%	97%	97%	97%	
Train station - Night-time .....	69%	69%	69%	69%	
On-board train - Night-time .....	77%	75%	75%	75%	
Bus station - Daytime .....	97%	97%	97%	97%	
On-board bus - Daytime .....	99%	99%	99%	99%	
Bus station - Night-time .....	75%	73%	73%	73%	
On-board bus - Night-time .....	84%	81%	81%	81%	
Level of notifiable safety occurrences - notifiable occurrences:					
					5
Category A Occurrences per million passenger boardings .....	0.31	0.27	0.17	0.23	
Category A Occurrences per million train kilometres .....	1.09	1	0.56	0.78	
Category B Occurrences per million passenger boardings .....	9.24	9.3	10.88	9.67	6
Category B Occurrences per million train kilometres .....	32.09	32	35.38	32.22	
Regional school bus services: notifiable occurrences (accidents) reported each school year .....					
	17	21	15	19	
<b>Outcome: Protection of the long-term functionality of the rail corridor and railway infrastructure:</b>					
Number of lease breaches .....	nil	nil	nil	nil	

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



**Explanation of Significant Movements**

(Notes)

1. The reduction in the 2015-16 Budget Target is due to the commissioning of seven new three-car train sets in 2015-16. This increase in additional kilometres travelled is not immediately offset by an increase in boardings.
2. Works associated with Elizabeth Quay have had an adverse impact on ferry boardings over the past two years while service kilometres remained unchanged. Consequently, there has been a substantial reduction in ferry average boarding.
3. The 2014-15 Budget Target was increased to provide for additional coach services planned to replace the AvonLink rail service. The 2015-16 Budget Target reverses this adjustment due to the Government decision to extend the AvonLink service.
4. The 2014-15 Estimated Actual is below the 2014-15 Budget due to speed restrictions, signalling, crossing and track works occurring on the rail line between Perth and Kalgoorlie.
5. The targets for 2015-16 levels of notifiable safety occurrences are based on the average annual number of occurrences over the last 5 years.
6. The 2014-15 Estimated Actual increase against the 2014-15 Budget is due to the commissioning of the Butler Extension and an increase in the occurrence of incidents including: safe working, vandalism, trespass, slips, trips and falls.

**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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 931,966	\$'000 1,007,429	\$'000 978,807	\$'000 1,031,500	1
Less Income .....	235,274	235,770	227,240	231,079	2
Net Cost of Service.....	696,692	771,659	751,567	800,421	
<b>Employees (Full Time Equivalents).....</b>	<b>1,377</b>	<b>1,404</b>	<b>1,395</b>	<b>1,434</b>	
<b>Efficiency Indicators</b>					
Average Cost per Passenger Kilometre:					
Transperth Bus Operations.....	\$0.97	\$1.03	\$1.04	\$1.12	3
Transperth Train Operations.....	\$0.46	\$0.50	\$0.49	\$0.50	
Transperth Ferry Operations .....	\$1.57	\$1.37	\$1.87	\$1.90	
Average Cost per 1,000 Place Kilometres:					
Regional Bus Services .....	\$70.93	\$75.58	\$75.96	\$77.97	

**Explanation of Significant Movements**

(Notes)

1. The Total Cost of Service in 2015-16 increased by \$52.7 million (5.4%) from the 2014-15 Estimated Actual due to the following cost increases:
  - bus contract escalation (\$16 million);
  - additional operating and interest costs of Perth City Link rail and bus services (\$9.5 million);
  - labour escalation (\$7.8 million);
  - additional operating and interest costs of Aubin Grove train station (\$6.2 million);
  - contractor escalation (\$6.1 million);
  - operating and maintenance costs for the new railcars currently delivered (\$3.7 million); and
  - additional operating and interest costs of Butler extension (\$2.9 million).
2. Income in 2015-16 is expected to increase by \$3.8 million from the 2014-15 Estimated Actual due to a small increase in patronage.
3. The Average Cost per Passenger Kilometre in 2015-16 increased to \$1.12 (by 7.7%) due to the increase in Transperth bus related costs of 9% and an increase in passenger kilometres of 2%.

## 2. Country Passenger Rail and Road Coach Services

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 47,866	\$'000 52,446	\$'000 47,908	\$'000 48,313	1
Less Income .....	11,159	12,224	12,772	13,273	
Net Cost of Service .....	36,707	40,222	35,136	35,040	
<b>Employees (Full Time Equivalents).....</b>	135	152	139	140	
<b>Efficiency Indicators</b>					
Average Cost per Passenger Kilometre:					
TransWA Rail .....	\$0.45	\$0.49	\$0.43	\$0.44	
TransWA Road Coaches.....	\$0.26	\$0.27	\$0.22	\$0.23	

### Explanation of Significant Movements

(Notes)

- The Total Cost of Service for the 2014-15 Estimated Actual decreased by \$4.5 million (8.7%) from the 2014-15 Budget due to the following cost decreases:
  - savings measures including the ICT Savings and Reform (\$3.4 million);
  - interest and depreciation (\$1 million); and
  - fuel prices (\$0.3 million).

## 3. Regional School Bus Services

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 122,544	\$'000 123,083	\$'000 125,637	\$'000 128,177	
Less Income .....	4,700	4,885	4,885	5,110	
Net Cost of Service .....	117,844	118,198	120,752	123,067	
<b>Employees (Full Time Equivalents).....</b>	40	48	45	45	
<b>Efficiency Indicators</b>					
Average Cost per Contracted Kilometre:					
School Bus Services .....	\$3.68	\$3.73	\$3.76	\$3.83	

#### 4. Rail Corridor and Residual Freight Issues Management <sup>(a)</sup>

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 134,212	\$'000 108,775	\$'000 112,932	\$'000 122,910	1
Less Income .....	19,750	19,586	20,804	26,281	2
Net Cost of Service.....	114,462	89,189	92,128	96,629	
Employees (Full Time Equivalents).....	13	11	13	13	
<b>Efficiency Indicators</b>					
Total Cost of Managing the Rail Freight Corridor and Residual Freight Issues .....	\$134,212	\$108,775	\$112,932	\$122,910	

(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)

- Total Cost of Service in 2015-16 has increased by \$10 million (8.8%) from the 2014-15 Estimated Actual due to the Nicholson Road Grade Separation project (\$18 million). Offset by reductions in:
  - depreciation of freight network assets (\$4.9 million);
  - expenditure due to recent savings measures (\$2.5 million); and
  - external works undertaken for third parties (\$0.9 million).
- Income in 2015-16 has increased by \$5.5 million (26.3%) from the 2014-15 Estimated Actual due to new funding for the Nicholson Road Grade Separation project from the Commonwealth Government (\$8 million). Offset by decreases in:
  - income for external works (\$0.9 million); and
  - other revenue (\$1.6 million).

#### Asset Investment Program

##### Railcars

To provide for growth beyond 2016, this Budget provides \$1.14 billion for a further 300 new state of the art railcars to be delivered over a 10 year period commencing in 2019 (the total \$1.2 billion cost includes railcar investment previously recognised in the Forrestfield-Airport Link project). These 300 new cars will be configured as single six-car trains as opposed to the current three-car configurations. These new 'C-series' railcars will have four doors either side of each railcar (as opposed to two doors on the current railcars). The removal of the two intermediate driver cabs and the greater number of doors will enable higher and more uniform loading and passenger comfort.

##### Radio System

This Budget provides \$53.4 million over the forward estimates period (plus a further \$66.4 million across 2019-20 to 2021-22; a total of \$119.8 million over seven years) to replace the obsolete analogue radio system used by the Authority to operate its passenger rail services with a modern digital radio system. It will be capable of serving the Authority's data transmission requirements to support future services and safety improvements.

### **Urban Rail Resilience Package**

An additional \$18.7 million will be invested over the next two years to improve the safety and reliability of the urban passenger network. This investment represents Stage 2 of a rail resilience package and follows on from the existing \$30.1 million investment.

### **Escalator Replacements**

A total of \$15.5 million will be invested over the next two years upgrading the problematic escalators at the Perth Underground and Esplanade Stations which have caused unacceptable levels of disruption over the past few years.

### **Forrestfield-Airport Link**

In January 2015, expressions of interest were invited for the \$2 billion Forrestfield Airport Link. The new line will connect with the existing Midland Line near Bayswater and run underground for eight kilometres in twin-bored tunnels beneath the Swan River and Perth Airport. It will open up a new rail corridor to Perth's eastern suburbs as well as connecting the city to Perth Airport. With construction expected to begin in 2016, the project will create a 20 minute rail journey from Perth's eastern suburbs to the city and will feature three new stations - Airport West (Belmont), Consolidated Airport and Forrestfield. In 2015-16, an estimated \$45.4 million will be expended on the necessary project planning and procurement activities and land acquisitions.

### **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 track, infrastructure and passenger amenity improvements, including a new underpass linking the Perth Underground Station and Perth Station. Work on the bus component is well underway with completion in 2016. Lifts, stairs and escalators will connect passengers from the ground level entry points to the underground, 16 stand, and air conditioned lounge level. Large screens will provide passengers with up-to-date service information, including stand locations and departure times. In 2015-16, an estimated \$44.2 million will be expended on the project.

### **New Perth Stadium Transport Project**

The \$336.2 million transport package to service the new Perth Stadium is advanced and on schedule. Rail reserve earth and drainage works, and various Western Power infrastructure repositioning works have been completed. Contracts have been awarded, works are substantially underway for the construction of the Victoria Park Drive bridge and a contract has been awarded for the Swan River Pedestrian bridge, the station and associated infrastructure. It is estimated that \$117.1 million will be expended in 2015-16.

### **Aubin Grove Station**

In February 2015, a lead design consultant and early involvement contractor were appointed for the construction of the new \$57 million Aubin Grove train station to service the expected 3,900 daily boardings. The station will incorporate passenger amenities including public toilets, staff amenities, a kiosk, ticketing and add-value machines, as well as public art. With 2,000 bays, Aubin Grove Station will become the largest Park 'n' Ride station on the Transperth network. It is estimated that \$23.4 million will be expended in 2015-16 with completion of the station in late 2016.

### **Edgewater Multi-storey Car Park**

A contract for the construction of the \$29.5 million multi-storey car parking facility at Edgewater was awarded in 2015. It is anticipated that \$20.9 million will be expended in 2015-16 and that the facility will be available for use in late 2016.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Aubin Grove Station.....	57,000	10,107	3,900	23,375	13,269	10,249	-
Bus Infrastructure Program .....	19,498	16,239	2,214	2,820	439	-	-
Bus Replacement Program .....	466,527	246,256	69,685	69,689	72,198	56,275	22,109
Common Infrastructure Program .....	49,469	24,780	6,026	2,689	2,200	2,200	2,200
Edgewater Multi-storey Car Park.....	29,482	2,976	2,500	20,850	4,695	961	-
Extension of the Northern Suburbs Railway to Butler.....	199,104	192,533	15,026	6,571	-	-	-
Forrestfield Airport Link .....	1,961,000	30,573	23,000	45,427	104,000	510,000	677,000
Freight Program.....	147,426	145,017	-	2,409	-	-	-
New Perth Stadium Transport Project .....	336,241	85,876	59,120	117,139	96,689	36,537	-
Operational Business Support Systems Program .....	89,740	9,146	2,918	8,914	6,047	4,713	5,637
Parking Facilities Program .....	7,998	6,998	824	1,000	-	-	-
Perth City Link .....	569,269	507,944	102,836	44,167	17,158	-	-
Rail Infrastructure Program .....	483,279	73,400	22,399	55,405	43,914	24,730	38,393
Rail Stations Program .....	22,714	7,426	1,132	7,055	8,233	-	-
Railcar Program.....	244,467	198,271	56,714	39,894	6,302	-	-
<b>COMPLETED WORKS</b>							
Bus Infrastructure Program .....	5,697	5,697	3,788	-	-	-	-
Bus Replacement Program <sup>(a)</sup> .....	8,600	8,600	3,967	-	-	-	-
Freight Program.....	5,902	5,902	571	-	-	-	-
Operational Business Support Systems Program .....	9,261	9,261	6,315	-	-	-	-
Parking Facilities Program .....	56,739	56,739	780	-	-	-	-
Rail Infrastructure Program .....	32,529	32,529	6,170	-	-	-	-
Rail Stations Program .....	29,404	29,404	4,208	-	-	-	-
<b>NEW WORKS</b>							
Bus Infrastructure Program .....	7,850	-	-	7,850	-	-	-
Bus Replacement Program .....	491,948	-	-	5,000	7,000	6,268	22,362
MAX Light Rail .....	1,877,000	-	-	-	-	17,000	64,000
Operational Business Support Systems Program .....	39,000	-	-	-	-	9,000	5,000
Radio System Replacement.....	119,800	-	-	1,800	3,600	18,000	30,000
Parking Facilities Program .....	18,000	-	-	-	-	2,000	2,000
Rail Infrastructure Program .....	301,193	-	-	7,750	7,750	7,764	38,236
Rail Stations Program .....	10,750	-	-	250	-	-	10,500
Railcar Program.....	1,198,100	-	-	5,000	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>8,894,737</b>	<b>1,715,674</b>	<b>394,093</b>	<b>475,054</b>	<b>393,494</b>	<b>705,697</b>	<b>917,437</b>
<b>Loan and Other Repayments.....</b>			<b>86,577</b>	<b>91,986</b>	<b>106,465</b>	<b>105,214</b>	<b>129,811</b>
<b>Total.....</b>	<b>8,894,737</b>	<b>1,715,674</b>	<b>480,670</b>	<b>567,040</b>	<b>499,959</b>	<b>810,911</b>	<b>1,047,248</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			94,405	139,661	144,466	155,264	204,811
Asset Sales.....			8,259	430	340	-	-
Borrowings.....			214,943	176,659	171,744	547,150	739,563
Drawdowns from the Holding Account.....			35,727	61,125	64,232	65,188	92,374
Internal Funds and Balances.....			4,735	22,581	(2,000)	504	50
Other .....			63,645	39,696	19,619	6,268	10,450
Drawdowns from Royalties for Regions Fund <sup>(b)</sup> .....			482	9,749	4,869	-	-
Funding Included in Department of Treasury New Perth Stadium .....			58,474	117,139	96,689	36,537	-
<b>Total Funding.....</b>			<b>480,670</b>	<b>567,040</b>	<b>499,959</b>	<b>810,911</b>	<b>1,047,248</b>

(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 2015-16 increased by \$65.6 million (5.2%) from the 2014-15 Estimated Actual. The net increase is mainly due to increased costs for:

- bus contract cost escalation (including school bus contracts) (\$19.8 million);
- Nicholson Road Grade Separation project (\$18 million);
- additional operating and interest costs of Perth City Link rail and bus services (\$9.5 million);
- labour cost escalation across all services (\$8.2 million);
- contractor cost escalation across all services (\$6.6 million);
- additional operating and interest costs of Aubin Grove train station (\$6.2 million);
- operating and maintenance costs for the new Transperth railcars currently delivered (\$3.7 million); and
- additional operating and interest costs of Butler extension (\$2.9 million).

Offset by a decrease in expenditure due to recent savings measures (\$7.8 million).

#### *Income*

The total income in 2015-16 increased by \$10 million compared to the 2014-15 Estimated Actual. This increase is mainly attributable to:

- a contribution from the Commonwealth Government for the Nicholson Road Grade Separation project (\$8 million); and
- increased Transperth and TransWA fare revenue (\$5.9 million);

Offset by:

- a one-off external works revenue receipt for the new Perth Stadium Transport Project in 2014-15 (\$2 million); and
- a one-off contribution for the CBD Transport Plan from the Perth Parking Fund in 2014-15 (\$1.6 million).

### Statement of Financial Position

The total equity in 2015-16 increased by \$46.4 million from the 2014-15 Estimated Actual. This reflects a projected increase in total assets of \$124.2 million and an increase in total liabilities of \$77.8 million.

The \$124.2 million increase in assets is mainly attributable to an increase in property, plant and equipment (\$206.6 million) partially offset by:

- reduction in total cash assets (\$28 million); and
- drawdowns in the non-current holding account receivables for future asset replacement (\$61.1 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 <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	149,260	163,308	158,389	166,933	176,819	179,226	180,969
Grants and subsidies <sup>(c)</sup> .....	461,704	486,759	484,278	506,740	537,747	552,455	566,286
Supplies and services .....	220,416	214,749	215,517	244,240	238,648	224,599	229,966
Accommodation .....	28,854	34,327	30,601	30,788	33,274	33,415	36,275
Depreciation and amortisation .....	255,289	277,366	270,039	267,328	271,852	274,582	272,238
Borrowing expenses .....	76,781	94,860	85,830	94,352	107,297	115,789	176,791
Other expenses .....	44,284	20,364	20,630	20,519	19,731	20,250	20,131
<b>TOTAL COST OF SERVICES .....</b>	<b>1,236,588</b>	<b>1,291,733</b>	<b>1,265,284</b>	<b>1,330,900</b>	<b>1,385,368</b>	<b>1,400,316</b>	<b>1,482,656</b>
<b>Income</b>							
Sale of goods and services .....	193,316	207,244	195,949	201,808	208,931	215,428	222,386
Regulatory fees and fines .....	3,118	3,940	3,940	3,940	3,940	3,940	3,940
Grants and subsidies .....	32,906	22,199	21,792	28,717	30,572	31,022	20,572
Other revenue .....	41,543	39,082	44,020	41,278	41,591	41,597	41,844
<b>Total Income .....</b>	<b>270,883</b>	<b>272,465</b>	<b>265,701</b>	<b>275,743</b>	<b>285,034</b>	<b>291,987</b>	<b>288,742</b>
<b>NET COST OF SERVICES .....</b>	<b>965,705</b>	<b>1,019,268</b>	<b>999,583</b>	<b>1,055,157</b>	<b>1,100,334</b>	<b>1,108,329</b>	<b>1,193,914</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	348	359	359	359	359	359	359
Resources received free of charge .....	359	-	-	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund .....	2,404	12	414	14	15	15	16
Regional Infrastructure and Headworks Fund .....	-	-	2,150	2,225	2,200	-	-
Operating subsidy .....	712,103	746,998	736,695	787,128	831,714	849,289	926,767
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>715,214</b>	<b>747,369</b>	<b>739,618</b>	<b>789,726</b>	<b>834,288</b>	<b>849,663</b>	<b>927,142</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(250,491)</b>	<b>(271,899)</b>	<b>(259,965)</b>	<b>(265,431)</b>	<b>(266,046)</b>	<b>(258,666)</b>	<b>(266,772)</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 1,565, 1,592 and 1,632 respectively. In some cases the figures for 2013-14 and 2014-15 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**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Local Government .....	110	1,600	1,600	-	-	-	-
Metropolitan Services							
Bus Operators .....	328,394	353,031	348,508	369,138	397,910	408,482	417,289
Ferry Services .....	859	770	881	903	926	949	972
Regional Bus Services .....	16,486	16,666	16,898	17,320	17,753	18,197	18,652
Regional School Bus Services							
School Bus Services .....	113,703	110,804	112,503	115,235	117,035	120,630	125,176
Conveyance Allowance .....	2,152	3,888	3,888	4,144	4,123	4,197	4,197
<b>TOTAL .....</b>	<b>461,704</b>	<b>486,759</b>	<b>484,278</b>	<b>506,740</b>	<b>537,747</b>	<b>552,455</b>	<b>566,286</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	100,543	57,968	103,208	76,627	79,389	89,335	78,835
Restricted cash .....	11,737	7,047	9,123	7,671	7,331	7,231	7,231
Holding account receivables .....	36,336	56,241	36,336	36,336	36,336	36,336	36,336
Receivables .....	25,346	25,603	25,346	25,346	25,346	25,346	25,346
Other .....	29,661	15,394	29,661	29,661	29,661	29,661	29,661
Assets held for sale .....	10,380	10,380	2,530	2,530	2,530	2,530	2,530
<b>Total current assets .....</b>	<b>214,003</b>	<b>172,633</b>	<b>206,204</b>	<b>178,171</b>	<b>180,593</b>	<b>190,439</b>	<b>179,939</b>
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	909,510	853,269	873,783	812,658	748,426	683,238	590,864
Property, plant and equipment .....	5,690,345	5,853,800	5,818,187	6,024,766	6,146,936	6,573,573	7,213,901
Intangibles .....	9,253	21,039	5,467	6,615	5,837	2,715	7,586
Restricted cash .....	3,744	2,984	3,744	3,744	3,744	3,744	3,744
Other .....	-	-	-	5,600	11,600	-	-
<b>Total non-current assets .....</b>	<b>6,612,852</b>	<b>6,731,092</b>	<b>6,701,181</b>	<b>6,853,383</b>	<b>6,916,543</b>	<b>7,263,270</b>	<b>7,816,095</b>
<b>TOTAL ASSETS .....</b>	<b>6,826,855</b>	<b>6,903,725</b>	<b>6,907,385</b>	<b>7,031,554</b>	<b>7,097,136</b>	<b>7,453,709</b>	<b>7,996,034</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	32,305	30,642	32,305	32,305	32,305	32,305	32,305
Payables .....	61,236	64,019	61,236	61,236	61,236	61,236	61,236
Other .....	139,759	124,383	140,300	138,571	138,471	155,031	193,739
<b>Total current liabilities .....</b>	<b>233,300</b>	<b>219,044</b>	<b>233,841</b>	<b>232,112</b>	<b>232,012</b>	<b>248,572</b>	<b>287,280</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	6,826	6,593	6,826	6,826	6,826	6,826	6,826
Borrowings .....	1,651,168	1,819,908	1,778,894	1,864,532	1,929,811	2,355,087	2,926,131
Other .....	201,517	191,013	196,739	190,585	185,641	180,175	174,709
<b>Total non-current liabilities .....</b>	<b>1,859,511</b>	<b>2,017,514</b>	<b>1,982,459</b>	<b>2,061,943</b>	<b>2,122,278</b>	<b>2,542,088</b>	<b>3,107,666</b>
<b>TOTAL LIABILITIES .....</b>	<b>2,092,811</b>	<b>2,236,558</b>	<b>2,216,300</b>	<b>2,294,055</b>	<b>2,354,290</b>	<b>2,790,660</b>	<b>3,394,946</b>
<b>EQUITY</b>							
Contributed equity .....	3,196,627	3,442,615	3,413,633	3,725,478	3,996,871	4,175,740	4,380,551
Accumulated surplus/(deficit) .....	(467,981)	(750,321)	(727,946)	(993,377)	(1,259,423)	(1,518,089)	(1,784,861)
Reserves .....	2,005,398	1,974,873	2,005,398	2,005,398	2,005,398	2,005,398	2,005,398
<b>Total equity .....</b>	<b>4,734,044</b>	<b>4,667,167</b>	<b>4,691,085</b>	<b>4,737,499</b>	<b>4,742,846</b>	<b>4,663,049</b>	<b>4,601,088</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>6,826,855</b>	<b>6,903,725</b>	<b>6,907,385</b>	<b>7,031,554</b>	<b>7,097,136</b>	<b>7,453,709</b>	<b>7,996,034</b>

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



**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	348	359	359	359	359	359	359
Operating subsidy .....	712,103	746,998	736,695	787,128	831,714	849,289	926,767
Capital appropriation .....	96,701	94,405	94,405	139,661	144,466	155,264	204,811
Holding account drawdowns.....	56,758	36,336	35,727	61,125	64,232	65,188	92,374
Royalties for Regions Fund:							
Regional Community Services Fund .....	2,404	12	414	14	15	15	16
Regional Infrastructure and Headworks Fund .....	3,400	4,804	2,632	11,974	7,069	-	-
New Perth Stadium Account.....	22,781	80,617	58,474	122,739	102,689	38,337	-
<b>Net cash provided by State Government.....</b>	<b>894,495</b>	<b>963,531</b>	<b>928,706</b>	<b>1,123,000</b>	<b>1,150,544</b>	<b>1,108,452</b>	<b>1,224,327</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(149,404)	(162,620)	(157,701)	(168,285)	(176,297)	(179,226)	(180,969)
Grants and subsidies.....	(456,718)	(486,760)	(484,279)	(506,741)	(537,748)	(552,456)	(566,286)
Supplies and services .....	(222,457)	(214,866)	(215,634)	(244,365)	(238,772)	(224,723)	(229,966)
Accommodation .....	(28,432)	(34,331)	(30,605)	(30,784)	(33,270)	(33,411)	(36,275)
Other payments.....	(211,414)	(207,843)	(198,877)	(212,387)	(224,544)	(233,555)	(294,459)
<b>Receipts</b>							
Regulatory fees and fines.....	3,148	3,940	3,940	3,940	3,940	3,940	3,940
Grants and subsidies.....	32,906	22,199	21,792	28,717	30,572	31,022	20,572
Sale of goods and services.....	192,789	207,244	195,949	201,808	208,931	215,428	222,386
GST receipts.....	108,088	92,640	92,640	97,537	97,537	97,537	97,537
Other receipts .....	37,966	33,616	38,145	35,382	35,785	36,131	36,378
<b>Net cash from operating activities .....</b>	<b>(693,528)</b>	<b>(746,781)</b>	<b>(734,630)</b>	<b>(795,178)</b>	<b>(833,866)</b>	<b>(839,313)</b>	<b>(927,142)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(387,375)	(424,463)	(394,093)	(475,054)	(393,494)	(705,697)	(917,437)
Proceeds from sale of non-current assets.....	1,751	-	8,259	430	340	-	-
<b>Net cash from investing activities.....</b>	<b>(385,624)</b>	<b>(424,463)</b>	<b>(385,834)</b>	<b>(474,624)</b>	<b>(393,154)</b>	<b>(705,697)</b>	<b>(917,437)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings.....	(81,266)	(86,577)	(116,577)	(121,986)	(136,465)	(135,214)	(159,811)
Other payments.....	-	-	-	(5,600)	(6,000)	(1,800)	-
Proceeds from borrowings.....	280,242	236,190	244,943	206,659	201,744	577,150	769,563
<b>Net cash from financing activities.....</b>	<b>198,976</b>	<b>149,613</b>	<b>128,366</b>	<b>79,073</b>	<b>59,279</b>	<b>440,136</b>	<b>609,752</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>14,319</b>	<b>(58,100)</b>	<b>(63,392)</b>	<b>(67,729)</b>	<b>(17,197)</b>	<b>3,578</b>	<b>(10,500)</b>
Cash assets at the beginning of the reporting period .....	67,546	62,454	116,024	116,075	88,042	90,464	100,310
Net cash transferred to/from other agencies.....	34,159	63,645	63,443	39,696	19,619	6,268	-
<b>Cash assets at the end of the reporting period .....</b>	<b>116,024</b>	<b>67,999</b>	<b>116,075</b>	<b>88,042</b>	<b>90,464</b>	<b>100,310</b>	<b>89,810</b>

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

# Fremantle Port Authority

## Part 17 Minister for Transport

### Asset Investment Program

The Authority's Asset Investment Program for 2015-16 to 2018-19 totals \$190.8 million. Major approved projects planned or underway include:

#### Upgrade of Fremantle Inner Harbour Berths and Channels

Continuing upgrades to certain berths in the Inner Harbour are planned 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 expenditure is subject to Fremantle Ports' being able to secure private sector interest in the development of the Commercial Precinct through a planned Expressions of Interest process following completion of planning approvals.

#### 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 and equipment. Additional plant is also required to maintain berth utilisation at an acceptable level.

#### Plant, Equipment and Infrastructure

Programs 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Fremantle Waterfront Project							
Commercial Precinct Access and Services .....	4,279	1,329	-	2,950	-	-	-
Inner Harbour							
Deepening of the Inner Harbour - Stage 1 .....	107,655	97,415	-	2,888	4,009	3,343	-
Overseas Passenger Terminal .....	5,400	1,234	-	1,266	2,900	-	-
Replacement of Trucks.....	634	284	-	350	-	-	-
North Quay							
Berth - Heavy Duty Pad.....	7,900	1,000	1,000	6,900	-	-	-
Berth Upgrades - Western Stage.....	79,213	69,522	-	9,691	-	-	-
Environmental Improvement Program.....	4,090	3,690	900	-	200	-	-
Upgrade of High Voltage Substations Rous SW1, 8, 9, 11A, 11 and 12.....	4,500	3,500	1,627	1,000	-	-	-
Outer Harbour							
Kwinana Bulk Jetty - Fire Fighting Foam System .....	3,843	343	-	3,500	-	-	-
Kwinana Bulk Terminal							
Civil and Mechanical Assets Upgrade .....	3,323	2,323	88	1,000	-	-	-
Dust Control and Roadworks .....	2,079	1,479	93	600	-	-	-
Infrastructure, Equipment Replacement and Upgrade.....	11,667	9,067	554	2,600	-	-	-
Upgrade Rail Infrastructure and Replacement of Other Plant .....	601	201	-	400	-	-	-
Plant and Equipment							
Replace Specialised Plant.....	385	285	-	-	100	-	-
Replacement of Navigational Aids .....	4,667	1,417	-	-	500	500	750
Victoria Quay - Fremantle Waterfront Implementation Plan .....	16,226	3,953	-	3,700	2,323	3,750	2,500

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Fremantle Port - Inner and Outer Harbour							
Upgrade of Electrical Metering System - Stage 2.....	1,300	1,300	1,300	-	-	-	-
Security Upgrades - Stage 1.....	4,441	4,441	771	-	-	-	-
Upgrade of Electrical Metering System .....	275	275	147	-	-	-	-
Inner Harbour							
Administration Office Building - Upgrade of Lifts .....	1,202	1,202	1,200	-	-	-	-
Replacement of Mechanical Plant.....	490	490	490	-	-	-	-
Minor Works - 2014-15 Program .....	1,926	1,926	1,926	-	-	-	-
North Quay							
Rail Terminal - Stage 2.....	34,459	34,459	3,000	-	-	-	-
Tenant High Voltage Distribution Transformers.....	400	400	400	-	-	-	-
Upgrade of High Voltage Substations Rous 1, 2, 3 and 4...	3,500	3,500	852	-	-	-	-
Plant and Equipment							
Mobile Truck Mounted Capstans .....	450	450	250	-	-	-	-
Replacement of Special Purpose Trucks .....	1,170	1,170	500	-	-	-	-
Rous Head							
Seawall Construction and Rous Head Extension - Stage 2 ...	51,319	51,319	1,608	-	-	-	-
Victoria Quay - Berth E - Upgrade Fendering .....	11,499	11,499	6,781	-	-	-	-
<b>NEW WORKS</b>							
Container Double Stacking on Rail.....	2,725	-	-	-	2,725	-	-
Fremantle Port - Inner and Outer Harbour							
Security Upgrades - Stage 2.....	3,000	-	-	1,500	1,500	-	-
Water Minimisation (Environmental) .....	3,000	-	-	-	-	1,500	1,500
Inner Harbour - Provision of Alternative Vehicular Access .....	1,000	-	-	-	1,000	-	-
Minor Works							
2015-16 Program .....	522	-	-	522	-	-	-
2016-17 Program .....	668	-	-	-	668	-	-
2017-18 Program .....	2,000	-	-	-	-	2,000	-
2018-19 Program .....	2,000	-	-	-	-	-	2,000
North Quay - Land Acquisitions .....	10,000	-	-	-	-	1,000	9,000
Outer Harbour - Kwinana Bulk Jetty							
Bulk Handling Equipment.....	19,668	-	-	5,842	13,826	-	-
Bulk Handling Plant and Equipment .....	14,000	-	-	3,000	11,000	-	-
Export-Import Infrastructure .....	39,372	-	-	-	-	5,227	14,362
Replace Plant.....	590	-	-	590	-	-	-
Replace/Upgrade Transformer and Switchgear.....	550	-	-	550	-	-	-
Truck Loading Facility and Storage Shed Lot 13 .....	14,000	-	-	-	-	-	14,000
Plant and Equipment - Replace Floating Plant.....	14,500	-	-	7,000	-	7,500	-
Rous Head - New Rous Head Marina.....	2,255	-	-	600	1,655	-	-
Transport Interchange Facilities .....	7,121	-	-	-	3,984	3,137	-
Victoria Quay - Motor Vehicle Decking .....	15,900	-	-	5,900	10,000	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>521,764</b>	<b>309,473</b>	<b>23,487</b>	<b>62,349</b>	<b>56,390</b>	<b>27,957</b>	<b>44,112</b>
<b>FUNDED BY</b>							
Borrowings.....			8,311	39,022	30,639	8,869	20,227
Internal Funds and Balances.....			15,126	23,277	22,976	19,038	23,835
Other .....			50	50	2,775	50	50
<b>Total Funding.....</b>			<b>23,487</b>	<b>62,349</b>	<b>56,390</b>	<b>27,957</b>	<b>44,112</b>

# Kimberley Ports Authority

## Part 17 Minister for Transport

### Asset Investment Program

The Authority's 2015-16 Asset Investment Program includes spending of \$10.6 million to finalise the wharf refurbishment, in order to extend its life for a minimum of 10 years and \$762,000 for minor works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Major Port Infrastructure - Wharf Extension of Life .....	24,150	13,575	12,562	10,575	-	-	-
<b>COMPLETED WORKS</b>							
Minor Works							
2013-14 Program .....	3,291	3,291	2,816	-	-	-	-
2014-15 Program .....	492	492	492	-	-	-	-
Property Development - Occupational Health and Safety.....	2,130	2,130	1,328	-	-	-	-
<b>NEW WORKS</b>							
Minor Works							
2015-16 Program .....	762	-	-	762	-	-	-
2016-17 Program .....	1,292	-	-	-	1,292	-	-
2017-18 Program .....	1,496	-	-	-	-	1,496	-
2018-19 Program .....	1,575	-	-	-	-	-	1,575
<b>Total Cost of Asset Investment Program.....</b>	<b>35,188</b>	<b>19,488</b>	<b>17,198</b>	<b>11,337</b>	<b>1,292</b>	<b>1,496</b>	<b>1,575</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			10,575	10,575	-	-	-
Borrowings.....			1,328	-	-	-	-
Internal Funds and Balances.....			5,295	762	1,292	1,496	1,575
<b>Total Funding.....</b>			<b>17,198</b>	<b>11,337</b>	<b>1,292</b>	<b>1,496</b>	<b>1,575</b>

# Mid West Ports Authority

## Part 17 Minister for Transport

### Asset Investment Program

The Authority's Asset Investment Program for 2015-16 is \$7.8 million. Projects include:

- \$4.5 million for minor works which in 2015-16 will be applied to upgrading the Port's services and civil infrastructure, security, environmental systems and equipment replacement; and
- \$3.3 million on comprehensive rehabilitation works to the Berth 4 Structures. These works will remediate the degradation to elements of the structures to enable continued future use.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Information Technology Software Upgrade.....	2,500	2,500	956	-	-	-	-
Miscellaneous Works							
2014-15 Program .....	2,251	2,251	2,251	-	-	-	-
Additional 2014-15 Program .....	3,719	3,719	3,719	-	-	-	-
Replacement of CV03 and CV04 Gallery Structure .....	1,730	1,730	1,730	-	-	-	-
Replacement of Ship Loader 04 Electrical Distribution and Control .....	5,233	5,233	5,233	-	-	-	-
<b>NEW WORKS</b>							
Comprehensive Rehabilitation Works to the Berth 4 Structures .....	7,906	-	-	3,269	4,637	-	-
Miscellaneous Works							
2015-16 Program .....	2,012	-	-	2,012	-	-	-
Additional 2015-16 Program .....	2,500	-	-	2,500	-	-	-
2016-17 Program .....	4,512	-	-	-	4,512	-	-
2017-18 Program .....	4,512	-	-	-	-	4,512	-
2018-19 Program .....	5,000	-	-	-	-	-	5,000
<b>Total Cost of Asset Investment Program.....</b>	<b>41,875</b>	<b>15,433</b>	<b>13,889</b>	<b>7,781</b>	<b>9,149</b>	<b>4,512</b>	<b>5,000</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			-	556	671	614	679
Borrowings.....			8,200	3,269	4,637	-	-
Internal Funds and Balances.....			5,689	3,956	3,841	3,898	4,321
<b>Total Funding.....</b>			<b>13,889</b>	<b>7,781</b>	<b>9,149</b>	<b>4,512</b>	<b>5,000</b>

# Pilbara Ports Authority

## Part 17 Minister for Transport

### Asset Investment Program

The Authority's 2015-16 Asset Investment Program totals \$96.1 million for minor works, construction of the Port infrastructure at the Port of Ashburton, and capital projects funded by the Port Improvement Rate (PIR) at the Port of Port Hedland.

The Authority continues to plan and construct the facilities required to manage and operate the Chevron developed Port of Ashburton when the shipping channel is handed over to the Authority from June 2016. The remainder of the landside facilities will be handed over the following year. The Authority is required to establish its own infrastructure on Port vested land for the ongoing management of the Port including an administration building, gatehouse, power and water facilities. The primary activity associated with the Port of Ashburton development in 2015-16 is the construction of a new fill pad.

The Channel Marker Replacement Program (CMRP) includes the replacement of deteriorating channel markers (navigational aids) with contemporary, fit-for-purpose beacons and supporting pile structures. The Integrated Marine Operations Centre (IMOC) is a functionally designed facility enabling direct line of sight over all port operations. The IMOC will enable the ongoing delivery of leading marine management practices. Funding for both the CMRP and IMOC is provided by the PIR. The PIR was established to fund capital improvements necessary to sustain the long-term operation and development of the Port of Port Hedland.

The Port Hedland PIR program provides benefits to all port users. The PIR program is currently focused on the development of infrastructure to maintain the Authority at the forefront of marine safety and risk management practices. These developments will play a critical role in maintaining the continuity of operations in the Port.

The minor works program provides for upgrades to: safety, information and communications technology, electrical and other equipment and infrastructure. It also provides for the replacement of mobile plant and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Port of Ashburton							
Port Infrastructure Construction Project .....	32,400	6,000	5,670	12,000	11,000	2,400	1,000
Port of Port Hedland							
Port Improvement Rate <sup>(a)</sup>							
Channel Marker Replacement Program .....	40,768	11,768	7,098	20,500	8,500	-	-
Integrated Marine Operations Centre .....	70,800	5,000	5,000	29,900	32,900	-	-
<b>COMPLETED WORKS</b>							
Port of Dampier							
Minor Works - 2014-15 .....	6,209	6,209	6,209	-	-	-	-
Port of Port Hedland							
Infrastructure							
Utah Point Office Building .....	1,500	1,500	1,274	-	-	-	-
Utah Point Outload Circuit Upgrade .....	2,000	2,000	2,000	-	-	-	-
Minor Works							
2014-15 Program .....	10,648	10,648	10,648	-	-	-	-
Wharves							
Main Street Jetty - Stage 3 .....	6,000	6,000	6,000	-	-	-	-
<b>NEW WORKS</b>							
Port of Dampier - Minor Works							
2015-16 Program .....	3,912	-	-	3,912	-	-	-
2016-17 Program .....	3,962	-	-	-	3,962	-	-
2017-18 Program .....	4,343	-	-	-	-	4,343	-
2018-19 Program .....	4,750	-	-	-	-	-	4,750

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Port of Port Hedland							
Minor Works							
2015-16 Program.....	9,802	-	-	9,802	-	-	-
2016-17 Program.....	10,668	-	-	-	10,668	-	-
2017-18 Program.....	9,962	-	-	-	-	9,962	-
2018-19 Program.....	11,750	-	-	-	-	-	11,750
Port Improvement Rate							
Asset Investment Provision <sup>(a)</sup> .....	120,000	-	-	20,000	80,000	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>349,474</b>	<b>49,125</b>	<b>43,899</b>	<b>96,114</b>	<b>147,030</b>	<b>16,705</b>	<b>17,500</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			31,801	25,714	25,630	16,705	17,500
Other (Port Improvement Rate) <sup>(a)</sup> .....			12,098	70,400	121,400	-	-
<b>Total Funding .....</b>			<b>43,899</b>	<b>96,114</b>	<b>147,030</b>	<b>16,705</b>	<b>17,500</b>

(a) PIR projects have an expected duration past 2018-19.

# Southern Ports Authority

## Part 17 Minister for Transport

### Asset Investment Program

The Authority's 2015-16 Asset Investment Program of \$10.7 million includes:

- \$6.5 million across three ports for the replacement of plant and equipment, improvements to Port infrastructure and other civil works;
- \$2 million for the purchase of land;
- \$950,000 for the construction of a Road Network at the Port of Bunbury's Inner Harbour South; and
- \$1.3 million for the construction of a container hardstand at the Port of Esperance.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Port of Bunbury - Infrastructure							
Construction of Road Network - Inner Harbour South .....	1,950	1,000	1,000	950	-	-	-
<b>COMPLETED WORKS</b>							
Port of Albany							
Minor Works - 2014-15 Program.....	786	786	786	-	-	-	-
Motor Vehicle Replacement - 2014-15 Program.....	250	250	250	-	-	-	-
Rail Enhancement - Realignment of Princess Royal Drive.....	3,785	3,785	3,785	-	-	-	-
Port of Bunbury							
Asset Replacement - Minor Works 2014-15.....	4,409	4,409	4,409	-	-	-	-
Land - Purchase of Freehold Land Glen Iris 2 of 4 Lots 2012-13 .....	1,587	1,587	1,587	-	-	-	-
Port of Esperance							
Hughes Road Upgrade.....	11,200	11,200	11,200	-	-	-	-
Iron Ore Shed Ventilation Upgrade .....	2,500	2,500	2,500	-	-	-	-
Minor Works - 2014-15 Program.....	3,500	3,500	3,500	-	-	-	-
<b>NEW WORKS</b>							
Port of Albany							
Minor Works							
2015-16 Program.....	750	-	-	750	-	-	-
2016-17 Program.....	1,000	-	-	-	1,000	-	-
2017-18 Program.....	1,000	-	-	-	-	1,000	-
2018-19 Program.....	1,000	-	-	-	-	-	1,000
Motor Vehicle Replacement - 2015-16 Program .....	250	-	-	250	-	-	-
Port of Bunbury							
Asset Replacement - Minor Works							
2015-16 Program.....	2,000	-	-	2,000	-	-	-
2016-17 Program.....	3,000	-	-	-	3,000	-	-
2017-18 Program.....	3,000	-	-	-	-	3,000	-
2018-19 Program.....	3,000	-	-	-	-	-	3,000
Land - Purchase of Freehold Land Lot 10 Estuary Drive (Ex Goodman Fielder Land) .....	2,000	-	-	2,000	-	-	-
Port of Esperance							
Berth 2 Container Hardstand .....	1,300	-	-	1,300	-	-	-
Minor Works							
2015-16 Program.....	3,450	-	-	3,450	-	-	-
2016-17 Program.....	4,750	-	-	-	4,750	-	-
2017-18 Program.....	4,750	-	-	-	-	4,750	-
2018-19 Program.....	5,000	-	-	-	-	-	5,000
<b>Total Cost of Asset Investment Program.....</b>	<b>66,217</b>	<b>29,017</b>	<b>29,017</b>	<b>10,700</b>	<b>8,750</b>	<b>8,750</b>	<b>9,000</b>
<b>FUNDED BY</b>							
Borrowings.....			11,200	-	-	-	-
Internal Funds and Balances.....			17,817	10,700	8,750	8,750	9,000
<b>Total Funding.....</b>			<b>29,017</b>	<b>10,700</b>	<b>8,750</b>	<b>8,750</b>	<b>9,000</b>



## Part 18

### Minister for Housing; Racing and Gaming

#### Summary of Portfolio Appropriations

Page	Agency	2014-15 Budget \$'000	2014-15 Estimated Actual '000	2015-16 Budget Estimate '000
847	Housing Authority			
	– Delivery of Services .....	72,947	74,583	92,462
	– Capital Appropriation .....	3,360	3,360	64,370
	Total .....	76,307	77,943	156,832
861	Racing, Gaming and Liquor			
	– Delivery of Services .....	5,362	5,351	5,562
	– Administered Grants, Subsidies and Other Transfer Payments ...	110,432	93,377	71,602
	Total .....	115,794	98,728	77,164
	<b>GRAND TOTAL</b>			
	– Delivery of Services .....	78,309	79,934	98,024
	– Administered Grants, Subsidies and Other Transfer Payments ...	110,432	93,377	71,602
	– Capital Appropriation .....	3,360	3,360	64,370
	<b>Total .....</b>	<b>192,101</b>	<b>176,671</b>	<b>233,996</b>



## Division 74 Housing Authority

### Part 18 Minister for Housing; Racing and Gaming

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 114 Net amount appropriated to deliver services .....	25,377	72,947	74,583	92,462	67,944	19,031	16,943
Total appropriations provided to deliver services.....	25,377	72,947	74,583	92,462	67,944	19,031	16,943
<b>CAPITAL</b>							
Item 166 Capital Appropriation.....	113,183	3,360	3,360	64,370	-	-	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>138,560</b>	<b>76,307</b>	<b>77,943</b>	<b>156,832</b>	<b>67,944</b>	<b>19,031</b>	<b>16,943</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,419,052	1,728,063	1,588,462	1,806,805	1,560,623	1,513,104	1,577,431
Net Cost of Services <sup>(a)</sup> .....	(1,359)	102,308	134,970	117,485	61,992	(11,834)	(9,233)
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>207,281</b>	<b>218,914</b>	<b>179,451</b>	<b>458,822</b>	<b>316,982</b>	<b>223,825</b>	<b>273,199</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Disruptive Behaviour Management.....	-	-	4,471	4,583	4,697
Municipal and Essential Services for Remote Aboriginal Communities .....	-	25,630	-	-	-
Non-Government Human Services Sector Indexation Adjustment.....	(241)	-	-	-	-
Revision to Affordable Housing Program .....	-	(50,000)	-	-	50,000
Social Housing Investment Package .....	-	-	26,628	7,570	132,570

## Significant Issues Impacting the Agency

Western Australia has experienced a historic period of economic and population growth which has also fuelled demand for services and constrained housing affordability. Despite a moderation of population growth and record new residential construction levels during 2014-15, the median house price in Perth is still \$540,000 (with a lower quartile price of \$435,000) and median rents are \$440 per week. As a result, securing affordable housing remains a critical challenge for many Western Australians on low to moderate incomes and disproportionately affects the most vulnerable in the community. Demand for social housing greatly exceeds supply and cannot be delivered by the market without significant subsidy. This has resulted in an overall social housing waitlist of just less than 20,000 applicants and a priority waitlist of nearly 2,700 applicants.

- To complement the broader initiatives of the Affordable Housing Strategy and build on the 4,500 social homes delivered to date under the Strategy, a new Social Housing Investment Package (the Package) will provide 1,000 additional social housing dwellings during 2015-16 and 2016-17. By 30 June 2017, the package will halve the number of seniors and families with children who are on the priority waitlist for social housing. The \$560 million package will utilise \$85 million of the Authority's land, along with \$452 million of land and housing development expenditure and \$23 million in operating costs. The package estimates to deliver up to 1,500 homes including 1,000 additional social homes (that include leasing private rental stock), replacing existing under utilised social homes with new social housing stock and making available additional general housing supply to the market. The homes will be delivered through a multi-faceted procurement approach which takes advantage of market conditions and optimises value for money. This will focus mainly on constructing new homes, augmented by spot purchasing or pre-purchasing in locations with competitive pricing, leasing private rental stock, and the targeted renewal and redevelopment of existing public housing sites (final numbers in each package stream are indicative and subject to market conditions).
- Consistent with the Government's Affordable Housing Strategy, an important reform in the 2015-16 Budget is the continuing move towards a standard rent for public housing of 25% of gross household income. Rent for all new tenants will be set at the standard 25% rate. The rent for existing tenants will be adjusted incrementally with a maximum rent increase of \$12 per week in 2015-16. This is expected to generate additional revenue of \$58.8 million to 2018-19, which will be reinvested into social housing programs and meet the Authority's Asset Investment Program savings target.

Through the Government's successful Affordable Housing Strategy 2010-2020: Opening Doors to Affordable Housing, the Authority continues to respond to increasing demand across the housing continuum, largely by leveraging its roles and assets to create more options for people on low to moderate incomes. The Authority's innovative and collaborative partnerships with the private and not-for-profit sectors have successfully delivered more than 18,000 homes as at January 2015, ranging from transitional homes for Aboriginal families in the Kimberley, to central city apartments for purchase by key workers, to discounted private rentals, and social housing opportunities for vulnerable very low income citizens. This additional supply of affordable homes helps respond to the varying needs of different households and take pressure off the social housing system.

- The SharedStart Shared Equity Home Loan initiative will be continued in 2015-16 and across the forward estimates. SharedStart loans are linked to a construction expression of interest process which, subject to favourable market conditions, enables the Authority to procure newly built homes in bulk from the market at discounted prices. The discount gained becomes the Authority's equity share in the properties. Since 2011, SharedStart has assisted 1,029 lower income households to purchase an entry level home via Authority co-ownership and a Keystart home loan. It has also created approximately \$80 million in assets for the State in the form of equity in co-owned properties.
- SharedStart is part of a broader Affordable Housing supply initiative which has financed and delivered 1,617 entry level properties into the market since 2011, with an average price well below the lowest quartile house price of \$435,000. Although expenditure will be adjusted down by \$50 million in 2015-16 due to current record high building activity, the \$145.5 million program will continue in 2015-16 and will commence a further 448 entry level homes.
- Concurrently in 2015-16, the Authority will complete the Public Housing Stock Redevelopment Strategy commenced in 2013-14. This will result in the redevelopment of 200 sites to deliver at least 500 new affordable homes, financed via a \$55 million, three year loan facility.

- The National Rental Affordability Scheme (NRAS) is a Commonwealth Government initiative and an important part of the Affordable Housing Strategy 2010-2020. With State funding support, it has been successful in helping low to moderate income earners access discounted private rental properties, with more than 2,500 NRAS dwellings delivered to date in Western Australia. However, the decision of the Commonwealth Government not to proceed with the full allocation of incentives means that Western Australia will deliver at least 1,500 less discounted private rental properties than the 7,000 approved by the State. The revised total to be delivered by 30 June 2016 is 5,308, however the final number is subject to the completion of dwellings by approved participants and the favourable determination of change requests by the Commonwealth Government.
- Parts of regional Western Australia continue to experience critical demand and affordability pressures and the Royalties for Regions (RfR) Housing for Workers program has committed \$270.3 million over eight years (2011-12 to 2018-19) to provide affordable, available and appropriate housing for key workers in regional Western Australia. Of the \$270.3 million, \$238.3 million has been approved for 11 projects in various locations across the Pilbara, Kimberley, Gascoyne and Wheatbelt. These 11 projects are expected to provide 702 homes for regional key workers, with 500 units delivered to date and the remainder scheduled to be delivered by 2017-18. Projects have ranged from individual houses to key worker villages, benefiting both local businesses, not-for-profit sector, government authorities and the wider community (the Housing for Worker program totalled \$355.5 million, however, \$85.2 million has been re-directed to the regional component of the new Social Housing Investment Package).
- In 2015-16, the Authority, through its land development activities, intends to produce 2,436 housing lots including 1,682 lots developed with joint venture partners. The Authority's role in land development remains clearly targeted at the bottom end of the market with at least 80% of lots to be sold below the median price and at least 30% in the lower quartile of the market. By delivering approximately 15% of the State's annual residential land production, the Authority and its partners help ensure a steady supply of affordable lots to the market, as well as land for the government's social and affordable housing initiatives.
- 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 the small proportion of public housing tenants who create problems in the community. The funding has enabled 35 additional specialised staff members to be employed in regional and country areas. The officers 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 and the program will continue from 2016-17 onwards.

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 three years, from 2014-15, for the West Kimberley Transitional Housing program. This initiative 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 Authority, through the Government's Remote Area Essential Services Program (RAESP) maintains essential services infrastructure in specified remote communities throughout the State. The provision of essential services presents significant challenges in small, isolated locations, as does the continuing withdrawal of Commonwealth funding for capital upgrades and replacement of ageing infrastructure. The Authority will receive \$30 million per annum until 2016-17 to continue the provision of water, wastewater and power maintenance services under RAESP.
- In line with Commonwealth Government withdrawal from key areas of service delivery, and with effect from 1 July 2015, the State Government will take over responsibility for Municipal and Essential Services (MUNS) delivery from the Commonwealth. MUNS are delivered to 167 remote Aboriginal communities with approximately 12,000 residents. In 2015-16, \$25.6 million will be spent on key services that will include power, water, sewerage and other services that would generally be provided by local governments in remote locations. In addition, \$4.6 million will be provided to Horizon Power for the operational cost of continuing to deliver services to remote communities under the Aboriginal and Remote Community Power Supply Program.
- The Authority continues to exceed its National Partnership Agreement on Remote Indigenous Housing (NPARIH) asset investment targets and is on track to deliver against current commitments. In 2013-14, the Authority completed 124 houses and 267 refurbishments in remote Aboriginal Communities. The Authority is also well progressed on the 2014-15 NPARIH Asset Investment Program with 91 commencements for a target of 80 house completions and 97 commencements to meet a refurbishment target of 80. The overall target for the 2014-16 program is 216 new builds and 273 house refurbishments.

## 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 4. Government Regional Officers' Housing

### Service Summary

Expense	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Rental Housing .....	816,415	840,387	862,930	880,854	812,329	745,257	642,063
2. Home Loans .....	120,535	173,874	139,941	163,797	168,379	185,637	209,820
3. Land and Housing Supply .....	292,028	508,594	399,936	578,367	392,543	391,451	531,495
4. Government Regional Officers' Housing .....	190,074	205,208	185,655	183,787	187,372	190,759	194,053
<b>Total Cost of Services .....</b>	<b>1,419,052</b>	<b>1,728,063</b>	<b>1,588,462</b>	<b>1,806,805</b>	<b>1,560,623</b>	<b>1,513,104</b>	<b>1,577,431</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: Housing eligible Western Australians:</b>					
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) .....	0.80	0.84	0.91	0.81	1
Waiting times for accommodation - applicants housed.....	146 weeks	139 weeks	145 weeks	148 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) .....	95%	95%	95%	95%	

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

**Explanation of Significant Movements**

(Notes)

- The 2015-16 Budget Target is lower than the 2014-15 Estimated Actual due to a change in Keystart lending criteria which will result in fewer loan approvals.

The 2014-15 Estimated Actual is higher than the 2014-15 Budget due to an anticipated increase in demand for the Bond Assistance Loan Scheme as a result of reducing rental prices and increasing vacancy rates in the private rental market.

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 816,415	\$'000 840,387	\$'000 862,930	\$'000 880,854	
Less Income .....	559,459	520,686	535,127	484,854	
Net Cost of Service .....	256,956	319,701	327,803	396,000	1
<b>Efficiency Indicators</b>					
Operating Cost per Rental Property .....	\$15,419	\$16,256	\$15,571	\$15,619	

**Explanation of Significant Movements**

(Notes)

- The 2015-16 Budget Target for Net Cost of Service is greater than the 2014-15 Estimated Actual mostly as a result of the majority of the 2014-2016 National Partnership Agreement on Remote Indigenous Housing (NPARIH) expenditure occurring in 2015-16.

**2. Home Loans**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	120,535	173,874	139,941	163,797	
Less Income .....	182,449	211,153	189,004	219,968	
Net Cost of Service.....	(61,914)	(37,279)	(49,063)	(56,171)	1
<b>Efficiency Indicators</b>					
Operating Cost per Current Loan Account.....	\$1,972	\$1,576	\$1,898	\$2,002	2

**Explanation of Significant Movements**

(Notes)

- The 2015-16 Budget Target for the Net Cost of Service is greater than the 2014-15 Estimated Actual due to lower interest expense payments in 2015-16 as a result of reduced principal on the Authority's home loan borrowings.

The 2014-15 Estimated Actual is anticipating an increase in the Net Cost of Service compared to the 2014-15 Budget to reflect the receipt of higher dividends in 2014-15 Estimated Actual.

- The 2015-16 Budget Target is higher than the 2014-15 Budget due to an anticipated lower number of active loans and higher operating costs.

The 2014-15 Estimated Actual is higher than the 2014-15 Budget due to an anticipated lower number of active loans and higher operating costs.

**3. Land and Housing Supply**

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	292,028	508,594	399,936	578,367	
Less Income .....	439,445	633,545	492,891	739,170	
Net Cost of Service.....	(147,417)	(124,951)	(92,955)	(160,803)	1
<b>Efficiency Indicators</b>					
Operating Cost per Lot Developed .....	\$18,552	\$20,188	\$17,357	\$19,014	2
Operating Cost per Property Sold <sup>(a)</sup> .....	n/a	n/a	\$17,423	\$19,422	3

(a) The Efficiency Indicator is reported for the first time in the 2014-15 Estimated Actual and is the Budget Target for 2014-15.

**Explanation of Significant Movements**

(Notes)

- The Net Cost of Service is greater in 2015-16 Budget Target compared to the 2014-15 Estimated Actual mostly as a result of majority of sales for the Public Housing Stock Redevelopment program occurring in 2015-16.

The Net Cost of Service is lower in the 2014-15 Estimated Actual compared to the 2014-15 Budget mostly as a result of less sales forecast due to slower market conditions.

- The 2015-16 Budget Target is higher than the 2014-15 Estimated Actual due to a lower number of lots to be developed in 2015-16.

The 2014-15 Estimated Actual is lower than the 2014-15 Budget due to an anticipated higher number of lots developed.

- The 2015-16 Budget Target is higher than the 2014-15 Estimated Actual due to an increase in expenses relating to the sale of properties.



#### 4. Government Regional Officers' Housing

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 190,074	\$'000 205,208	\$'000 185,655	\$'000 183,787	
Less Income .....	239,058	260,371	236,470	245,328	
Net Cost of Service.....	(48,984)	(55,163)	(50,815)	(61,541)	1
<b>Efficiency Indicators</b>					
Operating Cost per Property .....	\$32,703	\$34,770	\$32,469	\$32,557	

#### Explanation of Significant Movements

(Notes)

- The Net Cost of Service is higher in the 2015-16 Budget Target compared to the 2014-15 Estimated Actual mostly as a result of increased profit from property sales in 2015-16.

#### Asset Investment Program

The Authority's Asset Investment Program for 2015-16 is approximately \$439 million. Significant programs in 2015-16 include:

- \$23.9 million to commence the implementation of the Social Housing Investment Package. This \$560 million initiative (that includes \$307.9 million capital expenditure) will see 1,000 additional social housing dwellings built, purchased or leased over 2015-16 and 2016-17, halving the number of seniors and families with children on the priority waitlist by 30 June 2017;
- \$13.5 million expenditure in 2015-16 towards progressing the 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;
- the development of 2,436 housing lots including 1,682 lots developed with Joint Venture partners. Significant land development will support affordable, public and community housing throughout metropolitan and regional areas;
- \$57.4 million to secure a range of entry-level properties across the State for low to moderate income earners, through the Public Housing Stock Redevelopment program and SharedStart Shared Equity Home Loan initiative;
- the continuation of the RfR Housing for Workers program to provide affordable, available and appropriate housing for key workers in regional Western Australia including eleven projects across Pilbara, Kimberley, Gascoyne and Wheatbelt to provide 702 housing opportunities for regional key workers to be delivered by 2017-18; and
- the acquisition of suitable land to meet land supply for current and future government housing programs, and to maintain a stream of affordable land supply for homebuyers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Community Housing Program .....	1,367	1,367	1,367	-	-	-	-
Computer Hardware and Software Program .....	22,264	22,264	22,264	-	-	-	-
Construction and Purchase of Houses Program .....	52,373	52,373	52,373	-	-	-	-
A Place to Call Home - Commonwealth Election Commitment - Homelessness Capital .....	1,102	1,102	1,102	-	-	-	-
Additional Housing Stock Program - Disability Services Commission .....	4,000	4,000	4,000	-	-	-	-
Crisis Accommodation Program .....	11,477	11,477	11,477	-	-	-	-
Domestic Violence Accommodation Program .....	1,220	1,220	1,220	-	-	-	-
Royalties for Regions							
West Kimberley Transitional Housing Program .....	13,500	13,500	13,500	-	-	-	-
Indigenous Visitor Hostels Program .....	2,537	2,537	2,537	-	-	-	-
Housing for Workers Program.....	9,967	9,967	9,967	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Social Housing							
Disability Services Program .....	13,537	13,537	13,537	-	-	-	-
Mental Health Care Units Program.....	799	799	799	-	-	-	-
Mental Health Commission Program.....	4,689	4,689	4,689	-	-	-	-
South Hedland Employment Related Accommodation Program .....	3,678	3,678	3,678	-	-	-	-
Construction and Purchase of Government Regional Officer Housing (GROH) Program .....	29,645	29,645	29,645	-	-	-	-
Land							
Acquisition Program .....	25,000	25,000	25,000	-	-	-	-
GROH Acquisition Program .....	3,100	3,100	3,100	-	-	-	-
Development Program.....	143,727	143,727	143,727	-	-	-	-
Estate Improvement Land Redevelopment Program .....	2,065	2,065	2,065	-	-	-	-
Holding Costs Program .....	470	470	470	-	-	-	-
Redevelopment Program.....	8,866	8,866	8,866	-	-	-	-
Loans to Homebuyers							
Goodstart Shared Equity Program.....	21,000	21,000	21,000	-	-	-	-
Affordable Housing and Public Housing Stock Redevelopment Shared Equity Program .....	20,806	20,806	20,806	-	-	-	-
Offices and Shops Program .....	3,292	3,292	3,292	-	-	-	-
Other Programs .....	316	316	316	-	-	-	-
<b>NEW WORKS</b>							
Community Housing Program .....	8,258	-	-	884	-	3,615	3,759
Computer Hardware and Software Program .....	22,143	-	-	6,873	4,952	5,089	5,229
Construction and Purchase of Houses Program .....	105,740	-	-	64,686	-	41,054	-
Additional Housing Stock Program - Disability Services Commission .....	4,000	-	-	4,000	-	-	-
Crisis Accommodation Program .....	22,968	-	-	7,036	202	10,162	5,568
Domestic Violence Accommodation Program .....	780	-	-	780	-	-	-
Royalties for Regions							
West Kimberley Transitional Housing Program .....	19,381	-	-	13,500	5,881	-	-
Housing for Workers Program.....	78,686	-	-	51,527	16,703	2,206	8,250
Service Workers Program.....	95,066	-	-	-	-	95,066	-
Social Housing							
Mental Health Care Units Program.....	5,184	-	-	3,555	1,629	-	-
Investment Package .....	307,912	-	-	23,935	283,977	-	-
Employment Related Accommodation Program .....	8,000	-	-	4,000	4,000	-	-
Construction and Purchase of GROH Program.....	152,894	-	-	20,000	20,000	66,446	46,448
Land							
Acquisition Program .....	124,474	-	-	25,000	34,474	35,000	30,000
GROH Acquisition Program .....	8,595	-	-	-	-	4,234	4,361
Development Program.....	450,769	-	-	102,987	110,670	110,727	126,385
Estate Improvement Land Redevelopment Program .....	82,497	-	-	14,339	24,281	17,195	26,682
Holding Costs Program .....	2,026	-	-	484	499	514	529
Redevelopment Program.....	34,269	-	-	11,273	13,215	9,326	455
Loans to Homebuyers							
Goodstart Shared Equity Program .....	94,000	-	-	22,000	23,000	24,000	25,000
Affordable Housing and Public Housing Stock Redevelopment Shared Equity Program .....	116,560	-	-	57,426	21,374	18,871	18,889
Minor Works Program .....	2,275	-	-	552	569	568	586
Offices and Shops Program .....	10,311	-	-	3,565	2,367	1,677	2,702
Other Programs .....	1,422	-	-	341	351	360	370
<b>Total Cost of Asset Investment Program.....</b>	<b>2,159,007</b>	<b>400,797</b>	<b>400,797</b>	<b>438,743</b>	<b>568,144</b>	<b>446,110</b>	<b>305,213</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			3,360	-	-	-	-
Asset Sales.....			504,843	543,508	394,198	414,225	363,226
Borrowings.....			17,500	-	125,000	-	-
Internal Funds and Balances.....			(152,312)	(191,081)	(21,051)	(2,133)	(111,259)
Other .....			16,297	23,321	23,781	6,444	4,746
Drawdowns from Royalties for Regions Fund <sup>(a)</sup> .....			11,109	62,995	46,216	27,574	48,500
<b>Total Funding.....</b>			<b>400,797</b>	<b>438,743</b>	<b>568,144</b>	<b>446,110</b>	<b>305,213</b>

(a) Regional Infrastructure and Headworks Fund.

## Financial Statements

### Income Statement

#### *Expenses*

Total Cost of Services is projected to increase by \$218.3 million (13.8%) in 2015-16 compared to the 2014-15 Estimated Actual. The forecast increase is mainly due to increase in supplies and services expenditure from:

- a higher cost of goods sold arising as a result of the bulk of Public Housing Stock Redevelopment program sales occurring in 2015-16 financial year;
- a majority of the 2014-2016 National Partnership Agreement on Remote Indigenous Housing (NPARIH) expenditure occurring in 2015-16; and
- an increase in Keystart interest expense as a result of the Keystart loan guarantee fee. This is fully offset under interest revenue and has no effect to the net cost of services.

#### *Income*

Total income is forecast to increase by \$235.8 million (16.2%) in 2015-16 Budget Estimate compared to the 2014-15 Estimated Actual and is primarily due to:

- \$187.6 million increase in sale of goods mostly attributed to the bulk of Public Housing Stock Redevelopment program sales occurring in 2015-16 financial year; and
- increase in Keystart interest revenue which is fully offset under interest expense and has no effect to the net cost of services.

### Statement of Financial Position

The Authority's total assets are projected to increase by \$90.6 million (0.5%) in comparison to the 2014-15 Estimated Actual.

### Statement of Cashflows

The 2015-16 net cash holdings for the Authority is forecast to be \$458.8 million, which is an increase of \$279.4 million (155.7%) compared to the 2014-15 Estimated Actual of \$179.5 million. The forecast increase is primarily due to:

- an increase of \$61 million in Capital Appropriation mostly as a result of the final payment of Commonwealth funding for MUNS being transferred to the Authority in 2015-16 that is part of restricted cash;
- an increase in sale of goods and services (\$129 million) mostly attributed to the bulk of Public Housing Stock Redevelopment program sales occurring in 2015-16 financial year; and
- a reduction in supplies and services expenditure arising mainly due to a decrease in the purchase of inventories as the Public Housing Stock Redevelopment Program nears completion in 2015-16 and a reduction in the Affordable Housing expenditure due to current record high building activity.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits.....	137,406	136,225	137,105	135,760	137,006	137,330	142,898
Grants and subsidies <sup>(b)</sup> .....	1,008	1,977	2,584	1,113	671	698	726
Supplies and services <sup>(c)</sup> .....	434,856	641,938	530,083	723,169	490,665	421,892	506,596
Accommodation .....	151,502	168,770	166,332	187,231	190,177	191,884	194,902
Depreciation and amortisation .....	136,254	132,806	137,753	137,753	137,753	137,753	137,753
Finance costs.....	149,132	195,924	168,789	184,280	190,569	205,681	226,770
Cost of land sold .....	143,856	218,041	160,941	191,762	167,889	217,138	182,323
Net assets transferred out .....	52,144	22,500	78,110	34,830	40,895	-	-
Other expenses.....	212,894	209,882	206,765	210,907	204,998	200,728	185,463
<b>TOTAL COST OF SERVICES .....</b>	<b>1,419,052</b>	<b>1,728,063</b>	<b>1,588,462</b>	<b>1,806,805</b>	<b>1,560,623</b>	<b>1,513,104</b>	<b>1,577,431</b>
<b>Income</b>							
Sale of goods and services <sup>(d)</sup> .....	432,757	632,917	493,175	720,984	500,516	532,514	654,747
Grants and subsidies.....	341,928	295,996	311,683	250,291	226,855	239,616	138,881
Interest Revenue.....	109,073	150,650	117,119	144,298	143,445	161,290	186,936
Rent.....	447,783	477,277	459,591	483,294	505,133	519,392	533,809
Developers contribution.....	2,514	-	-	-	-	-	-
Dividend/Statutory contribution .....	78,200	56,000	68,000	68,083	117,196	68,530	68,737
Other revenue.....	8,156	12,915	3,924	22,370	5,486	3,596	3,554
<b>Total Income.....</b>	<b>1,420,411</b>	<b>1,625,755</b>	<b>1,453,492</b>	<b>1,689,320</b>	<b>1,498,631</b>	<b>1,524,938</b>	<b>1,586,664</b>
<b>NET COST OF SERVICES .....</b>	<b>(1,359)</b>	<b>102,308</b>	<b>134,970</b>	<b>117,485</b>	<b>61,992</b>	<b>(11,834)</b>	<b>(9,233)</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations.....	25,377	72,947	74,583	92,462	67,944	19,031	16,943
Royalties for Regions Fund:							
Regional Community Services Fund .....	-	879	665	438	449	460	472
Regional Infrastructure and Headworks Fund .....	40,678	6,187	7,750	843	285	295	-
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>66,055</b>	<b>80,013</b>	<b>82,998</b>	<b>93,743</b>	<b>68,678</b>	<b>19,786</b>	<b>17,415</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>67,414</b>	<b>(22,295)</b>	<b>(51,972)</b>	<b>(23,742)</b>	<b>6,686</b>	<b>31,620</b>	<b>26,648</b>

(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) Supplies and services includes cost of housing inventory sold.

(d) Sale of goods and services includes land and housing inventory for sale.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
Community Support Schemes.....	1,008	1,977	2,584	1,113	671	698	726
<b>TOTAL .....</b>	<b>1,008</b>	<b>1,977</b>	<b>2,584</b>	<b>1,113</b>	<b>671</b>	<b>698</b>	<b>726</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	125,333	164,852	120,213	345,796	203,956	110,799	160,173
Restricted cash .....	81,948	54,062	59,238	113,026	113,026	113,026	113,026
Receivables .....	87,379	132,633	14,365	6,056	36,856	102,396	123,145
Other.....	1,360,848	2,075,733	859,048	963,827	1,073,289	1,175,662	1,239,798
Assets held for sale.....	232	4,227	232	232	232	232	232
<b>Total current assets .....</b>	<b>1,655,740</b>	<b>2,431,507</b>	<b>1,053,096</b>	<b>1,428,937</b>	<b>1,427,359</b>	<b>1,502,115</b>	<b>1,636,374</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	14,748,462	13,588,501	14,745,145	14,459,875	14,526,525	14,525,718	14,316,154
Intangibles .....	22,197	12,287	22,197	22,197	22,197	22,197	22,197
Other.....	3,264,330	3,821,220	4,314,331	4,314,332	4,314,333	4,314,333	4,314,333
<b>Total non-current assets .....</b>	<b>18,034,989</b>	<b>17,422,008</b>	<b>19,081,673</b>	<b>18,796,404</b>	<b>18,863,055</b>	<b>18,862,248</b>	<b>18,652,684</b>
<b>TOTAL ASSETS .....</b>	<b>19,690,729</b>	<b>19,853,515</b>	<b>20,134,769</b>	<b>20,225,341</b>	<b>20,290,414</b>	<b>20,364,363</b>	<b>20,289,058</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	20,026	24,180	19,352	19,352	19,352	19,352	19,352
Payables .....	142,705	103,216	165,681	158,110	148,369	138,780	131,866
Other.....	541,512	2,180,891	1,601,701	1,602,213	1,603,581	1,604,180	1,604,779
<b>Total current liabilities .....</b>	<b>704,243</b>	<b>2,308,287</b>	<b>1,786,734</b>	<b>1,779,675</b>	<b>1,771,302</b>	<b>1,762,312</b>	<b>1,755,997</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	38,197	28,119	38,892	41,598	44,148	44,856	45,564
Borrowings .....	4,361,503	3,977,798	3,791,315	3,828,919	3,989,346	4,012,383	3,867,537
Other.....	4,934	3,301	4,934	4,934	4,934	4,934	4,934
<b>Total non-current liabilities .....</b>	<b>4,404,634</b>	<b>4,009,218</b>	<b>3,835,141</b>	<b>3,875,451</b>	<b>4,038,428</b>	<b>4,062,173</b>	<b>3,918,035</b>
<b>TOTAL LIABILITIES.....</b>	<b>5,108,877</b>	<b>6,317,505</b>	<b>5,621,875</b>	<b>5,655,126</b>	<b>5,809,730</b>	<b>5,824,485</b>	<b>5,674,032</b>
<b>EQUITY</b>							
Contributed equity .....	2,194,201	2,247,233	2,196,772	2,319,587	2,365,803	2,393,377	2,441,877
Accumulated surplus/(deficit) <sup>(b)</sup> .....	2,736,103	2,377,911	2,684,131	2,660,389	2,667,075	2,698,695	2,725,343
Reserves <sup>(b)</sup> .....	9,651,548	8,910,866	9,631,991	9,590,239	9,447,806	9,447,806	9,447,806
<b>Total equity .....</b>	<b>14,581,852</b>	<b>13,536,010</b>	<b>14,512,894</b>	<b>14,570,215</b>	<b>14,480,684</b>	<b>14,539,878</b>	<b>14,615,026</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>19,690,729</b>	<b>19,853,515</b>	<b>20,134,769</b>	<b>20,225,341</b>	<b>20,290,414</b>	<b>20,364,363</b>	<b>20,289,058</b>

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

(b) The Surplus/Deficit in the Income Statement does not agree with the Accumulated Surplus Deficit in the Balance Sheet for the 2013-14 financial year as the extraordinary items in the Income Statement are no longer published in Budget Paper No. 2 in line with AASB 1055. The extraordinary item relates to the asset revaluation reserve realised on the disposal of properties for the 2013-14 financial year.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	25,377	72,947	74,583	92,462	67,944	19,031	16,943
Capital appropriation .....	113,183	3,360	3,360	64,370	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund .....	34	879	1,985	438	449	460	472
Regional Infrastructure and Headworks Fund .....	53,608	44,559	17,539	63,838	46,501	27,869	48,500
<b>Net cash provided by State Government.....</b>	<b>192,202</b>	<b>121,745</b>	<b>97,467</b>	<b>221,108</b>	<b>114,894</b>	<b>47,360</b>	<b>65,915</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(117,004)	(137,576)	(137,363)	(136,017)	(137,263)	(137,587)	(143,155)
Grants and subsidies.....	(1,007)	(1,977)	(2,584)	(1,113)	(671)	(698)	(726)
Supplies and services <sup>(b)</sup> .....	(574,008)	(782,963)	(797,092)	(665,794)	(760,707)	(517,362)	(466,618)
Accommodation .....	(156,540)	(166,037)	(164,804)	(185,703)	(188,649)	(190,356)	(193,374)
Finance costs.....	(161,750)	(198,230)	(168,148)	(184,281)	(190,568)	(205,681)	(226,770)
GST payments.....	(72,891)	(817)	(230)	(230)	(230)	(230)	(230)
Other payments.....	(324,018)	(334,148)	(272,195)	(316,677)	(319,676)	(310,668)	(298,628)
<b>Receipts</b>							
Grants and subsidies.....	341,928	295,996	311,683	250,291	226,855	239,616	138,881
Sale of goods and services <sup>(c)</sup> .....	463,340	616,494	579,894	709,310	474,040	507,706	631,391
GST receipts .....	50,123	-	9,000	-	-	-	-
Interest received.....	101,706	150,650	117,477	144,298	144,845	162,690	188,336
Rent Receipts .....	453,627	475,258	456,296	480,477	502,924	517,949	533,320
Dividend/State contributions received.....	78,200	56,000	68,000	68,083	117,196	68,530	68,737
Other receipts .....	18,170	1,351	4,163	2,712	2,673	2,709	2,643
<b>Net cash from operating activities .....</b>	<b>99,876</b>	<b>(25,999)</b>	<b>4,097</b>	<b>165,356</b>	<b>(129,231)</b>	<b>136,618</b>	<b>233,807</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(349,240)	(132,059)	(217,569)	(280,605)	(309,993)	(269,114)	(116,801)
Other payments.....	(23)	-	-	-	-	-	-
Proceeds from sale of non-current assets.....	148,284	228,423	148,374	245,237	132,925	76,359	76,835
Other receipts .....	3	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(200,976)</b>	<b>96,364</b>	<b>(69,195)</b>	<b>(35,368)</b>	<b>(177,068)</b>	<b>(192,755)</b>	<b>(39,966)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings.....	(6,517,778)	(6,144,408)	(4,287,699)	(3,362,175)	(2,670,435)	(3,364,380)	(2,430,382)
Other payments.....	(6,830,000)	(6,664,999)	(4,758,558)	(3,399,779)	(2,705,861)	(3,387,417)	(2,285,536)
Proceeds from borrowings.....	6,885,900	6,682,499	4,776,058	3,399,779	2,830,861	3,387,417	2,285,536
Other proceeds .....	6,430,000	6,065,000	4,210,000	3,295,000	2,595,000	3,280,000	2,220,000
<b>Net cash from financing activities.....</b>	<b>(31,878)</b>	<b>(61,908)</b>	<b>(60,199)</b>	<b>(67,175)</b>	<b>49,565</b>	<b>(84,380)</b>	<b>(210,382)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>59,224</b>	<b>130,202</b>	<b>(27,830)</b>	<b>283,921</b>	<b>(141,840)</b>	<b>(93,157)</b>	<b>49,374</b>
Cash assets at the beginning of the reporting period .....	148,057	88,712	207,281	179,451	458,822	316,982	223,825
Net cash transferred to/from other agencies ....	-	-	-	(4,550)	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>207,281</b>	<b>218,914</b>	<b>179,451</b>	<b>458,822</b>	<b>316,982</b>	<b>223,825</b>	<b>273,199</b>

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

(b) Supplies and services includes payment for the purchase of land and housing inventory.

(c) Sale of goods and services includes land and housing inventory for sale.

## Agency Special Purpose Account Details

### ESSENTIAL AND MUNICIPAL SERVICES ACCOUNT

Account Purpose: This account is to be established by 30 June 2015 to set aside funds for essential and municipal services for remote Aboriginal communities in Western Australia.

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000
Opening Balance .....	-	-	-	90,000
Receipts:				
Appropriations.....	-	-	-	-
Other .....	-	-	90,000	-
	-	-	90,000	90,000
Payments .....	-	-	-	30,000
<b>CLOSING BALANCE .....</b>	<b>-</b>	<b>-</b>	<b>90,000</b>	<b>60,000</b>

# Keystart Housing Scheme Trust

## Part 18

## Minister for Housing; Racing and Gaming

### Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Information Technology Systems .....	11,686	6,486	788	1,300	1,300	1,300	1,300
<b>Total Cost of Asset Investment Program.....</b>	<b>11,686</b>	<b>6,486</b>	<b>788</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			788	1,300	1,300	1,300	1,300
<b>Total Funding.....</b>			<b>788</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>



## Division 75 Racing, Gaming and Liquor

### Part 18 Minister for Housing; Racing and Gaming

#### Appropriations, Expenses and Cash Assets

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>DELIVERY OF SERVICES</b>							
Item 115 Net amount appropriated to deliver services .....	5,458	5,064	5,053	5,256	5,192	5,108	5,122
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	292	298	298	306	306	306	306
Total appropriations provided to deliver services.....	5,750	5,362	5,351	5,562	5,498	5,414	5,428
<b>ADMINISTERED TRANSACTIONS</b>							
Item 116 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	112,934	107,432	90,377	70,852	72,670	67,788	68,454
<b>Amount Authorised by Other Statutes</b>							
- Liquor Control Act 1988 .....	1,604	3,000	3,000	750	250	-	-
<b>CAPITAL</b>							
Capital Appropriation .....	2,155	-	-	-	-	-	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>122,443</b>	<b>115,794</b>	<b>98,728</b>	<b>77,164</b>	<b>78,418</b>	<b>73,202</b>	<b>73,882</b>
<b>EXPENSES</b>							
Total Cost of Services .....	16,382	14,791	14,780	15,114	15,061	15,077	15,091
Net Cost of Services <sup>(a)</sup> .....	6,049	5,109	5,098	5,432	5,354	5,370	5,384
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>313</b>	<b>644</b>	<b>389</b>	<b>349</b>	<b>657</b>	<b>865</b>	<b>1,073</b>

(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 presentation of the 2014-15 Budget to Parliament on 8 May 2014, are outlined below:

	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
2015-16 Streamlined Budget Process Incentive Funding.....	-	96	-	-	-
Workforce Renewal Policy. ....	(11)	(92)	(190)	(294)	(404)

## Significant Issues Impacting the Agency

- Implementing the Government's response to the review of the *Liquor Control Act 1988* through the Parliament.
- Implementing the Government's response to the Joint Standing Committee on the Review of the Racing and Wagering Western Australia Acts by progressing through the Parliament amendments to the *Racing and Wagering Western Australia Act 2003*, together with amendments relating to the:
  - *Betting Control Act 1954*;
  - *Gaming and Wagering Commission Act 1987*; and
  - *Casino Control Act 1984*.
- Assisting communities in reducing alcohol related harm through declaring areas of the state as restricted areas and private residences as liquor restricted premises.
- 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.

## 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	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
1. Licensing - Evaluation and Determination of Applications .....	8,191	7,396	7,390	7,557	7,530	7,538	7,545
2. Compliance Audits and Inspections.....	8,191	7,395	7,390	7,557	7,531	7,539	7,546
<b>Total Cost of Services .....</b>	<b>16,382</b>	<b>14,791</b>	<b>14,780</b>	<b>15,114</b>	<b>15,061</b>	<b>15,077</b>	<b>15,091</b>

## Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
<b>Outcome: To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation:</b>					
Licensees/service providers that comply with audit requirements and statutory criteria.....	96%	93%	93%	94%	

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

## Services and Key Efficiency Indicators

### 1. Licensing - Evaluation and Determination of Applications

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

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 8,191	\$'000 7,396	\$'000 7,390	\$'000 7,557	
Less Income .....	5,166	4,841	4,841	4,841	
Net Cost of Service.....	3,025	2,555	2,549	2,716	
<b>Employees (Full Time Equivalents).....</b>	<b>56</b>	<b>56</b>	<b>56</b>	<b>56</b>	
<b>Efficiency Indicators</b>					
Average Cost of Determining Applications.....	\$522	\$475	\$448	\$480	

### 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.

	2013-14 Actual	2014-15 Budget	2014-15 Estimated Actual	2015-16 Budget Target	Note
Total Cost of Service.....	\$'000 8,191	\$'000 7,395	\$'000 7,390	\$'000 7,557	
Less Income .....	5,167	4,841	4,841	4,841	
Net Cost of Service.....	3,024	2,554	2,549	2,716	
<b>Employees (Full Time Equivalents).....</b>	<b>57</b>	<b>57</b>	<b>57</b>	<b>56</b>	
<b>Efficiency Indicators</b>					
Average Cost of Conducting Inspections.....	\$1,124	\$1,140	\$915	\$979	

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Computer Hardware and Software							
2014-15 Program .....	250	250	250	-	-	-	-
Unified Regulatory System .....	4,559	4,559	341	-	-	-	-
<b>NEW WORKS</b>							
Computer Hardware and Software							
2017-18 Program .....	250	-	-	-	-	250	-
2018-19 Program .....	150	-	-	-	-	-	150
<b>Total Cost of Asset Investment Program.....</b>	<b>5,209</b>	<b>4,809</b>	<b>591</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>150</b>
<b>FUNDED BY</b>							
Drawdowns from the Holding Account.....			250	-	-	250	150
Internal Funds and Balances.....			341	-	-	-	-
<b>Total Funding .....</b>			<b>591</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>150</b>

## Financial Statements

### Income Statement

#### Expenses

There is an increase in the 2015-16 Total Cost of Services of \$334,000 (2.3%) when compared to the 2014-15 Estimated Actual, mainly due to the increase in the employee benefits (\$163,000) and computer replacements (\$150,000).

#### Income

Operating income in 2015-16 remains steady at \$9.7 million.

There is an increase in the 2015-16 Budget Estimate of Service Appropriation of \$211,000 (3.9%) when compared to the 2014-15 Estimated Actual. The increase is mainly due to the Streamlined Budget Process incentive funding (\$96,000) and the funding for computer replacements (\$150,000).

### Statement of Financial Position

The Department's total equity for 2015-16 is expected to increase by \$294,000 (3.5%) when compared to the 2014-15 Estimated Actual due to an operating surplus projected for 2015-16.

### Statement of Cashflows

The 2015-16 closing cash assets balance of \$349,000 represents a decrease of \$40,000 (10.3%) in comparison to the 2014-15 Estimated Actual mainly due to the impact of the payment of 27<sup>th</sup> Pay in 2015-16.

### Details of Administered Transactions

#### Income

##### Taxation - Casino Tax:

- a downward revision of \$164.4 million for the period 2014-15 to 2017-18, reflects changes to casino tax arrangements that replace the current GST reimbursement scheme with casino tax rates that are net of GST. This effectively reduces the tax rate from 11% to 8% (in exchange for a minimum payment of \$9 million per annum) on the highly competitive International Commission Business component of Crown Casino's operation.

## Expenses

### Grants to Charitable and Other Public Bodies - Grants to Individuals Problem Gambling:

- the 2014-15 Estimated Actual of \$1.1 million represents an increase of \$0.7 million from the 2014-15 Budget. The increase is an approved carryover from 2013-14, for the Beyond Problem Gambling program. The program is administered by the Department of Local Government and Communities.

### Statutory Authorities - Grants to Racing and Wagering (RWWA):

- an additional \$3.3 million in VIP (Professional Punters Tax) rebate payments will be made to RWWA from 2014-15 to 2016-17. The increase in payments flows from forecasted increase in RWWA's VIP revenue collections over the same period; and
- an additional \$16 million, over the five years to 2018-19, in GST rebate payments will be made to RWWA. The increase in rebate payments reflects forecast increases in Betting Tax revenue collected by RWWA.

### Subsidies and Concessions - Subsidies to Liquor Merchants and Producers:

- given the limited scope of the scheme, the Cellar Door subsidy is to be abolished from 1 July 2015. A number of other States have also abolished their subsidies. A reduction in total spending of \$11 million will occur between 2015-16 and 2018-19 as a result of the abolition of the subsidy payments to wine producers.

### Subsidies and Concessions - Subsidies to Gambling and Betting Agencies and Bookmakers:

- under a recent agreement with Crown Casino, total gambling tax rebates paid to Crown Casino will fall by \$174.2 million over the forward estimates period as GST rebates ceased from 24 December 2014 and has been replaced by lower casino tax rates.

## INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	10,666	10,782	10,771	10,934	10,893	10,889	10,871
Supplies and services .....	3,117	1,781	1,781	1,779	1,786	1,861	1,893
Accommodation .....	1,374	1,309	1,309	1,314	1,319	1,352	1,352
Depreciation and amortisation .....	560	467	467	467	467	467	467
Other expenses .....	665	452	452	620	596	508	508
<b>TOTAL COST OF SERVICES .....</b>	<b>16,382</b>	<b>14,791</b>	<b>14,780</b>	<b>15,114</b>	<b>15,061</b>	<b>15,077</b>	<b>15,091</b>
<b>Income</b>							
Sale of goods and services .....	4,801	4,850	4,850	4,850	4,850	4,850	4,850
Regulatory fees and fines .....	5,532	4,825	4,825	4,825	4,850	4,850	4,850
Other revenue .....	-	7	7	7	7	7	7
<b>Total Income .....</b>	<b>10,333</b>	<b>9,682</b>	<b>9,682</b>	<b>9,682</b>	<b>9,707</b>	<b>9,707</b>	<b>9,707</b>
<b>NET COST OF SERVICES .....</b>	<b>6,049</b>	<b>5,109</b>	<b>5,098</b>	<b>5,432</b>	<b>5,354</b>	<b>5,370</b>	<b>5,384</b>
<b>INCOME FROM STATE GOVERNMENT</b>							
Service appropriations .....	5,750	5,362	5,351	5,562	5,498	5,414	5,428
Resources received free of charge .....	124	164	164	164	164	164	164
<b>TOTAL INCOME FROM STATE GOVERNMENT .....</b>	<b>5,874</b>	<b>5,526</b>	<b>5,515</b>	<b>5,726</b>	<b>5,662</b>	<b>5,578</b>	<b>5,592</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD ...</b>	<b>(175)</b>	<b>417</b>	<b>417</b>	<b>294</b>	<b>308</b>	<b>208</b>	<b>208</b>

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

(b) The Full Time Equivalents for 2013-14 Actual, 2014-15 Estimated Actual and 2015-16 Budget Estimate are 113, 113 and 112 respectively. In some cases the figures for 2013-14 and 2014-15 may differ from previously published figures due to changes in calculation methodology.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	38	336	82	344	620	796	972
Restricted cash .....	5	6	307	5	5	5	5
Holding account receivables .....	250	150	-	-	250	100	100
Receivables .....	146	251	146	146	146	146	146
Other .....	405	369	405	405	405	405	405
Total current assets .....	844	1,112	940	900	1,426	1,452	1,628
<b>NON-CURRENT ASSETS</b>							
Holding account receivables .....	2,230	2,547	2,697	3,164	3,381	3,748	4,065
Property, plant and equipment .....	635	390	660	460	310	335	25
Intangibles .....	7,184	7,239	7,084	6,817	6,500	6,258	6,251
Restricted cash .....	270	302	-	-	32	64	96
Total non-current assets .....	10,319	10,478	10,441	10,441	10,223	10,405	10,437
<b>TOTAL ASSETS</b> .....	11,163	11,590	11,381	11,341	11,649	11,857	12,065
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,453	1,346	1,453	1,453	1,453	1,453	1,453
Payables .....	243	202	44	44	44	44	44
Other .....	699	373	699	365	365	365	365
Total current liabilities .....	2,395	1,921	2,196	1,862	1,862	1,862	1,862
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	521	474	521	521	521	521	521
Other .....	206	199	206	206	206	206	206
Total non-current liabilities .....	727	673	727	727	727	727	727
<b>TOTAL LIABILITIES</b> .....	3,122	2,594	2,923	2,589	2,589	2,589	2,589
<b>EQUITY</b>							
Contributed equity .....	6,480	6,480	6,480	6,480	6,480	6,480	6,480
Accumulated surplus/(deficit) .....	1,561	2,516	1,978	2,272	2,580	2,788	2,996
<b>Total equity</b> .....	8,041	8,996	8,458	8,752	9,060	9,268	9,476
<b>TOTAL LIABILITIES AND EQUITY</b> .....	11,163	11,590	11,381	11,341	11,649	11,857	12,065

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>CASHFLOWS FROM STATE GOVERNMENT</b>							
Service appropriations.....	5,192	4,895	4,884	5,095	5,031	4,947	4,961
Capital appropriation .....	2,155	-	-	-	-	-	-
Holding account drawdowns.....	100	250	250	-	-	250	150
<b>Net cash provided by State Government.....</b>	<b>7,447</b>	<b>5,145</b>	<b>5,134</b>	<b>5,095</b>	<b>5,031</b>	<b>5,197</b>	<b>5,111</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(10,528)	(10,671)	(10,660)	(11,157)	(10,782)	(10,778)	(10,760)
Supplies and services .....	(2,838)	(1,715)	(1,715)	(1,713)	(1,720)	(1,795)	(1,827)
Accommodation .....	(1,392)	(1,309)	(1,309)	(1,314)	(1,319)	(1,352)	(1,352)
Other payments.....	(1,481)	(645)	(645)	(813)	(789)	(701)	(701)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines.....	5,580	4,825	4,825	4,825	4,850	4,850	4,850
Sale of goods and services.....	4,760	4,850	4,850	4,850	4,850	4,850	4,850
GST receipts .....	694	180	180	180	180	180	180
Other receipts .....	19	7	7	7	7	7	7
<b>Net cash from operating activities .....</b>	<b>(5,186)</b>	<b>(4,478)</b>	<b>(4,467)</b>	<b>(5,135)</b>	<b>(4,723)</b>	<b>(4,739)</b>	<b>(4,753)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(4,817)	(449)	(591)	-	-	(250)	(150)
Other payments.....	(5)	-	-	-	-	-	-
Other receipts .....	26	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(4,796)</b>	<b>(449)</b>	<b>(591)</b>	<b>-</b>	<b>-</b>	<b>(250)</b>	<b>(150)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(2,535)</b>	<b>218</b>	<b>76</b>	<b>(40)</b>	<b>308</b>	<b>208</b>	<b>208</b>
Cash assets at the beginning of the reporting period .....	2,848	426	313	389	349	657	865
<b>Cash assets at the end of the reporting period .....</b>	<b>313</b>	<b>644</b>	<b>389</b>	<b>349</b>	<b>657</b>	<b>865</b>	<b>1,073</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

### NET APPROPRIATION DETERMINATION <sup>(a)</sup>

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>Regulatory Fees and Fines</b>							
Liquor Fees Revenue .....	5,580	4,825	4,825	4,825	4,850	4,850	4,850
<b>Sale of Goods and Services</b>							
Provision of Services to the Commonwealth in Respect of Indian Ocean Territories .....	88	81	81	81	81	81	81
Provision of Services to the Racing and Gaming Industries .....	4,672	4,769	4,769	4,769	4,769	4,769	4,769
<b>GST Receipts</b>							
GST Input Credits .....	694	155	155	155	155	155	155
GST Receipts on Sales .....	-	25	25	25	25	25	25
<b>Other Receipts</b>							
Other Receipts .....	19	7	7	7	7	7	7
<b>TOTAL .....</b>	<b>11,053</b>	<b>9,862</b>	<b>9,862</b>	<b>9,862</b>	<b>9,887</b>	<b>9,887</b>	<b>9,887</b>

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

### DETAILS OF ADMINISTERED TRANSACTIONS <sup>(a)</sup>

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Estimated Actual \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>INCOME</b>							
<b>Taxation</b>							
Casino Tax .....	127,459	123,000	100,200	81,400	84,000	86,000	87,000
<b>Other</b>							
Appropriation .....	114,538	110,432	93,377	71,602	72,920	67,788	68,454
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>241,997</b>	<b>233,432</b>	<b>193,577</b>	<b>153,002</b>	<b>156,920</b>	<b>153,788</b>	<b>155,454</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Grants to Individuals Problem Gambling ....	760	500	1,174	500	500	500	500
<b>Statutory Authorities</b>							
Grants to Racing and Wagering Western Australia .....	13,936	10,972	15,021	15,262	15,970	9,948	10,614
<b>Subsidies and Concessions</b>							
Subsidies to Liquor Merchants and Producers .....	1,604	3,000	3,000	750	250	-	-
Subsidies to Gambling and Betting Agencies and Bookmakers .....	99,017	95,960	75,760	55,090	56,200	57,340	57,340
<b>Other</b>							
Receipts Paid into the Consolidated Account .....	125,849	123,000	100,200	81,400	84,000	86,000	87,000
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>241,166</b>	<b>233,432</b>	<b>195,155</b>	<b>153,002</b>	<b>156,920</b>	<b>153,788</b>	<b>155,454</b>

(a) Refer to Financial Statements commentary section for further details.



# Racing and Wagering Western Australia

## Part 18

## Minister for Housing; Racing and Gaming

### Asset Investment Program

Asset investment across the forward estimates period focuses on the ongoing development, enhancement and replacement of hardware, software and retail terminals along with other general business process improvements.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
Business Systems and Products .....	26,027	13,426	6,251	1,857	1,169	926	8,649
Other Works .....	8,508	2,956	1,314	1,310	1,363	1,374	1,505
Retail Outlet Upgrade Program .....	9,758	8,558	3,782	300	300	300	300
Wagering Systems and Products .....	17,650	8,734	1,407	199	2,575	2,067	4,075
<b>Total Cost of Asset Investment Program.....</b>	<b>61,943</b>	<b>33,674</b>	<b>12,754</b>	<b>3,666</b>	<b>5,407</b>	<b>4,667</b>	<b>14,529</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			12,754	3,666	5,407	4,667	14,529
<b>Total Funding.....</b>			<b>12,754</b>	<b>3,666</b>	<b>5,407</b>	<b>4,667</b>	<b>14,529</b>

# Western Australian Greyhound Racing Association

## Part 18 Minister for Housing; Racing and Gaming

### Asset Investment Program

The 2015-16 Asset Investment Program totals \$2.1 million, comprising \$2 million for the completion of the new greyhound racing complex at Cannington, and \$104,000 towards plant and equipment replacement at the Cannington and Mandurah racetracks.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>WORKS IN PROGRESS</b>							
New Cannington Complex.....	13,000	11,000	11,000	2,000	-	-	-
<b>COMPLETED WORKS</b>							
Information and Communications Technology 2014-15 Program .....	20	20	20	-	-	-	-
Plant and Equipment - Cannington 2014-15 Program .....	80	80	80	-	-	-	-
<b>NEW WORKS</b>							
Plant and Equipment - Cannington 2015-16 Program .....	60	-	-	60	-	-	-
Plant and Equipment - Mandurah 2015-16 Program .....	44	-	-	44	-	-	-
2016-17 Program .....	600	-	-	-	600	-	-
2017-18 Program .....	618	-	-	-	-	618	-
<b>Total Cost of Asset Investment Program.....</b>	<b>14,422</b>	<b>11,100</b>	<b>11,100</b>	<b>2,104</b>	<b>600</b>	<b>618</b>	<b>-</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			11,100	2,104	600	618	-
<b>Total Funding.....</b>			<b>11,100</b>	<b>2,104</b>	<b>600</b>	<b>618</b>	<b>-</b>

# Burswood Park Board

## Part 18

## Minister for Housing; Racing and Gaming

### 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 (the 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 the 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 30-6-15 \$'000	2014-15 Estimated Expenditure \$'000	2015-16 Budget Estimate \$'000	2016-17 Forward Estimate \$'000	2017-18 Forward Estimate \$'000	2018-19 Forward Estimate \$'000
<b>COMPLETED WORKS</b>							
Park Infrastructure - 2014-15 Program .....	190	190	190	-	-	-	-
<b>NEW WORKS</b>							
Equipment							
2015-16 Program .....	200	-	-	200	-	-	-
2016-17 Program .....	200	-	-	-	200	-	-
2017-18 Program .....	200	-	-	-	-	200	-
Park Infrastructure							
2015-16 Program .....	200	-	-	200	-	-	-
2016-17 Program .....	200	-	-	-	200	-	-
2017-18 Program .....	200	-	-	-	-	200	-
<b>Total Cost of Asset Investment Program.....</b>	<b>1,390</b>	<b>190</b>	<b>190</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>-</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			190	400	400	400	-
<b>Total Funding.....</b>			<b>190</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>-</b>

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Aboriginal Affairs .....	1	297	Peel Development Commission .....	1	205
Agriculture and Food .....	2	545	Perth Market Authority .....	2	564
Animal Resources Authority.....	1	149	Pilbara Development Commission .....	1	212
Attorney General .....	2	437	Pilbara Ports Authority .....	2	842
Botanic Gardens and Parks Authority.....	2	665	Planning .....	1	317
Bunbury Water Corporation .....	2	768	Premier and Cabinet .....	1	65
Burswood Park Board.....	2	871	Public Sector Commission .....	1	78
Busselton Water Corporation.....	2	769	Public Transport Authority of Western Australia.....	2	825
Chemistry Centre (WA).....	1	113	Racing and Wagering Western Australia.....	2	869
Child Protection and Family Support.....	1	418	Racing, Gaming and Liquor.....	2	861
Commerce .....	2	494	Regional Development.....	1	161
Commissioner for Children and Young People.....	2	475	Registrar, Western Australian Industrial Relations Commission .....	2	508
Commissioner for Equal Opportunity .....	2	461	Rottneest Island Authority .....	1	158
Commissioner of Main Roads.....	2	809	Royalties for Regions - Regional and State-wide Initiatives.....	1	170
Corrective Services.....	2	729	Rural Business Development Corporation.....	2	556
Corruption and Crime Commission .....	2	452	Salaries and Allowances Tribunal .....	1	97
Country High School Hostels Authority .....	1	290	School Curriculum and Standards Authority.....	1	281
Culture and the Arts.....	1	341	Small Business Development Corporation .....	2	745
Disability Services Commission .....	1	406	Southern Ports Authority .....	2	844
Economic Regulation Authority.....	2	596	South West Development Commission .....	1	220
Education .....	1	257	Sport and Recreation .....	2	770
Education Services .....	1	271	State Development.....	1	103
Electricity Sector Provisions.....	2	620	State Emergency Management Committee Secretariat .....	2	723
Environment Regulation .....	2	654	State Heritage Office.....	2	695
Finance.....	2	517	State Training Providers.....	1	389
Fire and Emergency Services.....	2	713	Synergy.....	2	614
Fisheries.....	2	565	Training and Workforce Development .....	1	375
Forest Products Commission.....	2	790	Transport.....	2	793
Fremantle Port Authority.....	2	838	Treasury.....	2	579
Gascoyne Development Commission.....	1	171	WA Health.....	1	123
Gold Corporation .....	1	88	Water .....	2	755
Goldfields-Esperance Development Commission .....	1	177	Water Corporation.....	2	766
Governor's Establishment.....	1	89	Western Australia Health Promotion Foundation.....	1	148
Great Southern Development Commission.....	1	184	Western Australia Police .....	1	363
Heritage Council of Western Australia .....	2	688	Western Australian Electoral Commission.....	1	307
Horizon Power.....	2	612	Western Australian Greyhound Racing Association .....	2	870
Housing Authority .....	2	847	Western Australian Institute of Sport.....	2	789
Independent Market Operator.....	2	611	Western Australian Land Authority .....	1	244
Insurance Commission of Western Australia ....	2	603	Western Australian Land Information Authority .....	1	245
Keystart Housing Scheme Trust .....	2	860	Western Australian Meat Industry Authority ....	2	563
Kimberley Development Commission .....	1	191	Western Australian Planning Commission.....	1	331
Kimberley Ports Authority .....	2	840	Western Australian Sports Centre Trust.....	2	781
Lands.....	1	234	Western Australian Tourism Commission.....	1	150
Legal Aid Commission of Western Australia ....	2	493	Western Australian Treasury Corporation .....	2	610
Legislative Assembly .....	1	45	Western Power Networks.....	2	616
Legislative Council.....	1	39	Western Power Provisions .....	2	618
Local Government and Communities.....	2	623	Wheatbelt Development Commission .....	1	226
Lotteries Commission .....	1	95	WorkCover WA Authority .....	2	514
Mental Health Commission.....	1	393	Zoological Parks Authority.....	2	680
Metropolitan Cemeteries Board .....	2	637			
Metropolitan Redevelopment Authority .....	1	330			
Mid West Development Commission .....	2	197			
Mid West Ports Authority .....	1	841			
Mines and Petroleum.....	2	531			
National Trust of Australia (WA) .....	2	703			
Office of the Auditor General .....	2	604			
Office of the Director of Public Prosecutions.....	2	467			
Office of the Environmental Protection Authority.....	2	672			
Office of the Information Commissioner.....	2	481			
Office of the Inspector of Custodial Services ....	2	739			
Parks and Wildlife.....	2	641			
Parliament .....	1	37			
Parliamentary Commissioner for Administrative Investigations .....	1	56			
Parliamentary Inspector of the Corruption and Crime Commission .....	2	487			
Parliamentary Services.....	1	50			



