

Part 9

Transport

Introduction

The Transport portfolio delivers an accessible, reliable and safe transport system across all modes of transport, including road, rail, bus, ferry, freight, shipping, boating, cycling and active transport. It ensures an integrated transport network that facilitates economic and regional development, and focuses on long-term planning and investment in transport infrastructure for the State's future.

Summary of Recurrent and Asset Investment Expenditure

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Transport		
– Total Cost of Services	456,038	562,908
– Asset Investment Program	31,477	48,217
Commissioner of Main Roads		
– Total Cost of Services	1,287,551	1,376,722
– Asset Investment Program	1,448,842	1,587,689
Public Transport Authority of Western Australia		
– Total Cost of Services	1,718,627	1,907,810
– Asset Investment Program	1,159,988	1,585,800
METRONET Projects Under Development		
– Asset Investment Program	-	85,641
Fremantle Port Authority		
– Asset Investment Program	13,938	75,107

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Kimberley Ports Authority		
– Asset Investment Program	4,262	2,736
Mid West Ports Authority		
– Asset Investment Program	9,216	21,377
Pilbara Ports Authority		
– Asset Investment Program	31,347	140,542
Southern Ports Authority		
– Asset Investment Program	12,583	29,247

Ministerial Responsibilities

Minister	Agency	Services
Minister for Transport; Planning; Ports	Transport	<ol style="list-style-type: none"> 1. Strategic Transport Policy and Integrated Planning 2. Driver and Vehicle Services 3. Maritime 4. On-demand Transport
	Commissioner of Main Roads	<ol style="list-style-type: none"> 1. Infrastructure for State Development 2. Road Safety 3. Infrastructure for Community Access 4. Road System Management 5. Road Efficiency Improvements 6. Road Network Maintenance
	Public Transport Authority of Western Australia	<ol style="list-style-type: none"> 1. Metropolitan and Regional Passenger Services 2. Country Passenger Rail and Road Coach Services 3. Regional School Bus Services 4. Rail Corridor and Residual Freight Issues Management
	METRONET Projects Under Development	n/a
	Fremantle Port Authority	n/a
	Kimberley Ports Authority	n/a
	Mid West Ports Authority	n/a
	Pilbara Ports Authority	n/a
	Southern Ports Authority	n/a

Division 39 Transport

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 80 Net amount appropriated to deliver services	225,256	96,817	107,107	87,505	94,273	70,211	50,347
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	894	894	894	896	899	901	903
Total appropriations provided to deliver services	226,150	97,711	108,001	88,401	95,172	71,112	51,250
ADMINISTERED TRANSACTIONS							
Item 81 Western Australian Coastal Shipping Commission.....	100	100	100	100	100	100	100
CAPITAL							
Item 141 Capital Appropriation ^(a)	15,122	37,952	32,763	426,020	36,702	22,227	21,828
TOTAL APPROPRIATIONS	241,372	135,763	140,864	514,521	131,974	93,439	73,178
EXPENSES							
Total Cost of Services	559,997	477,568	456,038	562,908	572,112	541,175	526,799
Net Cost of Services ^{(b) (c)}	256,061	187,233	164,751	215,691	175,767	151,698	141,289
CASH ASSETS ^(d)	201,399	216,179	261,715	630,502	501,893	385,741	319,611

- (a) The significant increase in Capital Appropriation in the 2021-22 Budget is primarily due to the establishment of a new Westport Special Purpose Account to be administered by the Department.
- (b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.
- (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

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Cycling Package.....	-	5,335	6,214	5,055	56
Drummond Cove Coastal Erosion Project and Boat Launching Facility	-	204	389	1,091	1,523
METRONET					
North-East Rapid Transit Feasibility Study	-	500	1,500	3,000	-
Wanneroo Activity Corridor.....	-	100	900	-	-
Regional Airfare Zone Cap for Regional Residents.....	(2,435)	(815)	6,600	6,497	6,418
COVID-19 Response					
COVID-19 Information Call Centre	2,122	1,420	-	-	-
New Initiatives					
Barrack Square - Jetty 1 Replacement (Planning)	-	250	-	-	-
Carnarvon One-Mile Jetty - Partial Demolition of Jetty	-	4,200	-	-	-
Improve Access and Equity for Learner Drivers Pilot	-	4,900	-	-	-
Kalgoorlie Rail Realignment	-	-	1,500	1,000	-
Kenwick Intermodal Terminal Development	-	-	10,000	-	-
National Disability Insurance Scheme Worker Screening Unit	332	559	492	501	501
National Partnership Agreement for Recreational Fishing and Camping Facilities.....	-	795	795	-	-
Transfer to Department of Primary Industries and Regional Development for the Australian Underwater Discovery Centre.....	-	(9,500)	-	-	-
Transfers to Public Transport Authority					
CAT Bus Service Expansion Trial.....	-	3,142	2,120	1,082	-
Purple CAT Bus Service	-	1,917	2,883	2,941	3,000
Tunnel Monitoring System	-	4,200	4,200	200	200
Western Australia Agricultural Supply Chain Improvements ^(a)	-	10,000	50,000	59,000	59,000
Vehicle Immobilisation, Vehicle Removal and Detention.....	289	600	608	616	616
Ongoing Initiatives					
Coastal Erosion Hotspots (CoastWA) ^(b)	-	3,098	4,505	2,684	2,396
METRONET - Program Management Costs	1,658	2,192	3,383	3,933	1,189
Westport Project Staff - Transfer to Department of Primary Industries and Regional Development	50	3,703	(175)	(4,609)	-
Other					
Coastal Adaptation - Capital to Recurrent	3,150	1,850	-	-	-
Connecting Schools Grant Program.....	15	-	-	-	-
Country Age Pension Fuel Card.....	(1,500)	-	-	-	-
Government Office Accommodation.....	(62)	(54)	(44)	(34)	(4)
Indian Ocean Territories Revised Funding Arrangements.....	231	231	231	231	231
Regional Workers Incentives Allowance.....	(50)	-	-	-	-
Soldiers Road Shared Path - Capital to Recurrent	2,000	1,000	-	-	-
Speed Enforcement Administration Costs.....	-	(423)	(423)	(423)	(423)
2021-22 Tariffs, Fees and Charges.....	-	11,099	164	989	12,712
Taxi User Subsidy Scheme and Taxi User Co-Payment	1,743	-	-	-	-
Transfer of Wyndham, Derby and Yampi Sound Ports to Kimberley Ports Authority	-	(3,532)	(3,528)	(3,476)	(3,476)

(a) Includes \$827,000 to be retained by the Department to support the assessment of projects considered for funding through the program.

(b) Includes \$4 million transferred from the Department of Planning, Lands and Heritage.

Significant Issues Impacting the Agency

Coastal Protection

1. CoastWA will facilitate the management of coastal erosion hotspots along the Western Australian coastline and includes the provision of grants to local governments for this purpose. The Department will spend an additional \$12.7 million over 2021-22 to 2024-25 on the assessment of hotspots and data acquisition.

Freight

2. The Department is planning and implementing initiatives to improve the performance of the metropolitan freight network, enhance the utilisation of rail for freight, manage environmental and social externalities, and future proof the network for freight requirements, in the context of a future transition to a new container port in Kwinana.
3. The Department is working with industry to improve the competitiveness of rail for carrying containers in and out of Fremantle Port's Inner Harbour. The current rail subsidy is \$50 per twenty-foot equivalent unit container.
4. The Department continues to work with industry and the community to identify and deliver rail, intermodal and road infrastructure projects that will enhance supply chains in regional Western Australia.

Western Australia Agricultural Supply Chain Improvements

5. The Department will work with Transport Portfolio agencies on the Western Australia Agricultural Supply Chain Improvements Program. This program targets rail and road upgrades to improve the performance of the freight network. The program considers freight (with a key focus on grain) pathways to port across the Wheatbelt, Mid-West, Great Southern and Goldfields-Esperance regions.

Regional Airfare Zone Cap for Regional Residents

6. The Government is committed to make regional flights more affordable. A total of \$19.8 million (partially offset by \$3.5 million which has been internally reprioritised) will be spent over 2021-22 to 2024-25 to provide a two-zone airfare cap for regional residents. Under the scheme, residents of regional communities less than 1,000 km driving distance from Perth will pay no more than \$199 one-way, and those over 1,000 km driving distance a maximum of \$299 one-way.

Cycling Package

7. The Government has allocated an additional \$16.7 million over 2021-22 to 2024-25 to provide grants to local governments to improve the cycling network. Key projects include expanding and upgrading the Hillarys cycle network, Geraldton cycling network, Railway Avenue (Kelmescott), Rosedale Road Shared Path, Koondoola-Wanneroo Bike Path, and Gngara Shared Path.

Maritime

8. The Department will spend \$4.2 million in 2021-22 to remove a section of the Carnarvon One-Mile Jetty that was irreparably damaged due to Severe Tropical Cyclone Seroja. The damaged sections and debris present a risk to marine safety and will be removed in 2021-22.

COVID-19 Response

9. The Department will continue to operate the COVID-19 Information Call Centre for 2021-22 on behalf of the Western Australia Police Force.

Westport

10. The Westport Office is progressing a business case for a new port in Kwinana, which will unlock Western Australia's economic growth, deliver local jobs and opportunities in the southern suburbs and support the evolution of Fremantle. The Westport Office will work closely with stakeholders to ensure its outcomes complement the new economic and land-use development opportunities being pursued through the Western Trade Coast and Future of Fremantle initiatives.
11. The Department will also administer the new Westport Special Purpose Account. The initial funding of \$400 million will accelerate enabling works and strategically secure land over the forward estimates period for future Westport port and freight-related uses.

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 Department's services, the desired outcomes and the relevant Government Goal. 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
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Integrated transport systems that facilitate economic development.	1. Strategic Transport Policy and Integrated Planning
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Vehicles and road users that meet established vehicle standards, driver competencies and identify requirements to deliver safe vehicles, safe drivers and secure identities.	2. Driver and Vehicle Services
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	An accessible and safe transport system.	3. Maritime 4. On-demand Transport

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Strategic Transport Policy and Integrated Planning.....	109,617	122,299	100,400	189,502	224,580	188,296	162,668
2. Driver and Vehicle Services.....	202,427	221,460	222,100	233,917	219,007	225,256	236,934
3. Maritime.....	97,894	101,610	99,609	112,056	101,108	99,934	99,441
4. On-demand Transport	150,059	32,199	33,929	27,433	27,417	27,689	27,756
Total Cost of Services.....	559,997	477,568	456,038	562,908	572,112	541,175	526,799

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Integrated transport systems that facilitate economic development:					
Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle Port	20%	20.3%	18.4%	20%	1
Percentage of regional Local Government Areas (LGAs) that have access to regular public transport air services between the LGA and Perth	91.4%	91.4%	91.4%	91.4%	
Outcome: Vehicles and road users that meet established vehicle standards, driver competencies and identify requirements to deliver safe vehicles, safe drivers and secure identities:					
Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles)	93.5%	100%	97.3%	100%	
Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers)	96.8%	100%	99.8%	100%	
Percentage of identity credentials compliant with the required standard of biometric quality	n/a	93%	99.5%	93%	
Outcome: An accessible and safe transport system:					
Percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard	98.5%	95%	98.4%	95%	
Percentage of time maritime infrastructure is fit for purpose when required	99%	99.7%	98.6%	99.9%	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels	10.2	10	11.8	11	2
Percentage of audited authorised on-demand booking services compliant with safety requirements	n/a	45%	24%	60%	3

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

Explanation of Significant Movements**(Notes)**

1. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual was due to the impact of COVID-19 on the decrease in rail container volumes to and from Fremantle Port, and a delay to the Kewdale Freight Terminal becoming operational.
2. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual was due to increased boating activity and congestion on Western Australian waters as a result of COVID-19, which resulted in an increase in minor incidents.
3. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual was due to a significant impact on travel patterns and business models across Western Australia as a result of COVID-19, which resulted in a lower number of audits initiated.

Services and Key Efficiency Indicators

1. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	109,617	122,299	100,400	189,502	1, 2
Less Income ^(a)	56,158	51,190	51,190	80,243	1
Net Cost of Service	53,459	71,109	49,210	109,259	
Employees (Full-Time Equivalents)	141	179	152	190	1
Efficiency Indicators					
Average cost per hour for strategic policy development and integrated transport planning	n/a	\$150	\$133	\$143	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service, Income and Full-Time Equivalents (FTEs) between the 2020-21 Estimated Actual and the 2021-22 Budget is primarily attributable to the work being undertaken for the Perth City Deal Project, including the Causeway Cyclist and Pedestrian Bridge, grants to local governments to improve the cycling network, introduction of the Purple CAT Bus Service, a new project to improve the performance of the grain freight network in the agricultural regions of Western Australia and progressing a business case to consider a new port in Kwinana.
2. The decrease in the Total Cost of Service between the 2020-21 Budget and the 2020-21 Estimated Actual is due to project carryovers including the Perth City Deal, Principal Shared Path Program, Westport project and funding allocated to regional aviation projects.

2. 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 Commonwealth and Government requirements, examining motor vehicles for compliance with those standards and registering and transferring compliant motor vehicles;
- setting standards and requirements for the enrolment and management of driver's licences and identity credentials, in accordance with Government legislation and national identity, and security and privacy policies;
- assessing driver competency, issuing and renewing driver's licences in accordance with Commonwealth and 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 202,427	\$'000 221,460	\$'000 222,100	\$'000 233,917	1
Less Income ^(a)	179,165	181,663	181,894	193,377	1
Net Cost of Service	23,262	39,797	40,206	40,540	
Employees (Full-Time Equivalents)	963	940	1,013	1,034	1
Efficiency Indicators					
Average cost per vehicle and driver transaction	\$17	\$19	\$19	\$19	
Average cost per vehicle inspection performed by vehicle examination centres	\$120	\$118	\$118	\$204	2
Average cost per vehicle inspection delivered through Authorised Inspection Stations	\$142	\$135	\$122	\$160	3
Average cost per driver assessment	\$114	\$99	\$96	\$106	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service, Income and FTEs from the 2020-21 Estimated Actual to the 2021-22 Budget Target is primarily attributable to the cost of operating the COVID-19 Information Call Centre and the pilot program to help young people in regional Western Australia gain their driver's licence.
2. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is due to a change in the classification of costs.
3. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is due to an increase in Authorised Inspection Station service fees.

3. Maritime

This service contributes towards the Department's outcome of an accessible and safe transport system through a range of coastal infrastructure services and a range of marine safety and regulatory and education services including:

- licensing and registration of recreational vessels, moorings, jetties, ferries, recreational skippers and marine pilots;
- regulation and administration of marine operations, including on-water compliance and marine safety education;
- planning, building and managing new and existing land and water-based facilities for the use of the community as well as recreational and commercial vessel owners;
- provision of coastal engineering advice and solutions for new and existing land and water-based maritime facilities;
- provision of oceanographic, cartographic and geographic information; and
- marine protection through a hazard management response team.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	97,894	101,610	99,609	112,056	1
Less Income ^(a)	65,569	53,232	53,854	67,322	1
Net Cost of Service	32,325	48,378	45,755	44,734	
Employees (Full-Time Equivalents)	233	237	244	248	1
Efficiency Indicators					
Average cost per day per maritime infrastructure asset managed	\$91	\$89	\$91	\$105	2
Average cost per private recreational vessel registration	\$157	\$140	\$131	\$151	3
Cost to maintain marine pollution response preparedness per registered vessel	\$40	\$35	\$33	\$33	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service, Income and FTEs between the 2020-21 Estimated Actual and the 2021-22 Budget Target is primarily attributable to the removal of a section of the Carnarvon One-mile Jetty damaged by Severe Tropical Cyclone Seroja and the management of coastal erosion hotspots along the Western Australian coastline.
2. The increase between the 2020-21 Estimated Actual and the 2021-22 Budget Target is primarily due to the increase in asset repair and maintenance and dredging costs.
3. The increase between the 2020-21 Estimated Actual and the 2021-22 Budget Target is primarily due to the realignment of repairs and maintenance expenses.

4. On-demand Transport

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;
- authorising on-demand booking services;
- administering subsidies for taxi users, student and pensioner travel schemes; and
- investigating complaints from on-demand transport patrons, operators and drivers.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 150,059	\$'000 32,199	\$'000 33,929	\$'000 27,433	1
Less Income ^(a)	3,044	4,250	4,349	6,275	2
Net Cost of Service	147,015	27,949	29,580	21,158	
Employees (Full-Time Equivalents)	55	57	52	54	
Efficiency Indicators					
Cost per on-demand transport authorisation	\$260	\$107	\$184	\$202	3

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service in the 2021-22 Budget Target compared to the 2020-21 Budget and the 2020-21 Estimated Actual is primarily due to \$6 million of assistance given to regional taxi licence holders in 2020-21.
2. The increase in Income in the 2021-22 Budget Target compared to the 2020-21 Budget and the 2020-21 Estimated Actual is due to the 12 month fee waiver for Passenger Transport Vehicles in 2020-21 as part of the On-demand Taxi Industry COVID-19 Relief Package.
3. The increase in the 2021-22 Budget Target compared to the 2020-21 Budget and the 2020-21 Estimated Actual is due to a significant reduction in transaction volumes for Passenger Transport Driver Authorisations as amendments to legislation have removed the requirement for some 'F' extension holders (for example teachers and volunteers) to apply for the authorisation.

Asset Investment Program

1. The Department's Asset Investment Program for 2021-22 is \$48.2 million. Major projects are summarised below.

Election Commitment

Broome Boating Facility

2. The Department has progressed the planning and design work required before constructing a new boating facility at Broome's Entrance Point. The project will improve marine infrastructure and safety. The planned works include four sheltered boat ramp lanes, two finger jetties, expanded parking for 160 trailers and 60 cars, tour coach access and a detached breakwater. The Government has provisioned \$36.3 million over 2022-23 to 2024-25, pending confirmation of a third-party contribution for the remaining funding.

COVID-19 Response

Albany Waterfront Marina - Toll Place Services and Lighting Upgrades

3. The Department has identified an opportunity to attract new business to the Albany Waterfront Marina. Extension of critical services such as power, water, sewer and communications promotes further development within the harbour and enables third-party development through commercial leases. In addition, the Department upgraded street lighting along Toll Place with new poles and energy-efficient LED lights during 2020-21, reducing ongoing operating and maintenance costs. Throughout 2021-22, the Department will continue to work with the proponent to develop a suitable detailed design for the services extension and complete the works.

Carnarvon Fascine Entrance

4. With ongoing limitations to vessel access through the Carnarvon Fascine, a solution to relocate selected vessels to the Carnarvon Boat Harbour will be implemented. Construction of new floating pens to accommodate these relocated vessels will restore access to the ocean while a long-term solution for the Carnarvon Fascine is further investigated. A contract for the design and construction of new boat pens within Carnarvon Boat Harbour was awarded on 21 July 2021, with works progressing over a seven month period.

Geraldton - Fast Speed Ferry Jetty

5. The construction of a new ferry jetty and associated landside infrastructure off the Geraldton Port's eastern breakwater and an additional floating pontoon within the Batavia Coast Marina was identified to support charter vessels, providing marine tourism opportunities along the Batavia Coast and to the Abrolhos Islands.

Fremantle Fishing Boat Harbour and Commercial Precinct - Replacement of Electrical Infrastructure

6. The Department is responsible for providing and maintaining both medium and low voltage electrical infrastructure within the Fremantle Fishing Boat Harbour. This infrastructure currently supplies all public areas and facilities as well as a multitude of commercial tenancies. This project will replace the ageing electrical infrastructure, resulting in significant safety and reliability benefits. Throughout 2021-22, the Department will commence stakeholder engagement and detailed design with most of the construction works to occur in off-peak periods (winter) commencing from late 2021-22 with completion in 2023-24.

Hillarys Boat Harbour - Jetties F, G, H and J

7. As part of an ongoing program of metropolitan jetty replacements, the Department will replace the last original remaining floating jetties at Hillarys Boat Harbour, Jetties F, G, H and J. The existing jetties will be progressively replaced with modern floating pens of a standard similar to other recently completed jetty replacements at the harbour. In 2021-22, a design and construct contract will be released to public tender, with works commencing in a staged approach.

Redevelopment of Woodman Point Jetty

8. This project involves the replacement of the deteriorated recreational jetty located at Woodman Point, which is now over 80 years old. The jetty is one of Perth's most popular recreational fishing spots and a very popular underwater diving destination. The Department will remove the old jetty deck while retaining the below water structure to preserve the important marine biota and dive amenity. A new jetty will be constructed to enable continued safe recreational access for the community to the waters of Cockburn Sound. Throughout 2021-22, further public consultation will occur before selecting the replacement option and proceeding with a detailed design.

Others*Emu Point Boat Harbour - Jetty B Remediation*

9. Jetty B at Emu Point was originally constructed in 1971 and has been in service for 50 years. The jetty currently provides berthing and mooring facilities for recreation vessels ranging from 12 metres to 15 metres. The Department will undertake a \$1 million refurbishment of Jetty B in 2021-22 to restore full access to the jetty, and mooring facilities.

Onslow (Beadon Creek) Maritime Facility

10. The Shire of Ashburton and the Department will undertake an \$8.5 million project to deliver a new community boating precinct within the Onslow (Beadon Creek) Maritime Facility. The Department will deliver Stage 1 on the Shire's behalf, including a new relocated two-lane boat ramp, dredged basin, rock revetments, and minor landside works, greatly improving the boat launching experience in Onslow. Stage 1 works will be completed in 2021-22.

Maritime Facilities Program

11. This program comprises asset replacement and additional public maritime infrastructure throughout the State to meet current and future boating requirements. Significant projects being delivered throughout 2021-22 include the continuation of improvements at Two Rocks Marina with the demolition of the two end of life service depot buildings, upgrade of services including firefighting and improvements to public amenity through landscaping works and public toilets in the southern boat launching precinct.

Navigational Aids Program

12. The Department is responsible for managing 1,400 navigational aids throughout State waters and has an annual program to install, replace or upgrade end of life assets to maintain boating navigational safety. In 2021-22, various navigational aids that have reached the end of life will be replaced.

Driver and Vehicle Services Reform Program

13. This program of works is to modernise driver and vehicle services information systems by implementing new technology that increases the number of transactions customers can conduct without face-to-face attendance at licensing centres. This program also enhances licensing centre facilities to improve customer service.

Information and Communications Infrastructure

14. This program undertakes development, expansion and ongoing maintenance of information and communications infrastructure and applications for the effective and sustainable delivery of the Department's services as well as shared projects on behalf of the Department of Planning, Lands and Heritage, and other partners. The Department is transitioning to cloud computing services, including virtual servers, storage and database administration.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Maritime							
Albany Waterfront Marina	400	153	153	247	-	-	-
Carnarvon Fascine Entrance	2,500	62	62	2,438	-	-	-
Fremantle Fishing Boat Harbour and Commercial Precinct - Replacement of Electrical Infrastructure	5,900	30	30	2,239	2,541	1,085	5
Hillarys Boat Harbour - Jetties F, G, H, and J	6,800	7	7	2,043	4,000	750	-
Redevelopment of Woodman Point Jetty	9,690	181	181	2,509	7,000	-	-
Other Works in Progress							
Driver and Vehicle Services - ServiceWA Pilot	1,803	1,782	508	21	-	-	-
Maritime							
Onslow (Beadon Creek) Maritime Facility	8,455	500	500	7,905	50	-	-
Vessel and Vehicle Replacement Program - 2020-21 Program	530	332	332	198	-	-	-
COMPLETED WORKS							
Business Information Systems - Information and Communications Infrastructure - 2020-21 Program							
Corporate - Accommodation and Refurbishment 2020-21 Program	690	690	690	-	-	-	-
Driver and Vehicle Services							
Intergovernmental Agreement on Identity Matching Services	2,543	2,543	1,191	-	-	-	-
Reform Program - 2020-21 Program	4,427	4,427	4,427	-	-	-	-
Maritime							
Facilities Program - 2020-21 Program	10,531	10,531	10,531	-	-	-	-
Marine Oil Pollution Response Equipment 2020-21 Program	131	131	131	-	-	-	-
Navigational Aids Program - 2020-21 Program	686	686	686	-	-	-	-
Transforming Bunbury's Waterfront - Stage 2 (Jetty Road)	9,877	9,877	1,645	-	-	-	-
Minor Works - 2020-21 Program	1,072	1,072	1,072	-	-	-	-
On-demand Transport - Business System Enhancement ...	14,300	14,300	3,685	-	-	-	-
NEW WORKS							
Election Commitments							
Maritime - Broome Boating Facility	36,306	-	-	-	596	16,218	19,492
COVID-19 Response							
Maritime - Geraldton - Fast Speed Ferry Jetty	3,400	-	-	3,400	-	-	-
Other New Works							
Business Information Systems - Information and Communications Infrastructure							
2021-22 Program	6,011	-	-	6,011	-	-	-
2022-23 Program	5,825	-	-	-	5,825	-	-
2023-24 Program	5,825	-	-	-	-	5,825	-
2024-25 Program	6,525	-	-	-	-	-	6,525
Corporate - Accommodation and Refurbishment							
2021-22 Program	1,122	-	-	1,122	-	-	-
2022-23 Program	818	-	-	-	818	-	-
2023-24 Program	818	-	-	-	-	818	-
2024-25 Program	818	-	-	-	-	-	818
Driver and Vehicle Services - Reform Program							
2021-22 Program	4,850	-	-	4,850	-	-	-
2022-23 Program	6,600	-	-	-	6,600	-	-
2023-24 Program	3,200	-	-	-	-	3,200	-
2024-25 Program	3,200	-	-	-	-	-	3,200
Maritime							
Emu Point Boat Harbour - Jetty B Remediation	1,038	-	-	1,038	-	-	-
Marine Oil Pollution Response Equipment							
2021-22 Program	169	-	-	169	-	-	-
2022-23 program	150	-	-	-	150	-	-
2023-24 Program	150	-	-	-	-	150	-
2024-25 Program	200	-	-	-	-	-	200
Facilities Program							
2021-22 Program	11,249	-	-	11,249	-	-	-
2022-23 Program	9,030	-	-	-	9,030	-	-
2023-24 Program	9,030	-	-	-	-	9,030	-
2024-25 Program	9,180	-	-	-	-	-	9,180
Navigational Aids Program							
2021-22 Program	1,799	-	-	1,799	-	-	-
2022-23 Program	431	-	-	-	431	-	-
2023-24 Program	431	-	-	-	-	431	-
2024-25 Program	912	-	-	-	-	-	912

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Vessel and Vehicle Replacement Program							
2021-22 Program	530	-	-	530	-	-	-
2022-23 Program	530	-	-	-	530	-	-
2023-24 Program	530	-	-	-	-	530	-
2024-25 Program	580	-	-	-	-	-	580
Minor Works							
2021-22 Program	449	-	-	449	-	-	-
2022-23 Program	408	-	-	-	408	-	-
2023-24 Program	408	-	-	-	-	408	-
2024-25 Program	408	-	-	-	-	-	408
Total Cost of Asset Investment Program	218,911	52,950	31,477	48,217	37,979	38,445	41,320
FUNDED BY							
Capital Appropriation			32,763	26,020	36,702	22,227	21,828
Drawdowns from Royalties for Regions Fund			-	1,038	-	-	-
Funding Included in Department of Treasury Administered Item			-	-	596	16,218	19,492
Internal Funds and Balances			(6,618)	14,159	631	-	-
Other			2,370	-	-	-	-
Other Grants and Subsidies			2,962	7,000	50	-	-
Total Funding			31,477	48,217	37,979	38,445	41,320

Financial Statements

Income Statement

Expenses

1. Total Cost of Services in the 2021-22 Budget Estimate is projected to increase by \$106.9 million compared to the 2020-21 Estimated Actual. This is mainly due to the work being carried out for the Perth City Deal including the Causeway Cyclist and Pedestrian Bridge, grants to local governments to improve the cycling network, introduction of the Purple CAT Bus Service, commencing the pilot program to improve access and equity for learner drivers in regional Western Australia, the removal of a section of the Carnarvon One-mile Jetty damaged by Severe Tropical Cyclone Seroja, the commencement of the Western Australia Agricultural Supply Chain Improvement Program and progressing a business case to consider a new port in Kwinana.

Income

2. Total Income in the 2021-22 Budget is projected to increase by \$55.9 million compared to the 2020-21 Estimated Actual. This is mainly due to an increase in Grants and subsidies representing the Commonwealth contribution for the Perth City Deal and towards improving the agricultural supply chain in Western Australia.

Statement of Financial Position

3. Total Assets are expected to increase by \$401.1 million between 2020-21 Estimated Actual and 2021-22 Budget Estimate. This primarily reflects the establishment of a new \$400 million Special Purpose Account (SPA) to be administered by the Department for the purchase of priority industrial lots and road corridor land for the Westport project.

Statement of Cashflows

4. The increase in cash balances of \$368.8 million between the 2021-22 Budget and the 2020-21 Estimated Actual is primarily due to the establishment of a \$400 million SPA offset by an increase in Asset Investment Program by \$16.8 million.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	144,332	156,685	159,670	164,376	163,906	162,492	160,582
Grants and subsidies ^(c)	213,990	134,885	119,978	183,295	164,807	127,621	115,028
Supplies and services	81,813	97,676	88,627	128,931	157,777	159,303	159,754
Accommodation	27,098	26,797	26,735	28,975	29,440	29,764	29,919
Depreciation and amortisation	24,090	25,317	25,229	25,398	25,502	25,552	25,098
Finance and interest costs	114	195	157	152	132	102	98
Other expenses	68,560	36,013	35,642	31,781	30,548	36,341	36,320
TOTAL COST OF SERVICES	559,997	477,568	456,038	562,908	572,112	541,175	526,799
Income							
Sale of goods and services	75	1	23,190	26,992	27,443	27,982	28,403
Regulatory fees and fines	216,855	217,811	167,500	177,271	174,865	178,233	188,034
Grants and subsidies	1,260	922	2,558	32,771	77,176	66,653	51,153
Taxation	55,699	51,180	77,618	83,842	88,101	89,635	90,910
Other revenue	30,047	20,421	20,421	26,341	28,760	26,974	27,010
Total Income	303,936	290,335	291,287	347,217	396,345	389,477	385,510
NET COST OF SERVICES ^(d)	256,061	187,233	164,751	215,691	175,767	151,698	141,289
INCOME FROM STATE GOVERNMENT							
Service appropriations	226,150	97,711	108,001	88,401	95,172	71,112	51,250
Resources received free of charge	1,958	1,989	1,989	1,989	1,989	1,989	1,989
Royalties for Regions Fund:							
Regional Community Services Fund	32,552	33,286	30,591	36,950	37,740	47,339	47,692
Other revenues	46,885	63,738	65,350	65,987	72,248	62,256	71,320
TOTAL INCOME FROM STATE GOVERNMENT	307,545	196,724	205,931	193,327	207,149	182,696	172,251
SURPLUS/(DEFICIENCY) FOR THE PERIOD	51,484	9,491	41,180	(22,364)	31,382	30,998	30,962

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

(b) The FTE for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 1,392, 1,461 and 1,526 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Active Traffic Management.....	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Australian Maritime Safety Authority	239	-	-	-	-	-	-
Aviation (Public Air Route) Subsidies	375	4,605	733	3,530	500	500	500
Bicycle Boulevards (Safe Active Streets Program).....	1,520	4,403	3,203	4,200	-	-	-
Coastal Projects and Zone Management	1,050	1,057	2,324	6,825	4,487	3,885	4,086
Community Police	1,629	1,300	1,300	1,300	1,300	1,300	1,300
Country Age Pension Fuel Card Scheme.....	26,332	27,549	26,579	27,553	27,612	27,563	27,563
Fare Subsidies (Pensioners)	1,129	1,589	1,589	1,589	1,589	1,589	1,589
Fremantle Container Rail Subsidy.....	5,871	7,136	7,136	8,334	8,569	8,709	8,956
Improve Access and Equity for Learner Drivers Pilot.....	-	-	-	4,700	-	-	-
Kenwick Intermodal Terminal Development	-	-	-	-	10,000	-	-
Local Projects Local Jobs.....	154	120	120	-	-	-	-
Marine Communications.....	685	670	670	670	670	670	670
Multi-purpose Taxi - Vehicle Modification Grant	222	345	240	450	345	345	345
National Partnership Agreement for Recreational Fishing and Camping Facilities.....	-	-	-	795	795	-	-
National Transport Reforms	321	328	328	336	345	354	354
On-demand Transport Industry COVID-19 Relief Measures.....	1,630	6,000	6,000	-	-	-	-
On-demand Transport Reform - Voluntary Taxi Plate Buy-back Scheme	118,163	-	-	-	-	-	-
Other Grants and Subsidies	559	324	217	277	282	282	283
Perth City Deal CBD Transport Plan	-	7,218	-	41,218	35,434	14,400	-
Port of Wyndham.....	2,726	2,600	2,600	-	-	-	-
Public Transport Authority							
CAT Bus Services.....	15,412	15,292	15,292	18,434	17,412	16,374	15,292
Purple CAT Bus Service	-	-	-	1,917	2,883	2,941	3,000
Recreational Boat Facilities	1,336	3,951	2,719	3,097	1,500	1,500	1,500
Regional Airfare Zone Cap for Regional Residents.....	-	-	-	-	6,245	6,235	6,221
Regional Airport Development Scheme	1,164	2,583	483	3,932	1,935	1,935	1,935
Regional Aviation Support - COVID-19 Economic Response.....	774	2,226	817	-	-	-	-
Regional Taxi Transition Fund.....	2,770	-	-	-	-	-	-
Student Fare Concessions	1,156	1,241	1,241	1,241	1,241	1,241	1,241
Taxi User Co-Payment	3,001	1,959	2,959	1,959	1,959	1,959	1,959
Taxi User Subsidy Scheme	9,786	8,826	9,569	8,826	8,826	8,826	8,826
Tunnel Monitoring System.....	-	-	-	4,200	4,200	200	200
Western Australian Bicycle Network (including Principal Shared Path Program)	13,736	31,313	31,609	35,662	24,428	24,563	26,958
TOTAL	213,990	134,885	119,978	183,295	164,807	127,621	115,028

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	59,998	40,774	76,040	45,369	42,593	39,697	33,527
Restricted cash.....	139,260	172,723	182,993	581,791	455,448	341,712	281,274
Holding account receivables.....	-	3,900	3,900	3,900	3,900	3,900	3,900
Receivables.....	10,579	10,579	10,579	10,579	10,579	10,579	10,579
Other.....	4,762	4,762	4,762	4,762	4,762	4,762	4,762
Total current assets.....	214,599	232,738	278,274	646,401	517,282	400,650	334,042
NON-CURRENT ASSETS							
Holding account receivables.....	276,738	297,095	297,141	317,681	338,295	358,920	379,495
Property, plant and equipment.....	456,252	488,632	468,070	480,708	487,359	501,965	521,024
Intangibles.....	38,198	37,383	37,383	36,471	35,558	34,645	33,732
Restricted cash.....	2,141	2,682	2,682	3,342	3,852	4,332	4,810
Total non-current assets.....	773,329	825,792	805,276	838,202	865,064	899,862	939,061
TOTAL ASSETS.....	987,928	1,058,530	1,083,550	1,484,603	1,382,346	1,300,512	1,273,103
CURRENT LIABILITIES							
Employee provisions.....	24,405	28,661	28,661	29,017	29,373	29,729	30,085
Payables.....	21,960	21,960	21,960	21,960	21,960	21,960	21,960
Borrowings and leases.....	2,081	2,081	2,109	11,640	2,109	2,180	2,109
Other.....	4,902	4,902	4,902	4,902	1,902	1,902	1,902
Total current liabilities.....	53,348	57,604	57,632	67,519	55,344	55,771	56,056
NON-CURRENT LIABILITIES							
Employee provisions.....	6,782	6,782	6,782	6,782	6,782	6,782	6,782
Borrowings and leases.....	2,477	6,380	4,795	4,535	2,973	1,269	1,293
Total non-current liabilities.....	9,259	13,162	11,577	11,317	9,755	8,051	8,075
TOTAL LIABILITIES.....	62,607	70,766	69,209	78,836	65,099	63,822	64,131
EQUITY							
Contributed equity.....	534,902	587,854	582,665	996,455	876,553	764,998	706,318
Accumulated surplus/(deficit).....	386,534	396,025	427,714	405,350	436,732	467,730	498,692
Reserves.....	3,885	3,885	3,962	3,962	3,962	3,962	3,962
Total equity.....	925,321	987,764	1,014,341	1,405,767	1,317,247	1,236,690	1,208,972
TOTAL LIABILITIES AND EQUITY.....	987,928	1,058,530	1,083,550	1,484,603	1,382,346	1,300,512	1,273,103

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	205,703	73,454	83,698	67,861	74,558	50,487	30,675
Capital appropriation.....	15,122	37,952	32,763	426,020	36,702	22,227	21,828
Administered equity contribution.....	2,920	15,000	15,000	-	596	16,218	19,492
Royalties for Regions Fund:							
Regional Community Services Fund.....	32,552	33,286	30,591	36,950	37,740	47,339	47,692
Regional Infrastructure and Headworks Fund	6,173	-	-	1,038	-	-	-
Receipts paid into Consolidated Account	(3,879)	-	-	-	(7,200)	-	-
Other.....	45,947	63,738	65,350	66,039	71,406	61,592	69,512
Net cash provided by State Government	304,538	223,430	227,402	597,908	213,802	197,863	189,199
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(140,562)	(152,429)	(155,414)	(164,020)	(163,550)	(162,136)	(160,226)
Grants and subsidies	(212,571)	(134,885)	(119,978)	(183,295)	(164,807)	(127,621)	(115,028)
Supplies and services	(78,060)	(94,293)	(85,221)	(125,323)	(154,154)	(155,609)	(156,220)
Accommodation	(27,255)	(26,797)	(26,735)	(28,975)	(29,440)	(29,764)	(29,919)
GST payments	(25,359)	(26,706)	(26,706)	(26,706)	(26,706)	(26,706)	(26,706)
Finance and interest costs	-	(195)	(157)	(152)	(132)	(102)	(98)
Other payments	(66,328)	(37,407)	(37,059)	(33,400)	(32,182)	(38,046)	(37,865)
Receipts (c)							
Regulatory fees and fines	216,136	217,811	167,500	177,271	173,165	178,233	188,034
Grants and subsidies	1,231	922	2,558	32,771	77,176	66,653	51,153
Sale of goods and services.....	75	1	23,190	26,940	28,285	28,646	30,211
Taxation	56,542	51,180	77,618	83,842	88,101	89,635	90,910
GST receipts	25,138	26,706	26,706	26,706	26,706	26,706	26,706
Other receipts	24,646	20,421	20,421	26,341	27,460	26,974	27,010
Net cash from operating activities	(226,367)	(155,671)	(133,277)	(188,000)	(150,078)	(123,137)	(112,038)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(32,917)	(50,513)	(31,477)	(48,217)	(37,979)	(38,445)	(41,320)
Proceeds from sale of non-current assets	49	-	-	-	7,500	-	-
Net cash from investing activities	(32,868)	(50,513)	(31,477)	(48,217)	(30,479)	(38,445)	(41,320)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(2,372)	(2,466)	(2,332)	(2,364)	(11,854)	(2,433)	(1,971)
Other payments	-	-	-	-	(150,000)	(150,000)	(100,000)
Proceeds from borrowings	-	-	-	9,460	-	-	-
Net cash from financing activities	(2,372)	(2,466)	(2,332)	7,096	(161,854)	(152,433)	(101,971)
NET INCREASE/(DECREASE) IN CASH HELD.....	42,931	14,780	60,316	368,787	(128,609)	(116,152)	(66,130)
Cash assets at the beginning of the reporting period	158,475	201,399	201,399	261,715	630,502	501,893	385,741
Net cash transferred to/from other agencies	(7)	-	-	-	-	-	-
Cash assets at the end of the reporting period	201,399	216,179	261,715	630,502	501,893	385,741	319,611

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Regulatory Fees and Fines							
Boat Registration Fees	20,162	18,745	18,745	21,491	21,641	22,069	22,069
Jetty Licences and Coastal Facility Fees	13,554	12,377	11,693	11,770	12,577	12,783	12,783
Motor Drivers Licence Fees	72,478	71,566	71,566	74,390	72,374	74,627	82,449
Motor Vehicle Inspection Fees ^(a)	18,899	19,867	-	-	-	-	-
Motor Vehicle Recording Fee	54,769	55,984	55,984	58,358	50,053	51,719	53,447
On-demand Transport Fees	2,902	4,338	4,338	6,211	10,238	10,613	10,763
Other Driver and Vehicle Services Fees	6,290	6,727	3,405	3,659	4,364	4,505	4,605
Other Marine Safety Fees	1,262	1,768	1,768	1,391	1,917	1,917	1,917
Grants and Subsidies							
Grants and Contributions Received	14,965	30,632	31,603	62,622	112,611	90,943	83,357
Sale of Goods and Services							
Sale of Goods and Services ^(a)	27,321	28,047	51,391	56,550	59,058	60,709	62,274
Taxation							
Motor Vehicle Plate Fees ^(b)	16,466	16,088	16,088	16,421	16,631	16,842	17,079
Motor Vehicle Transfer Fees ^(b)	9,354	10,351	10,351	11,322	11,445	11,567	11,688
Perth Parking Levy	56,542	51,180	51,180	56,099	60,026	61,226	62,144
GST Receipts							
GST Input Credits	17,481	18,825	18,825	18,825	18,825	18,825	18,825
GST Receipts on Sales	7,657	7,881	7,881	7,881	7,881	7,881	7,881
Other Receipts							
Interest Revenue	239	296	296	296	296	296	296
Other Revenue	9,136	7,346	7,346	9,957	10,764	10,284	10,326
Rents and Leases	15,894	12,775	12,775	16,720	17,037	17,037	17,037
Service Delivery Agreement	4,344	5,986	8,108	5,947	4,561	4,596	4,596
TOTAL	369,715	380,779	383,343	439,910	492,299	478,439	483,536

(a) Per advice from the ABS Motor Vehicle Inspection fees were reclassified to a Sale of Goods and Services.

(b) Per advice from the ABS Motor Plate Fees and Motor Vehicle Transfer Fees were reclassified from Regulatory Fees and Fines to Taxation Revenue.

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Taxation							
Motor Vehicle Licence Fees	997,191	1,010,449	1,047,948	1,090,188	1,144,605	1,203,991	1,266,984
On-demand Transport Levy	41,130	29,500	38,500	39,000	4,957	-	-
Fines							
Final Demand Fees	2,174	2,508	2,508	2,256	2,256	2,256	2,256
Other Fines	23,342	23,028	23,028	23,028	23,028	23,028	23,028
Plate and Transfer Infringements	8,184	8,235	8,235	8,586	8,553	8,559	8,529
Speed and Red Light Fines	78,666	76,985	81,948	76,468	76,605	76,605	76,605
Other							
Appropriation	100	100	100	100	100	100	100
Off-road Vehicle Fees	85	120	120	103	137	185	278
TOTAL ADMINISTERED INCOME	1,150,872	1,150,925	1,202,387	1,239,729	1,260,241	1,314,724	1,377,780
EXPENSES							
Statutory Authorities							
Western Australian Coastal Shipping Commission	100	100	100	100	100	100	100
Other							
Payments to Consolidated Account	1,442,736	1,073,720	1,120,219	1,163,058	1,183,399	1,237,834	1,300,797
Payments to Off-road Vehicle Trust Account	85	120	120	103	137	185	278
Payments to Road Trauma Trust Account	78,666	76,985	81,948	76,468	76,605	76,605	76,605
TOTAL ADMINISTERED EXPENSES	1,521,587	1,150,925	1,202,387	1,239,729	1,260,241	1,314,724	1,377,780

Division 40 Commissioner of Main Roads

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 82 Net amount appropriated to deliver services	348,089	368,402	368,402	404,042	392,482	371,641	384,341
Amount Authorised by Other Statutes							
- Road Traffic (Administration) Act 2008	747,593	764,651	669,729	806,660	748,095	771,476	870,575
- Salaries and Allowances Act 1975	425	425	425	426	427	428	429
Total appropriations provided to deliver services	1,096,107	1,133,478	1,038,556	1,211,128	1,141,004	1,143,545	1,255,345
CAPITAL							
Item 142 Capital Appropriation	-	10,400	72,400	107,923	75,688	69,718	117,488
Road Traffic (Administration) Act 2008	258,509	247,625	387,757	291,028	404,010	440,014	403,909
TOTAL APPROPRIATIONS	1,354,616	1,391,503	1,498,713	1,610,079	1,620,702	1,653,277	1,776,742
EXPENSES							
Total Cost of Services	1,244,099	1,431,671	1,287,551	1,376,722	1,265,339	1,310,056	1,399,407
Net Cost of Services (a) (b) (c)	458,281	393,848	(1,229,815)	311,434	(26,010)	154,753	674,641
CASH ASSETS (d)	305,414	235,042	465,588	512,187	585,672	580,001	583,572

- (a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.
- (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 the Net Cost of Services includes all sources of non-Government receipts, the value of both road assets transferred in and Commonwealth funding is included as an offset to the Total Cost of Services. This can result in a negative Net Cost of Services in some years.
- (d) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on Main Roads' Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Flynn Drive Upgrade	-	-	20,000	-	-
Green Street and Scarborough Beach Road Intersection Upgrade	-	-	5,500	-	-
Kargotich Road Upgrade	-	9,300	-	-	-
Metropolitan Intersection and Black Spot Program	-	14,192	250	2,500	-
Orton Road Upgrade	-	4,100	-	-	-
Shady Hills Access Road	1,900	-	-	-	-
Small Commitments	580	-	-	-	-
Soldiers Road Upgrade	-	4,600	-	-	-
Truck Rest Stops	-	1,250	1,250	1,250	1,250

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
New Initiatives					
2020 Commonwealth Stimulus.....	-	-	-	12,000	88,000
METRONET Precincts - High Wycombe and Redcliffe Stations - Transfer to Department of Planning, Lands and Heritage.....	-	875	5,465	-	-
Ongoing Initiatives					
Event Traffic Management - Transfer from Public Transport Authority.....	-	1,650	1,650	1,650	1,650
Western Australia Natural Disaster Relief and Recovery Arrangements Update.....	3,950	29,200	-	-	-
Other					
Bridges Renewal Program.....	389	3,531	-	-	-
Heavy Vehicle Safety and Productivity Program	(318)	(1,406)	-	-	-
Motor Vehicle Licence Fee Revenue Update	-	4,645	3,108	1,102	4,913
Operational Expenditure - Recurrent to Capital.....	(110,267)	(45,000)	(35,500)	(1,440)	-
Sundry Debtor Works Update - Solomon Road.....	(35,000)	-	-	-	-

Significant Issues Impacting the Agency

1. Main Roads, along with the Transport portfolio partners, continues to play a key role in the COVID-19 response with an unprecedented level of investment in road and rail construction projects, together with procurement initiatives designed to create more opportunities for local jobs, businesses and the economy.
2. As the Western Australian economy rebounds from the initial COVID-19 impacts experienced in 2020, the focus of stimulating the economy has turned to creating a sustainable pipeline of infrastructure investments. Main Roads has consulted with the civil construction industry and established a pipeline of works which will build confidence within the construction sector, grow the sector and create jobs.
3. Main Roads continues to ensure social outcomes are achieved through the delivery of its services, which in turn has an important positive economic impact. Significant progress has been made to increase the number of Aboriginal employment and business opportunities across the civil construction industry. Main Roads continues to work with industry to identify ways to ensure that a sustainable and long-term industry is realised, creating a skilled diverse workforce and enabling Aboriginal businesses to support an ongoing program of works.
4. Whilst the application of Safe System principles through the Road Safety Management System reduces the likelihood and severity of crashes on Western Australia's roads, the length and dispersed nature of the State's roads continues to be a challenge. To help meet this challenge, having successfully secured Commonwealth funding for the Regional Road Safety Program, \$196.6 million has been committed in 2021-22. This will be invested in low-cost treatments including shoulder sealing and audible edge lines. This, together with other safety and road infrastructure investments will contribute to the achievement of State and national road trauma reduction targets.
5. Congestion has a significant impact on the State's productivity, safety, health and environment. Congestion affects all road users, including private vehicles, buses, pedestrians/cyclists and freight. Through the Road Network Operations Centre, performance data is used to improve planning and real-time operations, supporting informed decision-making. Through initiatives such as Smart Freeways, new technology, smarter operations and targeted works, the focus remains on reducing the impact of congestion by optimising the use of existing assets.
6. Following the decision to ban the export of certain waste materials, work continues to identify and utilise waste materials in infrastructure projects. The use of waste materials such as tyres and glass are being trialled while research continues to explore opportunities to use other waste products such as plastics. Main Roads is working with the Commonwealth, State and Territory Governments on the potential to use recycled materials on a range of projects with national guidelines and model specifications being considered. This work is part of the sustainability strategic focus area to assist with the transition to a low carbon and climate resilient economy.

7. Main Roads continues to monitor potential transport developments related to emerging future vehicles and technology. Collaboration at State, national and international levels is ongoing to understand the possibilities and implications on the road network and the broader integrated land transport system. Predicting when the impact of these technologies will reach critical mass is a significant issue for urban and transport planners internationally.
8. The identification of new skills and capabilities to meet future growth and needs is evolving as new technologies and approaches are developed. Work is being undertaken to identify critical functions and roles that are required over the next five years which will be used to identify and develop appropriate training to upskill current and future employees. This work builds on identifying opportunities to develop an Aboriginal road construction skills base and capability. Nationally, work to address skills shortages and emerging capabilities continues.

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 Main Roads' services, the desired outcomes and the relevant Government Goal. 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
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Facilitate economic and regional development.	1. Infrastructure for State Development
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	A safe road environment.	2. Road Safety
	Improved community access and roadside amenity.	3. Infrastructure for Community Access
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Reliable and efficient movement of people and goods.	4. Road System Management 5. Road Efficiency Improvements
	A well-maintained road network.	6. Road Network Maintenance

Total Cost of Services - Reconciliation to Service Summary Table

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Total Cost of Services	1,244,099	1,431,671	1,287,551	1,376,722	1,265,339	1,310,056	1,399,407
<i>Add:</i>							
Road Infrastructure Capital Works ^(a)	1,256,024	1,432,622	1,448,842	1,587,689	1,874,776	1,745,372	1,107,530
<i>Less:</i>							
Local Government Network Expenditure							
Disaster Recovery on Local Government							
Roads ^(b)	(38,595)	(46,641)	(9,493)	-	-	-	-
Major Works on Local Government							
Roads ^(c)	(36,704)	-	-	-	-	-	-
State Road Funds to Local Government							
Agreement	(184,775)	(229,598)	(183,921)	(263,715)	(236,122)	(240,798)	(253,397)
Non-cash Expenditure							
Road Infrastructure Depreciation ^(d)	(396,589)	(437,151)	(437,151)	(443,291)	(444,857)	(444,116)	(444,116)
Road Transfers and Retirements ^(e)	(100,612)	(35,840)	(35,840)	(11,404)	(7,443)	(24,178)	(24,178)
Adjusted Total Cost of Services	1,742,848	2,115,063	2,069,988	2,246,001	2,451,693	2,346,336	1,785,246

- (a) Road Infrastructure Capital Works reflects road works expenditure capitalised to infrastructure which is not reflected in the Income Statement in accordance with AASB 1055: *Budgetary Reporting*.
- (b) Natural Disaster Expenditure on Local Government Roads occurring after 2019-20 will now be recouped by local governments directly from the Department of Fire and Emergency Services. The 2020-21 figure reflects the finalisation of claims prior to the change.
- (c) Given the changing nature of works undertaken on local roads (larger projects with direct management), this adjustment has not been made post 2019-20. These works will be reflected in Main Roads' Total Cost of Services.
- (d) Road Infrastructure Depreciation includes amortisation of intangibles.
- (e) 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.

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Infrastructure for State Development	452,001	352,837	360,188	251,312	260,520	520,421	422,816
2. Road Safety ^(a)	159,688	314,150	397,647	452,586	337,034	214,609	118,438
3. Infrastructure for Community Access	27,274	225,727	113,216	205,166	211,500	140,846	269,127
4. Road System Management	166,006	168,054	165,846	157,426	145,036	145,498	130,409
5. Road Efficiency Improvements ^(b)	550,910	659,906	626,329	728,333	1,072,122	875,967	454,237
6. Road Network Maintenance ^(c)	386,969	394,389	406,762	451,178	425,481	448,995	390,219
Adjusted Total Cost of Services	1,742,848	2,115,063	2,069,988	2,246,001	2,451,693	2,346,336	1,785,246

- (a) The increase in Road Safety funding since the 2019-20 Actual is mainly due to the Regional State Road Safety Program, jointly funded by the Commonwealth.
- (b) The increase in Road Efficiency Improvements in the 2022-23 Forward Estimate is mainly due to the construction of the Bunbury Outer Ring Road and Great Eastern Highway Bypass.
- (c) Variations in Road Network Maintenance expenditure is primarily due to natural disaster repairs on the State network, third party funded works and bridge works.

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Facilitate economic and regional development:					
Return on construction expenditure.....	4.3	4.18	3.17	2.78	1
Outcome: A safe road environment:					
Community satisfaction with road safety	92%	90%	93%	90%	
Blackspot location indicator	7.33	7.30	7.22	7.18	
Outcome: Improved community access and roadside amenity:					
Percentage of the year that 100% of the Main Roads' State road network is available	89%	95%	84%	95%	2
Community satisfaction with cycleways and pedestrian facilities	91%	90%	89%	90%	
Outcome: Reliable and efficient movement of people and goods:					
Community satisfaction	90%	90%	92%	90%	
Road network permitted for use by heavy freight vehicles:					
B-Doubles 27.5m	98%	97%	98%	97%	
Double road trains 27.5m	97%	97%	98%	97%	
Double road trains 36.5m	81%	80%	82%	80%	
Triple road trains 53.5m	45%	45%	45%	45%	
Network configuration - roads.....	93%	92%	93%	92%	
Network configuration - bridges:					
Strength	94%	94%	94%	94%	
Width	96%	96%	96%	96%	
Outcome: A well maintained road network:					
Smooth travel exposure.....	n/a	97%	98%	n/a	3
Community satisfaction with road maintenance	86%	90%	89%	90%	
Preventative maintenance indicator	85%	85%	87%	85%	

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

Explanation of Significant Movements

(Notes)

1. The result is behind target in the 2020-21 Estimated Actual with an expenditure weighted average result of 3.17 against the target of 4.18. This difference is due to increased scope of works and unforeseen risks materialising in a small number of projects resulting in a change to the basis on which the target was established.
2. The 2020-21 Estimated Actual of 84% is below the 2020-21 Budget of 95%, primarily due to major bushfires in the Leeman and Red Gully areas, Severe Tropical Cyclone Seroja and flooding events across the Pilbara and Kimberley regions during the wet season.
3. This indicator is based on the percentage of travel undertaken on the State road network meeting specific roughness criteria. In 2011, it was agreed to only capture data used for this reporting on a biennial basis.

Services and Key Efficiency Indicators

1. Infrastructure for State Development

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	452,001	352,837	360,188	251,312	1
Less Income	366,011	256,159	281,622	186,028	2
Net Cost of Service	85,990	96,678	78,566	65,284	
Employees (Full-Time Equivalents)	127	137	132	140	3
Efficiency Indicators					
Percentage of projects completed on time	100%	90%	83%	90%	
Percentage of projects completed on budget	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Service between the 2020-21 Estimated Actual and 2021-22 Budget is mainly due to the Armadale Road Bridge works, which is expected to be completed in 2021-22.
2. The Income values move in line with the contributions from the Commonwealth Government for road projects.
3. The increase in full-time equivalents (FTEs) from the 2020-21 Estimated Actual to the 2021-22 Budget relates to Main Roads employing staff directly rather than through ongoing contractual arrangements. This process is anticipated to extend over the next two years.

2. Road Safety

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	159,688	314,150	397,647	452,586	1
Less Income	73,795	193,633	291,906	272,835	2
Net Cost of Service	85,893	120,517	105,741	179,751	
Employees (Full-Time Equivalents)	57	61	59	62	
Efficiency Indicators					
Percentage of projects completed on budget	100%	90%	95%	90%	
Percentage of projects completed on time	87%	90%	64%	90%	3

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2020-21 Estimated Actual and the 2021-22 Budget Target is mainly due to work on Great Eastern Highway and the State component of the Safer Road Program.
2. The increase in Income between the 2019-20 Actual and future years is mainly due to the Commonwealth contribution towards the Regional State Road Safety Program.
3. The reduction in percentage of projects completed on time between the 2020-21 Budget and the 2020-21 Estimated Actual is mainly due to inclement weather conditions and reviewing contractor claims.

3. Infrastructure for Community Access

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	27,274	225,727	113,216	205,166	1
Less Income	8,386	183,167	97,495	182,636	1
Net Cost of Service	18,888	42,560	15,721	22,530	
Employees (Full-Time Equivalents)	31	34	33	35	
Efficiency Indicators					
Percentage of projects completed on time	nil	90%	100%	90%	
Percentage of projects completed on budget	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The movement between Budget years relates to payments made for METRONET road related works. With the income consisting mainly of grants for Main Roads works on METRONET road related projects with other income relating to the Principal Shared Path program funded via the Department of Transport.

4. Road System Management

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	166,006	168,054	165,846	157,426	
Less Income	2,224	2,248	3,077	2,250	
Net Cost of Service	163,782	165,806	162,769	155,176	
Employees (Full-Time Equivalents)	626	672	649	687	1
Efficiency Indicators					
Average cost of network management per million vehicle kilometres travelled	\$6,427	\$4,539	\$5,200	\$5,450	

Explanation of Significant Movements

(Notes)

1. The reduction in FTEs from the 2020-21 Budget to the 2020-21 Estimated Actual is due mainly to a delay in finalising trainee and cadet programs, which are expected to be completed in 2021-22.

5. Road Efficiency Improvements

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	550,910	659,906	626,329	728,333	1
Less Income	345,202	503,323	377,220	560,304	1
Net Cost of Service	205,708	156,583	249,109	168,029	
Employees (Full-Time Equivalents)	105	112	108	115	
Efficiency Indicators					
Percentage of projects completed on time	77%	90%	72%	90%	2
Percentage of projects completed on budget	100%	90%	97%	90%	

Explanation of Significant Movements

(Notes)

1. Movement in Income and Net Cost of Service is mainly due to the flow and timing of Commonwealth funding. Initial project works are funded by the State whilst Commonwealth milestone payments are being finalised.
2. The reduction in percentage of projects completed on time between the 2020-21 Budget and the 2020-21 Estimated Actual is mainly due to inclement weather conditions and reviewing contractor claims.

6. Road Network Maintenance

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	386,969	394,389	406,762	451,178	
Less Income	82,255	87,340	88,394	76,598	
Net Cost of Service	304,714	307,049	318,368	374,580	
Employees (Full-Time Equivalents)	160	172	166	176	
Efficiency Indicators					
Average cost of road network maintenance per lane kilometre of network.....	\$7,757	\$8,800	\$8,121	\$7,900	

Asset Investment Program

- Investment to ensure the strategic maintenance and expansion of the State's largest asset, the road network, is crucial to meet the needs of the community, industry and stakeholders. Main Roads continues to collaborate with Transport portfolio partners to deliver multi-modal transport solutions that improve safety and efficiency, create new jobs and support the growth of the Western Australian economy.
- Main Roads' Asset Investment Program for 2021-22 is \$1.6 billion. Major new works include the below projects:

Great Eastern Highway - Coates Gully, Walgoolan to Southern Cross and Ghooli to Benari

- As the only major heavy vehicle route between Perth and Kalgoorlie, Great Eastern Highway is a critical road corridor to support Western Australia's major agricultural and mining activity across the southern portion of the State.
- The program of works includes a road realignment of Great Eastern Highway between El Caballo and Bakers Hill with eastbound and westbound passing lanes, intersection improvements, widening, overlay and replacement of four bridges with new culverts, improvements to drainage and property access and relocation of rest areas. The investment will improve road safety, reduce vehicle operating costs for road users and improve freight efficiency.

Great Northern Highway - Marble Bar Road Upgrade

- The existing unsealed section of Marble Bar Road is not capable of undertaking the ore haulage task between McPhee and Roy Hill due to deficiencies in pavement, road closure periods, safety, and geometry. The proposed scope of work is a fit-for-purpose upgrade of Marble Bar Road between McPhee Creek and Roy Hill to support quad semi-trailer haulage under Main Roads' Western Australian Performance Based Scheme with 24 hour, 7 day a week operations.
- Upgrading Marble Bar Road opens further mine construction along with mining-based employment and Aboriginal business opportunities. Increased investment and employment have the potential to facilitate the provision of additional infrastructure in Nullagine, lifting the amenity within and services available in the town. The combination of improved access to Nullagine through the road upgrade and economic synergy with the Roy Hill campsite and workforce is expected to transform the town's long-term outlook.

Nellie Springs to Sally Downs Well and Arthur Creek (Great Northern Highway)

- 2.5. As Great Northern Highway is the only sealed road between the Port of Broome and the Port of Wyndham, the link is relied upon by mining and agricultural operations, which use the port for both exports and the import of fuel and equipment. Local communities depend on the road for access to fuel, supplies and essential services.
- 2.6. The project scope includes the upgrade of Great Northern Highway from Halls Creek to Kununurra by replacing a single lane bridge with a two-lane bridge at Arthur Creek and replacement of four floodways with bridges. The upgrades will improve road safety and community access along the link.

Indian Ocean Drive - Jurien Bay to Brand Highway

- 2.7. The coast between Jurien Bay and Dongara is home to a large fishing and lime sand industry. In recent years its popularity as a tourist destination has increased since the connection of Indian Ocean Drive between Lancelin and Cervantes. The route has seen significant increases in traffic volumes as it provides enhanced accessibility and separation from heavy vehicles on Brand Highway.
- 2.8. The proposed scope of work will include widening and minor realignments and overtaking lanes. The upgrades will continue the road safety work already delivered along this route.

Mandurah Estuary Bridge Duplication

- 2.9. Mandurah Estuary Bridge currently is a three-lane bridge (two westbound lanes and one eastbound lane), that forms the primary connection between Halls Head and the southern area of Mandurah. Mandurah Road on either side of the bridge is a four-lane dual carriageway standard, hence northbound traffic is required to merge into one lane on approach to cross the bridge.
- 2.10. The proposed scope of work includes building an additional bridge next to the existing Mandurah Estuary Bridge to ease traffic congestion. The bridge would have the same configuration as the existing bridge. It will reduce congestion and travel time, improve reliability of journey, reduce road closures, enhance access and freight capacity, efficiency and productivity, and improve road safety in line with the Driving Change - Road Safety Strategy for Western Australia 2020-2030.

Perth Airport Precinct - Northern Access

- 2.11. The Airport North Precinct will continue to be developed as an integrated mix of industrial, commercial, aviation service and logistics land use. Kalamunda Road is planned to be realigned through the precinct with new internal roads constructed to support future development. The Great Eastern Highway Bypass and Kalamunda Road intersection is under increasing pressure from current and future development in the surrounding area, especially within the airport precinct. The proposed scope will include the interchange upgrade at Great Eastern Highway Bypass and Kalamunda Road and replace the ageing road bridge over rail with a four-lane bridge.

Regional State Road Safety Program

- 2.12. Single vehicle lane departure crashes on the rural high-speed State roads are the largest contributor to death and serious injuries in regional Western Australia. Main Roads has developed a low-cost methodology to optimise the safety performance by modifying the carriageways for the rural high-speed network. This approach makes no change to the existing formation width but converts the unsealed shoulders to a fully sealed shoulder and focuses on maximising the seal width to improve road safety.

Reid Highway Altone Road and Daviot Road / Drumpellier Drive Grade Separations

- 2.13. Together with Roe Highway, Kwinana Freeway and Mitchell Freeway, Reid Highway forms part of a freight ring road within the Perth metropolitan area and is part of the Urban National Land Transport Network. Traffic includes a high proportion of heavy vehicles as part of a network connecting industrial areas including Malaga, Kewdale, Forresterfield and Welshpool.
- 2.14. With the completion of NorthLink WA, the majority of Reid Highway is now grade separated, with Erindale Road (western end, near Mitchell Freeway), Altone Road and Daviot Road/Drumpellier Drive, West Swan Road and Reid Highway/Roe Highway/Great Northern Highway the remaining intersections requiring grade separation. The scope includes grade separated interchanges at Altone Road and Daviot Road/Drumpellier Drive over Reid Highway and upgrades to the Principal Shared Path. It will reduce congestion and improve travel times, efficiency and network reliability and access to the Swan Valley tourism and viticulture precinct.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Albany Highway - Olga Road - Albany Highway and Kelvin Road Intersection Upgrade	6,000	2,000	2,000	4,000	-	-	-
Department of Transport - Principal Shared Path Causeway Cyclist and Pedestrian Bridge	49,750	1,500	1,500	19,500	14,500	14,250	-
Great Eastern Highway - Eastlink - Planning	20,000	3,140	2,939	3,000	4,000	5,111	4,749
Intersection Upgrades - Main and Royal Streets	3,000	300	300	2,700	-	-	-
Kwinana Beach Road (Patterson Road to CBH Group Terminal) - Pavement Reconstruction	5,000	2,500	2,500	2,500	-	-	-
Metropolitan Amenity Walls	10,000	1,000	1,000	9,000	-	-	-
Mitchell Freeway (Hepburn Avenue to Warwick Road) Amenity Wall and Principal Shared Path	6,000	600	600	5,400	-	-	-
Other Works in Progress							
Brand Highway - Muchea to Gingin Pavement Rehabilitation and Widening	25,000	180	180	8,000	8,000	8,820	-
Bridge Renewal Program Round 5 - Commonwealth	8,938	469	469	6,469	2,000	-	-
Bussell Highway Duplication Stage 1 and Stage 2	85,000	15,346	15,346	20,000	30,000	19,654	-
Department of Transport - Principal Shared Path Program	122,474	52,064	29,421	16,500	22,710	11,900	19,300
Election Commitments							
Albany Ring Road	175,000	60,837	51,500	58,892	41,110	14,161	-
Armada Road Bridge - North Lake Road Flyover	259,000	237,246	124,662	21,754	-	-	-
Bunbury Outer Ring Road - Stages 2 and 3	852,000	139,013	68,181	180,000	280,000	212,168	30,000
Coolgardie-Esperance Highway Widening, Overlay and Reconstruction (Emu Rocks)	52,000	12,805	11,501	25,000	14,195	-	-
Leach Highway - Carrington Street to Stirling Highway	76,000	59,616	34,807	15,811	573	-	-
Manuwarra Red Dog Highway - Stages 3 and 4	380,000	101,716	20,943	22,500	47,500	100,000	108,284
South Coast Highway - Upgrade between Albany and Jerramungup - Stage 1	30,000	28,906	15,577	1,094	-	-	-
Wanneroo Road Joondalup Drive - Grade Separated Interchange	62,000	50,000	5,521	12,000	-	-	-
Ocean Reef Road Grade Separation	73,400	71,277	6,332	1,265	638	110	110
Exmouth Roads Package							
Minilya to Exmouth	14,000	7,367	7,367	6,633	-	-	-
Yardie Creek	6,000	104	104	1,000	4,896	-	-
Freight Vehicle Productivity Improvements Program	50,000	1,000	1,000	10,000	10,000	10,000	10,000
Gibb River Road - Derby - Gibb River - Wyndham Improve Formation and Gravel	123,825	87,893	9,043	8,785	9,049	10,049	8,049
Goldfields Highway - Wiluna to Meekatharra Construct and Seal Priority Sections	20,000	95	95	5,000	5,000	5,000	4,905
Great Eastern Highway - Old Northam Road Upgrade	14,375	1,403	1,044	12,351	621	-	-
Great Northern Highway							
Apple Street Intersection Upgrade	14,000	3,087	2,932	6,809	4,104	-	-
Bindoon Bypass - Construct New Alignment	275,000	31,594	31,594	15,000	15,000	15,000	50,000
Newman to Katherine Corridor - Broome to Kununurra Upgrade Stage 1	25,800	4,480	4,146	5,000	16,320	-	-
Port Hedland Airport Deviation	36,000	3,421	3,421	10,000	15,000	7,579	-
Heavy Vehicle Safety and Productivity Program							
Commonwealth	14,406	1,000	1,000	7,000	6,406	-	-
Leach Highway and Welshpool Road Grade Separated Interchange	136,000	19,314	18,114	73,000	35,000	8,686	-
Mitchell Freeway							
Hester Avenue to Romeo Road - Extension	232,000	26,327	16,293	30,000	99,000	66,000	10,673
Stephenson Avenue	138,567	14,374	14,374	15,000	40,000	50,000	19,193
Northern Australia Roads and Beef Roads Programs							
Great Northern Highway - Ord River	98,140	49,714	16,574	4,000	20,178	24,248	-
Pinjarra Heavy Haulage Deviation - Stage 1	27,500	1,086	905	1,000	6,000	16,000	3,414
Queen Victoria Street - Swan River Crossings (Fremantle Road and Rail Bridge) - Construct New Bridges	230,000	10,582	9,114	25,000	50,000	100,000	39,418
Rail Crossing Program	25,000	5,000	5,000	5,000	5,000	5,000	5,000
Regional Road Safety Program							
Regional State Road Safety Improvement Program	120,000	100,000	100,000	20,000	-	-	-
Road Safety Program Western Australia	355,000	158,375	158,375	196,625	-	-	-
Reid Highway - Erindale Road - Project Development for Grade Separation	2,500	254	254	1,359	887	-	-
Reseal Program - Capitalisation of Reseal Program	778,803	482,115	88,202	72,540	74,716	74,716	74,716
Road Safety Commission							
LED School Zone Lights	67,929	51,929	5,022	2,000	5,000	5,000	4,000
Metropolitan Intersections Crash Program	91,397	58,797	9,981	1,000	9,300	12,300	10,000
Regional Road Safety Improvements ^(a)	204,600	184,600	9,381	-	-	-	20,000
Rural Intersection Advanced Warning Signs	1,211	1,151	942	60	-	-	-
Wheatbelt Safety Review Program - Great Eastern Highway and Great Southern Highway	59,463	22,966	-	18,483	18,014	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Roe Highway - Great Eastern Highway Bypass Including Abernethy Road.....	320,000	6,558	6,541	20,000	70,000	80,000	80,000
Safer Roads and Bridges Program.....	499,392	338,246	49,416	39,400	40,582	40,582	40,582
Smart Freeways							
Hodges Drive to Hepburn Avenue Widening							
Southbound.....	76,000	9,045	8,413	40,000	26,955	-	-
Transforming Freeways - Mitchell Freeway Corridor	140,000	2,781	2,781	30,000	40,000	21,219	-
Thomas Road							
Kwinana Freeway to Nicholson Road Upgrade	38,000	4,636	4,636	18,000	15,364	-	-
METRONET - Byford Rail Extension - Thomas Road							
Bridge.....	51,961	3,999	3,999	39,600	8,362	-	-
Thomas and Anketell Roads Freight Upgrade							
Stages 1 and 2 Planning.....	5,000	700	700	700	1,000	2,600	-
Thomas Road and Nicholson Road Oakford	28,000	1,500	1,010	17,000	6,500	3,000	-
Tonkin Highway Corridor Upgrades							
Tonkin Highway Gap; Grade Separations at Hale, Welshpool and Kelvin Roads; and Stage 3 Extension.....	1,391,000	77,451	67,332	156,500	256,000	388,142	245,000
Wanneroo Road - Morley Drive Intersection Upgrade.....	20,000	5,961	5,384	14,039	-	-	-
COMPLETED WORKS							
COVID-19 Response							
Great Northern Highway - Bidyadanga Internal Roads	6,000	6,000	6,000	-	-	-	-
Other Completed Works							
Buildings and Equipment - 2020-21 Program.....	21,936	21,936	21,936	-	-	-	-
Capitalised Operational Costs - 2020-21 Program	68,116	68,116	68,116	-	-	-	-
Coolgardie - Esperance Highway - Esperance Port Access	117,346	117,346	1,311	-	-	-	-
Election Commitments							
Reid Highway - Altone Road to West Swan Road							
Construction of Dual Carriageway	70,000	70,000	8,579	-	-	-	-
Roe Highway - Kalamunda Road - Grade Separated							
Interchange	86,000	86,000	51,912	-	-	-	-
Great Eastern Highway - Coates Gully Bridge	3,000	3,000	3,000	-	-	-	-
Great Northern Highway - Muchea to Wubin Stage 2	347,241	347,241	21,629	-	-	-	-
Kwinana Freeway							
Manning Road - On-ramp Construction	35,000	35,000	6,323	-	-	-	-
Russell Road to Roe Highway - Widening Northbound							
Lanes	49,000	49,000	11,835	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor Works) - 2020-21 Program	149,396	149,396	149,396	-	-	-	-
Mitchell Freeway - Hutton Road to Cedric Street							
Northbound Widening	15,000	15,000	4,302	-	-	-	-
National Highway Upgrade Program	40,441	40,441	4,457	-	-	-	-
Perth Children's Hospital - Kings Park Link Bridge.....	6,300	6,300	6,000	-	-	-	-
Rail Crossing Program - Koodaideri Road over Rail Bridge.....	8,700	8,700	8,700	-	-	-	-
Regional Road Safety Package.....	55,250	55,250	576	-	-	-	-
Road Safety Commission - Safety Review - Indian							
Ocean Drive.....	23,000	23,000	2,150	-	-	-	-
South Western Highway - Donnybrook to Greenbushes.....	23,692	23,692	5,852	-	-	-	-
Toodyay Road - Jingaling Brook-Toodyay Road							
Widening.....	7,000	7,000	7,000	-	-	-	-
NEW WORKS							
Election Commitments							
Bob Hawke Pedestrian Crossing.....	600	-	-	600	-	-	-
Leach Highway - Fifth Avenue Rossmoyne.....	5,000	-	-	5,000	-	-	-
Old Coast Road - Mandurah Estuary Bridge Duplication	110,000	-	-	3,000	15,000	80,000	12,000
Regional Black Spot Program	14,799	-	-	4,933	4,933	4,933	-
Regional Road Safety Program - Safety Program.....	194,000	-	-	-	177,500	16,500	-
COVID-19 Response							
Stock Road Bridge Replacement	7,000	-	-	500	6,500	-	-
Other New Works							
Albany Highway - Kelmscott to Williams Pavement							
Rehabilitation and Hotham River Bridge Replacement.....	25,000	-	-	9,070	12,500	-	-
Buildings and Equipment							
2021-22 Program.....	20,215	-	-	20,215	-	-	-
2022-23 Program.....	20,821	-	-	-	20,821	-	-
2023-24 Program.....	20,821	-	-	-	-	20,821	-
2024-25 Program.....	20,821	-	-	-	-	-	20,821
Capitalised Operational Costs							
2021-22 Program.....	85,668	-	-	85,668	-	-	-
2022-23 Program.....	88,088	-	-	-	88,088	-	-
2023-24 Program.....	88,969	-	-	-	-	88,969	-
2024-25 Program.....	90,062	-	-	-	-	-	90,062
Graham Farmer Freeway - Orrong Road Expressway							
Graham Farmer Freeway to Leach Highway Planning	20,000	-	-	1,000	4,000	5,000	5,000

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Great Eastern Highway - Coates Gully, Walgoolan to Southern Cross and Ghooli to Benari	250,000	-	-	1,000	30,000	14,000	14,000
Great Northern Highway Marble Bar Road Upgrade.....	120,000	-	-	30,000	60,000	30,000	-
Nellie Springs to Sally Downs Well and Arthur Creek....	60,000	-	-	-	5,000	5,000	10,000
Indian Ocean Drive - Jurien Bay to Brand Highway	55,000	-	-	1,000	15,000	15,000	2,000
METRONET - Caledonian Avenue Level Crossing Closure	15,000	-	-	1,900	3,700	6,400	3,000
Minor Works (includes Black Spot and Urgent Minor Works) 2021-22 Program.....	44,534	-	-	44,534	-	-	-
2022-23 Program.....	23,254	-	-	-	23,254	-	-
2023-24 Program.....	23,254	-	-	-	-	23,254	-
2024-25 Program.....	23,254	-	-	-	-	-	23,254
Perth Airport Precinct - Northern Access.....	170,000	-	-	1,000	1,000	5,000	15,000
Reid Highway Altone Road and Daviot Road/Drumpellier Drive Grade Separations.....	225,000	-	-	6,000	22,000	90,000	90,000
West Swan and Reid Highway Interchange.....	175,000	-	-	-	-	-	5,000
Toodyay Road Upgrade - Dryandra to Toodyay.....	80,000	-	-	-	1,000	4,000	20,000
Wanneroo Road Duplication - Dunstan Road to Romeo Road.....	15,200	-	-	-	-	5,200	10,000
Wheatbelt Timber Bridge Replacement.....	14,000	-	-	9,000	5,000	-	-
Total Cost of Asset Investment Program	11,269,209	3,751,838	1,448,842	1,587,689	1,874,776	1,745,372	1,107,530
FUNDED BY							
Capital Appropriation.....			460,157	398,951	479,698	509,732	521,397
Commonwealth Grants.....			886,870	879,001	1,124,745	997,644	530,802
Drawdowns from Royalties for Regions Fund			17,807	59,092	50,433	62,641	14,200
Internal Funds and Balances.....			(23,106)	105,601	23,059	53,582	(12,169)
Other			49,152	102,534	148,091	70,073	19,300
Other Grants and Subsidies			57,962	42,510	48,750	51,700	34,000
Total Funding.....			1,448,842	1,587,689	1,874,776	1,745,372	1,107,530

(a) A total of \$20 million in 2021-22 has been reallocated to the Regional State Road Safety Improvement Program and \$40 million over 2022-23 to 2023-24 has been reallocated to the Regional Road Safety - Safety Program.

Financial Statements

Income Statement

Expenses

1. Movement in Supplies and services is in line with the recurrent works that Main Roads delivers. Delivery of some major works on the local road network has added to the expenditure under this category, including works on the Outback Highway, Duncan and Gordon Downs Roads and the Broome-Cape Leveque Road.
2. The movement in Other expenses is significantly influenced by the value of retired non-current fixed assets and road transfers. Future retirements are yet to be confirmed.
3. The movement in the Sale of goods and services is mainly due to movements in third party works. During the year, works are added to the program as confirmation is received from those third parties.

Income

4. The major component of Grants and subsidies income is via contributions for works projects by the Commonwealth. Differences in income year versus construction year is mainly due to the timing of milestone payments.
5. Other revenue was significantly higher in the 2020-21 Estimated Actual than the 2020-21 Budget due mainly to net assets transferred in (roads being transferred from the care and control of local government(s) to Main Roads).
6. Income from State Government primarily reflects funding being provided from motor vehicle licence fee revenues.

Statement of Financial Position

7. Cash assets in the 2020-21 Estimated Actual is higher than the 2020-21 Budget mainly due to Commonwealth milestone payments, including a forward cash component.
8. Restricted cash includes funds for METRONET road-related works, previously received GST equalisation payments and specific funding received in advance for maintenance works from third parties (mostly mining companies).
9. Receivables fluctuate with the works program and are influenced by payment cycles.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	68,053	70,996	70,996	71,548	72,286	73,191	74,070
Grants and subsidies ^(c)	232,275	306,526	301,828	307,089	235,173	207,346	248,127
Supplies and services	400,033	543,517	404,095	506,181	467,829	522,982	570,253
Accommodation	16,523	19,287	19,287	19,327	19,652	19,928	20,158
Depreciation and amortisation	396,589	437,151	437,151	443,291	444,857	444,116	444,116
Finance and interest costs	194	257	257	277	273	264	264
Other expenses	130,432	53,937	53,937	29,009	25,269	42,229	42,419
TOTAL COST OF SERVICES	1,244,099	1,431,671	1,287,551	1,376,722	1,265,339	1,310,056	1,399,407
Income							
Sale of goods and services	65,677	49,670	18,869	49,812	57,406	52,771	23,556
Grants and subsidies	667,088	975,227	1,069,217	966,151	1,221,017	1,089,606	688,284
Other revenue ^(d)	53,053	12,926	1,429,280	49,325	12,926	12,926	12,926
Total Income	785,818	1,037,823	2,517,366	1,065,288	1,291,349	1,155,303	724,766
NET COST OF SERVICES ^{(e) (f)}	458,281	393,848	(1,229,815)	311,434	(26,010)	154,753	674,641
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,096,107	1,133,478	1,038,556	1,211,128	1,141,004	1,143,545	1,255,345
Resources received free of charge	-	2,700	2,700	2,700	2,700	2,700	2,700
Royalties for Regions Fund:							
Regional Community Services Fund	15,682	22,889	20,883	14,102	6,575	6,575	11,662
Regional Infrastructure and Headworks Fund	-	3,780	10,897	14,055	-	-	-
Other revenues	164,602	234,688	161,824	237,428	168,849	99,044	59,786
TOTAL INCOME FROM STATE GOVERNMENT	1,276,391	1,397,535	1,234,860	1,479,413	1,319,128	1,251,864	1,329,493
SURPLUS/(DEFICIENCY) FOR THE PERIOD	818,110	1,003,687	2,464,675	1,167,979	1,345,138	1,097,111	654,852

(a) Full audited financial statements are published in Main Road's Annual Report.

(b) The FTEs for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 1,106, 1,147 and 1,215 respectively.

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

(d) Other revenue includes net assets transferred in (roads being transferred from the care and control of local government(s) to Main Roads).

(e) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

(f) As the Net Cost of Services includes all sources of non-State Government receipts, both the value of road assets transferred in and Commonwealth funding is included as an offset to the Total Cost of Services. This can result in a negative Net Cost of Services in some years.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual ^(a)	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Aglime Route.....	5,184	1,340	-	-	-	-	-
Bridges Renewal Program Round Three.....	-	-	1,069	5,531	2,000	-	-
Department of Transport Cycling Grants.....	5,340	5,340	5,340	5,340	5,340	5,340	5,340
Election Commitments.....	8,698	4,833	2,480	34,692	25,750	2,500	-
Heavy Vehicle Safety and Productivity Program.....	-	-	3,714	2,797	2,000	-	-
Local Government Commodity Freight Routes.....	8,707	1,293	-	-	-	-	-
Local Road Grants and Subsidies.....	118,057	154,485	155,467	143,846	141,535	115,632	141,731
METRONET Related Works.....	29,570	89,740	80,911	93,841	13,503	45,318	-
Other.....	191	500	1,163	663	500	500	500
Principal Shared Paths.....	-	11,451	10,771	5,768	30,905	12,556	12,556
Road Assets Transferred.....	13,685	-	-	-	-	-	-
Stephenson Avenue Extension.....	2,776	37,216	10,346	13,311	-	-	-
Western Australia Natural Disaster Relief and Recovery Arrangements Funding Applied to the Local Government Road Network ^(b)	38,595	-	29,567	-	-	-	-
Wheatbelt Secondary Freight Routes.....	1,472	328	1,000	1,300	13,640	25,500	88,000
TOTAL	232,275	306,526	301,828	307,089	235,173	207,346	248,127

(a) Based on preliminary report data for 2020-21. Some aggregates may be adjusted for annual report information finalised after agency Budget Statements were prepared.

(b) Western Australia Natural Disaster Relief and Recovery Arrangements is no longer administered by Main Roads.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	91,219	117,340	294,154	361,598	328,613	237,748	205,022
Restricted cash.....	214,195	117,702	171,434	150,589	257,059	342,253	378,550
Receivables.....	101,605	96,219	96,219	95,513	94,807	95,101	95,395
Other.....	60,770	60,770	60,770	60,770	60,770	60,770	60,770
Assets held for sale.....	4,717	4,717	4,717	4,717	4,717	4,717	4,717
Total current assets.....	472,506	396,748	627,294	673,187	745,966	740,589	744,454
NON-CURRENT ASSETS							
Holding account receivables.....	3,142,901	3,511,303	3,511,303	3,879,023	4,244,105	4,609,196	4,974,287
Property, plant and equipment.....	46,059,359	47,696,277	49,128,851	51,759,489	54,046,670	56,374,240	58,063,968
Receivables.....	189	189	189	189	189	189	189
Intangibles.....	15,787	14,083	14,083	12,635	11,368	10,101	8,834
Other.....	7,460	7,460	7,460	7,460	7,460	7,460	7,460
Total non-current assets.....	49,225,696	51,229,312	52,661,886	55,658,796	58,309,792	61,001,186	63,054,738
TOTAL ASSETS.....	49,698,202	51,626,060	53,289,180	56,331,983	59,055,758	61,741,775	63,799,192
CURRENT LIABILITIES							
Employee provisions.....	41,565	42,185	42,185	44,025	49,925	49,925	49,925
Payables.....	9,130	10,183	10,183	11,236	12,289	13,342	14,395
Borrowings and leases.....	2,560	2,438	2,438	2,645	2,526	2,469	2,412
Other.....	447,563	448,957	448,957	450,792	452,627	454,462	456,297
Total current liabilities.....	500,818	503,763	503,763	508,698	517,367	520,198	523,029
NON-CURRENT LIABILITIES							
Employee provisions.....	5,426	5,465	5,465	5,625	6,725	6,725	6,725
Borrowings and leases.....	7,337	6,384	6,384	6,231	4,813	3,956	3,099
Other.....	52	52	52	52	52	52	52
Total non-current liabilities.....	12,815	11,901	11,901	11,908	11,590	10,733	9,876
TOTAL LIABILITIES.....	513,633	515,664	515,664	520,606	528,957	530,931	532,905
EQUITY							
Contributed equity.....	5,730,847	6,006,679	6,208,811	6,649,350	7,179,481	7,719,141	8,072,460
Accumulated surplus/(deficit).....	15,709,576	16,713,263	18,174,251	19,342,230	20,687,368	21,784,479	22,439,331
Reserves.....	27,744,152	28,390,460	28,390,460	29,819,803	30,659,958	31,707,230	32,754,502
Other.....	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Total equity.....	49,184,569	51,110,396	52,773,516	55,811,377	58,526,801	61,210,844	63,266,287
TOTAL LIABILITIES AND EQUITY.....	49,698,202	51,626,060	53,289,180	56,331,983	59,055,758	61,741,775	63,799,192

(a) Full audited financial statements are published in Main Roads' Annual Report.

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	748,018	765,076	670,154	843,408	775,922	778,454	890,254
Capital appropriation.....	258,509	258,025	460,157	398,951	479,698	509,732	521,397
Holding account drawdowns.....	31,065	-	-	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund.....	15,682	22,889	20,883	14,102	6,575	6,575	11,662
Regional Infrastructure and Headworks Fund	28,207	21,587	28,704	73,147	50,433	62,641	14,200
Other.....	263,989	238,400	165,536	238,320	169,741	102,936	59,678
Net cash provided by State Government	1,345,470	1,305,977	1,345,434	1,567,928	1,482,369	1,460,338	1,497,191
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(63,938)	(70,337)	(70,337)	(69,548)	(65,286)	(73,191)	(74,070)
Grants and subsidies	(237,881)	(312,166)	(307,468)	(307,089)	(235,173)	(211,346)	(248,127)
Supplies and services.....	(400,271)	(563,694)	(424,272)	(526,409)	(482,447)	(515,578)	(562,849)
Accommodation.....	(17,004)	(23,287)	(23,287)	(23,327)	(23,652)	(23,983)	(24,213)
GST payments.....	(169,826)	(147,054)	(147,054)	(147,054)	(147,054)	(147,054)	(147,054)
Finance and interest costs.....	-	(257)	(257)	(277)	(273)	(264)	(264)
Other payments.....	(12,708)	(15,892)	(15,892)	(15,389)	(15,610)	(15,802)	(15,992)
Receipts							
Grants and subsidies	498,525	974,786	1,068,776	966,151	1,221,017	1,089,606	688,284
Sale of goods and services.....	46,483	54,539	23,738	47,181	54,775	50,140	20,925
GST receipts.....	166,572	146,808	146,808	146,808	146,808	146,808	146,808
Other receipts	18,682	15,607	15,607	15,607	15,607	15,607	15,607
Net cash from operating activities	(171,366)	59,053	266,362	86,654	468,712	314,943	(200,945)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,256,024)	(1,432,622)	(1,448,842)	(1,587,689)	(1,874,776)	(1,745,372)	(1,107,530)
Other payments	-	-	-	(17,504)	-	(32,713)	(182,278)
Proceeds from sale of non-current assets	5,830	-	-	-	-	-	-
Net cash from investing activities	(1,250,194)	(1,432,622)	(1,448,842)	(1,605,193)	(1,874,776)	(1,778,085)	(1,289,808)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(3,145)	(2,780)	(2,780)	(2,790)	(2,820)	(2,867)	(2,867)
Net cash from financing activities	(3,145)	(2,780)	(2,780)	(2,790)	(2,820)	(2,867)	(2,867)
NET INCREASE/(DECREASE) IN CASH HELD.....	(79,235)	(70,372)	160,174	46,599	73,485	(5,671)	3,571
Cash assets at the beginning of the reporting period.....	385,762	305,414	305,414	465,588	512,187	585,672	580,001
Net cash transferred to/from other agencies	(1,113)	-	-	-	-	-	-
Cash assets at the end of the reporting period	305,414	235,042	465,588	512,187	585,672	580,001	583,572

(a) Full audited financial statements are published in Main Roads' Annual Report.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Taxation							
Permits - Oversize Vehicles and Loads	8,920	7,500	9,538	7,500	7,500	7,500	7,500
TOTAL ADMINISTERED INCOME	8,920	7,500	9,538	7,500	7,500	7,500	7,500
EXPENSES							
Grants to Charitable and Other Public Bodies							
Receipts Paid into the Consolidated Account	8,920	7,500	9,538	7,500	7,500	7,500	7,500
TOTAL ADMINISTERED EXPENSES	8,920	7,500	9,538	7,500	7,500	7,500	7,500

Division 41 Public Transport Authority of Western Australia

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	359	359	359	360	361	362	362
Total appropriations provided to deliver services	359	359	359	360	361	362	362
CAPITAL							
Item 143 Capital Appropriation	618,472	727,199	457,234	591,261	1,126,072	1,003,662	662,626
Item 144 Capital Appropriation METRONET Projects Under Development	-	378,493	150,862	66,637	383,931	469,736	237,560
TOTAL APPROPRIATIONS	618,831	1,106,051	608,455	658,258	1,510,364	1,473,760	900,548
EXPENSES							
Total Cost of Services	1,601,767	1,799,450	1,718,627	1,907,810	1,864,419	1,891,223	1,847,037
Net Cost of Services (a) (b)	1,381,762	1,574,421	1,528,849	1,654,574	1,598,513	1,614,586	1,555,758
CASH ASSETS (c)	748,617	615,561	699,801	306,223	172,306	115,348	111,853

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Authority's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
METRONET Greenwood Station Multi-Storey Car Park	-	-	-	-	546
Small Commitments - Bus Shelter Upgrades	300	-	-	-	-
Transperth 2 Zone Fare Cap	-	120	-	-	-
COVID-19 Response					
Additional Cleaning and Transport of Passengers in Hotel Quarantine	15,577	5,787	-	-	-
Reduced Optus Stadium Special Events	(663)	-	-	-	-
New Initiatives					
CAT Bus Service Extension Trial	-	1,042	2,120	1,082	-
Perth to Bunbury Faster Rail Corridor Investigation	-	1,350	3,050	3,000	-
Purple CAT Bus Service	-	709	1,442	1,471	1,500

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Ongoing Initiatives					
Transperth Bus Services	-	2,097	10,291	18,822	21,464
Update to Operating Costs for the Forrestfield-Airport Link	(36,126)	(20,981)	(5,089)	(7,345)	(4,877)
Update to Operating Costs for the Yanchep Rail Extension	(1,093)	(1,806)	(2,262)	(11,466)	(11,059)
Other					
Audit Fees	19	19	19	21	21
Externally Funded Services and Works	1,924	8,398	8,509	625	625
METRONET					
Community Assets Program	5,225	16,275	-	-	-
Rail Network Growth	341	2,071	2,093	2,115	2,138
Public Transport Cost and Funding Forecast	542	811	5,086	14,188	25,237
Radio Systems Replacement Operating Costs	(1,675)	(3,880)	(3,880)	(3,880)	(3,880)
Revised Interest Expenses	(4,180)	(9,885)	(11,382)	(12,049)	(8,698)
RiskCover Insurance Premiums	1,168	1,479	1,765	2,030	2,833
Transfer of Event Traffic Management Costs to Main Roads	-	(1,650)	(1,650)	(1,650)	(1,650)
Tunnel Monitoring System	-	200	200	200	200

Significant Issues Impacting the Agency

1. METRONET will transform Perth's public transport network. In 2021-22, the Denny Avenue Level Crossing Removal and Mandurah Station Multi-Storey Car Park will be completed, with construction on the Morley-Ellenbrook Line, Thornlie-Cockburn Link, Yanchep Rail Extension and Bayswater Station continuing. Additionally, Lakelands Station will commence construction, with the new Midland Station, Byford Rail Extension and Victoria Park-Canning Level Crossing Removal projects all expected to achieve contract award in 2021. The Authority will also progress planning on the new Greenwood Station Multi-Storey Car Park.
2. The opening of the Forrestfield-Airport Link is another key part of the METRONET plan, creating a 20 minute direct link between the eastern foothills and the Perth CBD. Tracklaying is complete and station works at High Wycombe, Airport Central and Redcliffe have progressed to final fit-out.
3. The urban rail network is serviced by 330 railcars. The Authority's budget includes funding for an additional 246 railcars: 102 for the METRONET expansion and an additional 144 new railcars to replace the A-Series fleet. The Authority has worked closely with the manufacturer to maximise local content, creating local jobs and strengthening the local economy. The Bellevue Railcar Assembly Facility has been completed with construction work on the maintenance facility in Bellevue to commence this year.
4. With a fleet of over 1,753 Transperth and Transregional buses, the Authority needs to ensure that buses are safe, efficient and reliable. The Authority does this by staying abreast of new technologies, maintaining rigorous maintenance standards and through a rolling bus replacement program. The bus body and interior are manufactured in Perth and continue to support jobs for approximately 160 workers per annum throughout the supply chain.
5. The COVID-19 pandemic has adversely impacted patronage on the public transport system. Daily patronage dropped sharply in March 2020, but by July 2020 was recovering, albeit with declines when temporary restrictions were implemented. Further improvement is expected to continue in 2021-22. Recovery from the initial reduction in patronage caused by the COVID-19 pandemic has been the fastest of any public transport provider in Australia.
6. Public transport is an essential service to the community and the Authority continues to have extensive and well-practised emergency management procedures and processes, including well-developed pandemic strategies.
7. Safe access to the Authority's many stations and bus ports is critical. The Authority ensures that appropriate systems, processes, resources (particularly customer service and security staff) and communications are in place to safely guide and control patrons. Further measures are in place to meet specific needs of the very large crowds that result from special events such as football games and concerts.
8. The Purple CAT Bus Service, a new free bus service, will be introduced in 2022 and will link the Elizabeth Quay Bus Station, West Perth, QEII Medical Centre and the University of Western Australia, at an additional cost of \$5.6 million over 2021-22 to 2024-25.

9. The provision of safe and cost-effective public transport services to regional Western Australia remains a priority for Government. Despite experiencing a decline in inter-regional patronage as a result of the COVID-19 pandemic, more than 294,000 trips were made on Transwa services in 2020-21 and improvements towards pre-COVID-19 levels are expected in 2021-22. Accordingly, the Authority continues to invest in Transwa services and to look for opportunities to enhance the service. This investment in our towns and regions includes the purchase of a new Australind railcar fleet, which will be operational in 2023, and completion this year of safety improvements at level crossings along the South West Main Line.

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 Authority's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Metropolitan and Regional Passenger Services.....	1,197,418	1,383,307	1,316,264	1,498,846	1,475,717	1,518,793	1,489,023
2. Country Passenger Rail and Road Coach Services.....	52,018	55,233	54,202	53,777	54,977	56,930	57,243
3. Regional School Bus Services.....	130,824	131,087	132,636	130,624	130,292	132,949	134,678
4. Rail Corridor and Residual Freight Issues Management.....	221,507	229,823	215,525	224,563	203,433	182,551	166,093
Total Cost of Services.....	1,601,767	1,799,450	1,718,627	1,907,810	1,864,419	1,891,223	1,847,037

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Accessible, reliable and safe public transport system:					
Use of public transport - passengers per service kilometre:					
Metropolitan bus services	0.97	0.97	0.87	0.96	1
Metropolitan train services	2.31	2.3	2.15	2.49	1
Metropolitan ferry services	11.25	10.06	10.33	10.62	
Intra-town regional bus services	0.653	0.67	0.635	0.675	
Country passenger rail services	0.161	0.176	0.148	0.172	2
Country passenger road coach services	0.051	0.055	0.045	0.059	2
Inter-town country bus services	0.012	0.013	0.012	0.013	
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%	85%	85%	85%	
Metropolitan and regional passenger services reliability:					
Bus services within four minutes of scheduled time	83%	85%	83%	85%	
Trains arriving within four minutes of scheduled time	96%	95%	95%	95%	
Ferries arriving within three minutes of scheduled time	95%	96%	98%	96%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time	53%	80%	47%	80%	3
Australind arriving within 10 minutes of scheduled time	86%	90%	80%	90%	3
MerredinLink arriving within 10 minutes of scheduled time	71%	90%	71%	90%	3
AvonLink arriving within 10 minutes of scheduled time	89%	90%	96%	90%	
Road coaches arriving within 10 minutes of scheduled time	98%	95%	97%	95%	
Satisfaction with school bus availability at arrival/departure time:	99%	99%	100%	99%	
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan bus services	91%	89%	94%	90%	
Metropolitan train services	94%	92%	94%	92%	
Metropolitan ferry services	100%	99%	100%	99%	
Country passenger rail and road coach services	n/a	92%	89%	92%	4
Customer perception of safety - independent external surveys:					
Train station - daytime	98%	96%	98%	96%	
On-board train - daytime	97%	97%	98%	97%	
Train station - nighttime	69%	70%	77%	70%	
On-board train - nighttime	74%	76%	78%	76%	
Bus station - daytime	98%	98%	98%	98%	
On-board bus - daytime	99%	99%	99%	99%	
Bus station - nighttime	76%	75%	82%	75%	5
On-board bus - nighttime	82%	82%	86%	82%	
Level of notifiable safety occurrences - notifiable occurrences:					
Category A occurrences per million passenger boardings	0.40	0.27	0.83	0.41	
Category A occurrences per million train kilometres	0.85	0.69	1.64	0.93	
Category B occurrences per million passenger boardings	36.04	19.85	45.47	25.87	
Category B occurrences per million train kilometres	76.74	49.57	89.2	59.24	
Regional school bus services: notifiable occurrences (accidents) reported each school year	15	19	14	19	6
Return on construction expenditure	1.6	1.7	1.5	1.6	
Outcome: Protection of the long-term functionality of the rail corridor and railway infrastructure:					
Number of lease breaches	nil	nil	nil	nil	

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

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower compared to the 2020-21 Budget due to the impact of the COVID-19 pandemic continuing to reduce patronage. The 2021-22 Budget Target is based on an improved patronage forecast from continued recovery, the introduction of the 2 zone fare cap and the commissioning of the Forrestfield-Airport Link.
2. The 2020-21 Estimated Actual is lower compared to the 2020-21 Budget due to the impact of the COVID-19 pandemic and associated regional travel restrictions. The increase in the 2021-22 Budget Target is based on improved patronage as demand for regional travel increases.
3. The 2020-21 Estimated Actual for the service reliability of the Prospector, MerredinLink and Australind (which travel on the leased freight network) has reduced compared to the 2020-21 Budget due to a number of delays associated with crossings and track-related issues as a result of maintenance work undertaken by Arc Infrastructure.
4. Due to COVID-19 restrictions, the level of overall customer satisfaction survey in 2019-20 could not be conducted, and therefore the 2019-20 Actual is not available. The Authority received an exemption from the key effectiveness indicator reporting requirement for the 2019-20 year.
5. The 2020-21 Estimated Actual result is an equal all-time high and firmly above the 2020-21 Budget. This result is largely due to significant perception improvements for services in the Kalamunda Contract Area, and on the Circle Route services.
6. The 2020-21 Estimated Actual is lower compared to the 2020-21 Budget due to continued efforts by the Authority and school bus drivers in recognising the importance of adopting a safe system approach to road safety.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,197,418	1,383,307	1,316,264	1,498,846	1
Less Income ^(a)	190,819	196,036	162,303	216,882	2
Net Cost of Service	1,006,599	1,187,271	1,153,961	1,281,964	
Employees (Full-Time Equivalents)	1,628	1,758	1,686	1,923	3
Efficiency Indicators					
Average cost per passenger kilometre:					
Transperth bus operations	\$1.56	\$1.58	\$1.66	\$1.50	4
Transperth train operations	\$0.76	\$0.97	\$0.91	\$0.78	4
Transperth ferry operations	\$2.07	\$1.92	\$1.85	\$1.81	
Average cost per 1,000 place kilometres - intra-town regional bus services	\$83.43	\$89.20	\$86.14	\$86.43	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2021-22 Budget Target is forecast to increase by \$182.6 million (13.9%) from the 2020-21 Estimated Actual largely due to increased annual METRONET Operating Costs (\$151.7 million) and the Public Transport Cost and Funding Forecast revision costs (\$30 million).
2. Income in the 2021-22 Budget Target is forecast to increase by \$54.6 million (33.6%) from the 2020-21 Estimated Actual. The increase is mainly attributable to increased Transperth fare revenue (\$31.1 million), and reduced prior year revenue associated with measures responding to the COVID-19 pandemic including: Optus Stadium concessions (\$9.1 million); advertising and service contribution (\$8.9 million); and waived parking fees (\$7.9 million).
3. The 2021-22 Budget Target is forecast to increase due to additional operational staff to support METRONET growth and delivery.
4. The 2021-22 Budget Target is based on improved patronage forecast from COVID-19 recovery, the introduction of the 2 zone fare cap and the commissioning of the Forrestfield-Airport Link.

2. Country Passenger Rail and Road Coach Services

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 52,018	\$'000 55,233	\$'000 54,202	\$'000 53,777	
Less Income	9,360	10,575	9,045	10,745	1
Net Cost of Service	42,658	44,658	45,157	43,032	
Employees (Full-Time Equivalents)	137	140	150	154	2
Efficiency Indicators					
Average cost per passenger kilometre:					
Transwa rail	\$0.67	\$0.63	\$0.66	\$0.54	3
Transwa road coaches	\$0.37	\$0.32	\$0.42	\$0.35	3
Average cost per 1,000 place kilometres - inter-town country bus services ...	\$16.73	\$18.96	\$15.28	\$15.69	

Explanation of Significant Movements

(Notes)

1. The Income in the 2021-22 Budget Target is forecast to increase by \$1.7 million (18.8%) from the 2020-21 Estimated Actual, which is mainly attributable to the implementation of the Route Rationalisation Strategy, which aims to enhance services to encourage greater patronage.
2. The 2021-22 Budget Target is higher than the 2020-21 Estimated Actual as a result of bringing the contract on-train services staff in-house.
3. The 2021-22 Budget Target is lower than the 2020-21 Estimated Actual predominantly due to the lifting of travel restrictions affecting Transwa services.

3. Regional School Bus Services

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 130,824	\$'000 131,087	\$'000 132,636	\$'000 130,624	1
Less Income ^(a)	26	nil	nil	nil	
Net Cost of Service	130,798	131,087	132,636	130,624	
Employees (Full-Time Equivalents)	36	37	39	38	
Efficiency Indicators					
Average cost per contracted kilometre - school bus services	\$3.81	\$3.82	\$3.98	\$3.88	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2021-22 Budget Target is forecast to decrease by \$2 million (1.5%) from the 2020-21 Estimated Actual due to the reduced need for some service costs associated with the initial response to the COVID-19 pandemic.

4. Rail Corridor and Residual Freight Issues Management

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 221,507	\$'000 229,823	\$'000 215,525	\$'000 224,563	1
Less Income ^(a)	19,800	18,418	18,430	25,609	
Net Cost of Service	201,707	211,405	197,095	198,954	
Employees (Full-Time Equivalents)	27	28	25	28	
Efficiency Indicators					
Total cost of managing the rail freight corridor and residual freight issues	\$221,507	\$229,823	\$215,525	\$224,563	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2021-22 Budget Target is forecast to increase by \$9 million (4.2%) from the 2020-21 Estimated Actual due largely to increased depreciation expense (\$11.7 million) and the Public Transport Cost and Funding Forecast revision (\$4.6 million). This was offset by a decrease in costs due to the reduced need for some costs associated with the initial response to the COVID-19 pandemic (\$9.7 million).

Asset Investment Program

SmartRider System Asset Replacement and Technology Update

1. \$57.8 million has been allocated to replace SmartRider system assets and update the technology used by the system. In 2021-22 an estimated \$15.1 million will be expended to introduce new ticketing systems that will also allow the use of contemporary contactless payment methods.

Stirling Bus Interchange

2. \$90 million will be spent to construct an expanded Stirling Bus Interchange over the Joondalup Line and the Mitchell Freeway at Stirling Train Station with construction to commence in 2021. In 2021-22, an estimated \$33 million will be expended on the project.

METRONET

Forrestfield-Airport Link

3. Three new stations are being built as part of the Forrestfield-Airport Link: Redcliffe Station, Airport Central Station and High Wycombe Station. As part of the \$1.9 billion project, the Authority has made upgrades to Claremont Station, including associated rail turnback facilities. With track laying finalised, an estimated \$353.5 million will be spent in 2021-22 on the completion of rail installation, station works and the multi-storey carpark at High Wycombe.

Bayswater Station

4. \$227.2 million has been allocated to the new Bayswater Station to accommodate the Forrestfield-Airport Link service and the Morley-Ellenbrook Line. An estimated \$54.1 million will be spent in 2021-22.

Morley-Ellenbrook Line

5. \$1.1 billion will be spent on the 21-kilometre Morley-Ellenbrook Line from Bayswater Station to Ellenbrook. The project will deliver five new stations at Morley, Noranda, Malaga, Whiteman Park and Ellenbrook. An estimated \$150.6 million will be spent in 2021-22 on completion of design and progression of construction works.

Thornlie-Cockburn Link

6. \$716.1 million has been allocated to the extension of the Thornlie Line to Cockburn Station on the Mandurah Line. The total cost includes the construction of two new stations at Nicholson Road and Ranford Road, with park and ride facilities and bus interchanges. A total of \$140.8 million is planned to be spent in 2021-22.

Yanchep Rail Extension

7. \$431.7 million will be invested to extend the Joondalup rail line by 14.5 kilometres from Butler to Yanchep. An additional \$100 million will be spent by the Western Australian Planning Commission (WAPC). The total cost includes the construction of three new stations at Yanchep, Eglinton and Alkimos, with bus interchanges and park and ride facilities. In 2021-22, a total of \$116.7 million is to be spent, consisting of \$70 million by the WAPC and \$46.7 million by the Authority.

Lakelands Station

8. \$72 million has been allocated to a new station at Lakelands on the Mandurah Line. Works include a new station building, car park and bus-rail interchange. In 2021-22, \$23.5 million will be spent on enabling works and main construction.

Level Crossing Removal Program

9. \$109.8 million has been allocated to complete the removal of the level crossing at Denny Avenue (Kelmscott) and to allow for planning the future removal of additional level crossings at Caledonian Avenue (Maylands) and Victoria Park-Canning. The level crossing at Denny Avenue was replaced with an underpass at Davis Road in April 2021. An estimated \$15.5 million will be spent in 2021-22 to complete the project.

Victoria Park-Canning Level Crossing Removal

10. This project involves expenditure of \$415 million on the Victoria Park-Canning Level Crossing Removal (formerly the Inner Armadale Line Level Crossing Removal) to remove three rail level crossings at Mint Street, Oats Street and Welshpool Road. Additionally, two new elevated stations will be provided at Carlisle and Oats Street. Further funds are allocated in the Provision for METRONET Projects Under Development for the removal of the level crossings at Hamilton and Wharf Streets, with new elevated stations at Queens Park and Cannington. In 2021-22, an estimated \$91.9 million will be spent to progress the project to contract award and to continue the relocation of utility services.

Mandurah Station Multi-Storey Car Park

11. \$32.1 million has been allocated to construct a 800-bay multi-storey car park at Mandurah Station. In 2021-22, an estimated \$14.5 million will be spent to complete the project.

Greenwood Station Multi-Storey Car Park

12. \$38 million has been allocated to the construction of an up to 700-bay multi-storey car park at Greenwood Station. In 2021-22, an estimated \$0.7 million will be spent on planning the project.

Rail Line Planning

13. \$121.2 million has been allocated to undertake planning and procurement of a number of METRONET projects. An estimated \$38.1 million will be spent in 2021-22.

New Stations and Existing Station Upgrades

14. \$82.3 million has been allocated to new stations and upgrading existing stations. \$34.2 million of this will be spent on planning and preliminaries for new stations on the Mandurah Line and the relocation of Midland Station. The remaining \$48.1 million will provide for upgrading existing train stations to improve disability access, CCTV, lighting, station access and pathways. In 2021-22, an estimated \$24.1 million will be spent to complete the procurement process to facilitate contract award for the new Midland Station, as well as continuing upgrades to existing train stations.

High Capacity Signalling Program of Works

15. \$449 million will be spent to replace the existing Transperth rail network signalling system and allow for increased service frequencies to meet forecast rail demand under long-term planning. The program of works includes the Radio System Replacement, the Public Transport Operations Control Centre and the Train Control and Signalling projects. This represents a portion of a program of works that will continue over a number of years. In 2021-22, an estimated \$52.2 million will be spent on procurement and the commencement of design and enabling works.

Railcar Acquisition and Railcar Replacement

16. \$1.2 billion will be spent to procure 246 new Transperth railcars. These railcars will provide for METRONET projects (102 railcars) and replacement of the A-Series railcars (144 railcars). The new railcars will be six-car sets, which provide additional passenger capacity compared to sets currently in operation. Following the completion of the Bellevue Railcar Assembly Facility in 2020-21, an estimated \$206.9 million will be spent in 2021-22.

COVID-19 Response - Targeted Disability Access Station Upgrades - Cannington, Gosnells and Kelmscott Stations

17. \$8 million has been allocated to upgrade rail stations at Cannington, Gosnells and Kelmscott to ensure compliance with the *Disability Discrimination Act 1992 (Cth)*. In 2021-22, an estimated \$3.2 million will be expended to complete the project.

Australind Train Service - Rail Future Fund

18. \$54.7 million has been allocated to purchase a new Australind railcar fleet with an estimated \$6.8 million to be spent in 2021-22.

CAT Bus Service Extension

19. \$2.6 million will be spent in 2021-22 to expand the existing CAT bus network, including \$2.1 million to extend the Blue and Red services to include Kings Park and Matagarup Bridge and \$0.5 million to create a dedicated service that will travel between the University of Western Australia, the Queen Elizabeth II Medical Centre and the Perth CBD.

Tunnel Monitoring System

20. \$8 million will be spent on the purchase and installation of tunnel monitoring equipment to protect the Authority's underground assets. In 2021-22, \$4 million is estimated to be spent on planning and procurement for the project.

Western Australia Agricultural Supply Chain Improvements

21. \$199.2 million will be spent on Agricultural Supply Chain Improvements to improve the performance of the grain freight network in the Wheatbelt, Great Southern, Mid West and Goldfields-Esperance regions. This includes upgrades to increase rail freight loading capacity at four key locations at a total cost of \$22 million. In 2021-22, \$21.8 million is estimated to be spent on the rail upgrade for cross-section improvements, rail terminal upgrades and agricultural freight transport corridor improvements.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
South West Main Line Level Crossings Safety Upgrade Opportunities	7,000	1,500	1,500	5,500	-	-	-
Targeted Disability Access Station Upgrades							
Cannington, Gosnells and Kelmscott Stations	8,000	4,760	4,760	3,240	-	-	-
Other Works in Progress							
Bus Infrastructure Program							
Bus Priority Projects in Progress	2,750	1,041	1,041	1,709	-	-	-
SmartRider System Asset Replacement and Technology Update	57,821	17,548	1,430	15,083	22,940	2,250	-
Stirling Bus Interchange	90,000	1,000	1,000	33,000	56,000	-	-
Business Support Upgrades in Progress	86,185	71,224	10,360	9,646	5,315	-	-
Common Infrastructure Program - Minor Capital Works Program in Progress	4,039	1,800	1,800	2,239	-	-	-
Major Projects							
Future Urban Railcar Procurement	253,861	226,192	37,476	27,669	-	-	-
Optus Stadium Transport Project	354,740	354,622	126	118	-	-	-
METRONET							
Bayswater Station (Forrestfield-Airport Link Services and Morley-Ellenbrook Line Forward Works)	227,160	59,875	44,081	54,136	94,351	18,798	-
Forrestfield-Airport Link	1,861,000	1,507,533	301,609	353,467	-	-	-
High Capacity Signalling - Program of Works	448,986	32,020	9,565	52,165	152,732	96,986	57,025
Lakelands Station	72,000	6,377	5,121	23,529	31,477	10,617	-
Level Crossing Removal Program	109,808	94,350	85,240	15,458	-	-	-
Level Crossing Removal - Victoria Park - Canning (Inner Armadale)	415,000	20,617	20,617	91,860	124,281	124,222	54,020
Mandurah Station - Multi-Storey Car Park	32,085	17,615	17,050	14,470	-	-	-
Morley-Ellenbrook Line Delivery	1,123,194	53,963	53,963	150,648	313,937	331,781	272,865
New Stations and Existing Station Upgrades	82,280	27,045	6,391	24,143	9,196	10,617	7,514
Rail Line Planning	121,247	79,956	41,490	38,115	1,178	1,243	755
Railcar Acquisition	473,344	79,206	44,926	91,151	63,338	70,398	80,019
Railcar Replacement	749,332	191,162	127,231	115,775	102,940	18,000	15,735
Thornlie-Cockburn Link	716,050	245,116	170,231	140,761	142,975	145,163	42,035
Yanchep Rail Extension	431,716	151,675	87,718	46,687	144,247	89,107	-
New Bus Replacement in Progress	613,419	72,180	41,099	102,408	17,739	36,364	38,967
Operational Business Support Systems Program							
Business Support Upgrades	19,657	3,443	3,443	6,550	5,420	4,244	-
CCTV Program	14,454	3,837	2,492	1,316	5,335	3,758	208
Rail Infrastructure Program							
Kwinana and Mitchell Freeway Barrier Upgrades	57,250	100	100	14,900	19,110	23,140	-
Rail Infrastructure in Progress	365,985	125,095	17,635	83,904	79,406	37,599	32,411
Resilience Package	59,877	51,623	5,019	8,254	-	-	-
Rail Stations Program - Lifts and Escalators Upgrades and Replacements							
	7,329	294	294	5,790	1,245	-	-
Railcar Program - Rail Futures Fund (Australind Railcar Replacement)							
	54,667	8,130	5,420	6,774	19,960	19,803	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COMPLETED WORKS							
COVID-19 Response							
Solar Panels for 60 Bus and Rail Stations.....	1,800	1,800	1,800	-	-	-	-
Other Completed Works							
Bus Infrastructure Program - Bus Priority Projects	19,861	19,861	1,278	-	-	-	-
Bus Replacement Program	324,828	324,828	2,324	-	-	-	-
Common Infrastructure Program - Minor Capital Works Program	12,347	12,347	2,493	-	-	-	-
Major Projects - Perth City Link	573,376	573,376	1,418	-	-	-	-
Parking Facilities Program.....	2,436	2,436	47	-	-	-	-
Rail Stations Program							
Lifts and Escalators Upgrades and Replacements	36,480	36,480	286	-	-	-	-
Election Commitment - Rail Futures Fund - Upgrade to Cookernup and North Dandalup Train Stations and Completion of Yarloop.....	1,483	1,483	10	-	-	-	-
Vessel Replacement Program	2,419	2,419	104	-	-	-	-
NEW WORKS							
Bus Infrastructure Program - CAT Bus Infrastructure	2,600	-	-	2,600	-	-	-
Common Infrastructure Program - Minor Capital Works Program	13,057	-	-	2,557	3,500	3,500	3,500
Freight Program							
Freight Rail Upgrades.....	20,000	-	-	-	20,000	-	-
Grain Freight Upgrades	22,000	-	-	12,000	10,000	-	-
Western Australia Agricultural Supply Chain Improvements	177,173	-	-	9,798	49,795	58,791	58,789
METRONET - Greenwood Station Multi-Storey Car Park ...	38,000	-	-	670	4,350	22,996	9,984
Operational Business Support Systems - CCTV Program	12,451	-	-	-	-	3,000	9,451
Parking Facilities Upgrades.....	12,634	-	-	4,634	2,000	2,000	2,000
Rail Infrastructure Program							
Rail Infrastructure New Program.....	160,732	-	-	9,076	12,981	55,753	40,974
Tunnel Monitoring System	8,000	-	-	4,000	4,000	-	-
Total Cost of Asset Investment Program	10,361,913	4,485,929	1,159,988	1,585,800	1,519,748	1,190,130	726,252
Loans and Other Repayments.....			175,534	127,436	133,397	135,157	136,264
Total.....	10,361,913	4,485,929	1,335,522	1,713,236	1,653,145	1,325,287	862,516
FUNDED BY							
Borrowings			506,964	528,912	190,371	105,194	84,192
Capital Appropriation			502,466	401,095	697,655	617,386	448,413
Capital Appropriation - Other (Land Sales Proceeds)			5,310	2,162	9,326	4,341	12,433
Capital Appropriation - Sourced from Commonwealth			98,820	188,004	419,091	381,935	201,780
Drawdowns from Royalties for Regions Fund			13,306	23,539	25,096	-	-
Drawdowns from the Holding Account			95,671	86,696	97,230	56,364	53,414
Funding Included in Department of Treasury - Major State Infrastructure			126	118	-	-	-
Internal Funds and Balances.....			26,667	372,751	132,543	55,958	3,495
Other			3,990	8,725	54,792	54,768	55,789
Other Grants and Subsidies			82,202	101,234	27,041	49,341	3,000
Total Funding.....			1,335,522	1,713,236	1,653,145	1,325,287	862,516

Financial Statements

Income Statement

Expenses

1. The Total Cost of Services in the 2021-22 Budget Estimate is forecast to increase by \$189.2 million (11%) from the 2020-21 Estimated Actual. The net increase is mainly due to:
 - 1.1. METRONET operating costs (\$153.6 million);
 - 1.2. the Public Transport Cost and Funding Forecast revision (\$36.1 million); and
 - 1.3. increased depreciation expense (\$22.2 million).
2. This was offset by a decrease in expenditure due to a reduced need for some service costs associated with the initial response to the COVID-19 pandemic (\$22.2 million).

Income

3. The Total Income in the 2021-22 Budget Estimate is forecast to increase by \$63.5 million (33.4%) from the 2020-21 Estimated Actual. This is mainly attributable to:
 - 3.1. increased Transperth fare revenue (\$31.1 million); and
 - 3.2. the reduction in prior year revenue associated with the COVID-19 pandemic following response measures including: Optus Stadium concessions (\$9.1 million); advertising, catering and service contributions (\$9 million); and waived parking fees (\$7.9 million).
4. This is offset by a decrease due to deferral of Commonwealth revenue for the Platform and Signalling Upgrade Program business case to 2022-23 (\$0.5 million).

Statement of Financial Position

5. The Total equity in the 2021-22 Budget Estimate is forecast to increase by \$250.1 million from the 2020-21 Estimated Actual. This comprises a projected increase in Total Assets of \$625.5 million and an increase in Total Liabilities of \$375.4 million.
6. The Authority's statement shows accumulated deficits across the forward estimates period because accrual appropriation is not being provided to fund depreciation. It has been determined that there is no need to provide the significant accrual appropriation that would be required to fund depreciation.

Statement of Cashflows

7. Proceeds from borrowings in the 2020-21 Estimated Actual have decreased by \$67.5 million from the 2020-21 Budget, which is predominantly attributable to the deferral of capital expenditure within the forward estimates period.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	205,730	225,975	217,595	234,102	251,502	258,212	261,423
Grants and subsidies ^(c)	543,357	545,558	555,270	577,614	578,185	597,212	612,369
Supplies and services	250,273	431,036	326,600	463,242	342,847	316,202	262,523
Accommodation	30,728	34,423	30,620	35,181	41,178	43,204	44,178
Depreciation and amortisation	458,537	448,937	475,120	480,726	523,992	545,962	533,474
Finance and interest costs	83,572	80,007	75,878	79,123	88,003	90,754	92,391
Other expenses	29,570	33,514	37,544	37,822	38,712	39,677	40,679
TOTAL COST OF SERVICES	1,601,767	1,799,450	1,718,627	1,907,810	1,864,419	1,891,223	1,847,037
Income							
Sale of goods and services	171,227	168,264	147,409	181,590	195,531	219,177	233,819
Regulatory fees and fines	3,527	4,420	4,420	4,420	4,420	4,420	4,420
Grants and subsidies	4,720	8,630	5,000	9,569	3,000	-	-
Other revenue	40,531	43,715	32,949	57,657	62,955	53,040	53,040
Total Income	220,005	225,029	189,778	253,236	265,906	276,637	291,279
NET COST OF SERVICES ^(d)	1,381,762	1,574,421	1,528,849	1,654,574	1,598,513	1,614,586	1,555,758
INCOME FROM STATE GOVERNMENT							
Service appropriations	359	359	359	360	361	362	362
Resources received free of charge	790	-	-	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund	7	9	10	79,935	79,935	79,935	79,935
Other appropriations	901,584	1,088,211	1,031,800	984,070	977,409	970,847	926,487
Other revenues	37,820	139,338	119,123	226,946	107,622	131,067	84,758
TOTAL INCOME FROM STATE GOVERNMENT	940,560	1,227,917	1,151,292	1,291,311	1,165,327	1,182,211	1,091,542
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(441,202)	(346,504)	(377,557)	(363,263)	(433,186)	(432,375)	(464,216)

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 1,828, 1,900 and 2,143 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Country Passenger Services - Inter-town							
Country Bus Services	648	1,012	807	829	852	875	871
Local Government	545	-	300	-	-	-	-
METRONET Community Assets Program	-	-	5,225	16,275	-	-	-
METRONET Office Expenses	834	2,662	2,352	2,264	1,746	985	985
Metropolitan Services							
Bus Operators	398,774	399,644	402,139	412,942	428,711	445,770	458,052
Ferry Services	1,417	1,383	1,842	1,302	1,325	1,351	1,378
Intra-town Regional Bus Services	16,948	16,768	16,896	17,625	17,935	18,325	18,751
Regional School Bus Services							
Conveyance Allowance	2,013	2,336	2,033	2,068	2,094	2,136	2,178
School Bus Services	122,178	121,753	123,676	124,309	125,522	127,770	130,154
TOTAL	543,357	545,558	555,270	577,614	578,185	597,212	612,369

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CURRENT ASSETS							
Cash assets.....	204,171	109,944	244,966	147,964	109,914	105,954	103,214
Restricted cash.....	543,065	504,236	453,454	156,878	61,011	8,013	7,258
Holding account receivables.....	141,948	99,690	99,690	35,165	56,364	58,967	70,939
Receivables.....	23,228	23,228	23,228	23,228	23,228	23,228	23,228
Other.....	39,060	39,060	39,060	39,060	39,060	39,060	39,060
Total current assets.....	951,472	776,158	860,398	402,295	289,577	235,222	243,699
NON-CURRENT ASSETS							
Holding account receivables.....	437,992	338,302	384,579	362,408	243,979	185,012	119,626
Property, plant and equipment.....	9,521,141	10,339,533	10,214,060	11,319,020	12,313,424	12,956,058	13,150,318
Intangibles.....	12,283	515,614	8,888	9,731	11,548	13,767	17,010
Restricted cash.....	1,381	1,381	1,381	1,381	1,381	1,381	1,381
Total non-current assets.....	9,972,797	11,194,830	10,608,908	11,692,540	12,570,332	13,156,218	13,288,335
TOTAL ASSETS	10,924,269	11,970,988	11,469,306	12,094,835	12,859,909	13,391,440	13,532,034
CURRENT LIABILITIES							
Employee provisions.....	50,414	50,414	50,414	50,414	50,414	50,414	50,414
Payables.....	134,716	134,716	134,716	134,716	134,716	134,716	134,716
Borrowings and leases.....	179,365	130,664	131,689	137,697	139,505	138,385	135,128
Other.....	54,456	26,340	26,340	26,340	26,340	26,340	26,340
Total current liabilities.....	418,951	342,134	343,159	349,167	350,975	349,855	346,598
NON-CURRENT LIABILITIES							
Employee provisions.....	9,721	9,721	9,721	9,721	9,721	9,721	9,721
Borrowings and leases.....	2,403,138	2,859,149	2,783,508	3,174,960	3,225,710	3,192,540	3,143,447
Other.....	169,072	163,606	178,342	156,256	150,790	145,324	139,858
Total non-current liabilities.....	2,581,931	3,032,476	2,971,571	3,340,937	3,386,221	3,347,585	3,293,026
TOTAL LIABILITIES	3,000,882	3,374,610	3,314,730	3,690,104	3,737,196	3,697,440	3,639,624
EQUITY							
Contributed equity.....	5,674,904	6,694,399	6,283,650	6,897,068	8,048,236	9,051,898	9,714,524
Accumulated surplus/(deficit).....	(2,576,907)	(2,923,411)	(2,954,464)	(3,317,727)	(3,750,913)	(4,183,288)	(4,647,504)
Reserves.....	4,825,390	4,825,390	4,825,390	4,825,390	4,825,390	4,825,390	4,825,390
Total equity.....	7,923,387	8,596,378	8,154,576	8,404,731	9,122,713	9,694,000	9,892,410
TOTAL LIABILITIES AND EQUITY	10,924,269	11,970,988	11,469,306	12,094,835	12,859,909	13,391,440	13,532,034

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	901,943	1,088,570	1,032,159	984,430	977,770	971,209	926,849
Capital appropriation.....	618,472	1,105,692	608,096	657,898	1,510,003	1,473,398	900,186
Holding account drawdowns.....	93,362	141,948	95,671	86,696	97,230	56,364	53,414
Royalties for Regions Fund:							
Regional Community Services Fund.....	7	9	10	79,935	79,935	79,935	79,935
Regional Infrastructure and Headworks Fund	7,544	27,601	13,306	23,539	25,096	-	-
Receipts paid into Consolidated Account	-	-	(744)	-	-	-	-
Other.....	40,732	113,339	106,027	209,567	106,527	129,939	83,596
Net cash provided by State Government	1,662,060	2,477,159	1,854,525	2,042,065	2,796,561	2,710,845	2,043,980
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(202,949)	(225,975)	(217,947)	(234,460)	(251,863)	(258,573)	(261,790)
Grants and subsidies	(546,187)	(545,558)	(555,270)	(577,614)	(578,185)	(597,212)	(612,369)
Supplies and services	(248,216)	(431,042)	(326,606)	(463,242)	(342,847)	(316,202)	(262,523)
Accommodation	(30,761)	(34,423)	(30,620)	(35,181)	(41,178)	(43,204)	(44,178)
GST payments	(144,437)	(258,462)	(215,881)	(261,866)	(251,123)	(226,253)	(173,432)
Finance and interest costs	(85,487)	(80,001)	(75,872)	(79,115)	(87,995)	(90,746)	(92,391)
Other payments	(32,187)	(33,508)	(36,687)	(37,464)	(38,351)	(39,316)	(40,312)
Receipts							
Regulatory fees and fines	3,426	4,420	4,420	4,420	4,420	4,420	4,420
Grants and subsidies	4,720	8,630	5,000	9,569	3,000	-	-
Sale of goods and services.....	174,918	168,264	147,409	181,590	195,531	219,177	233,819
GST receipts	138,337	258,462	215,881	261,866	251,123	226,253	173,432
Other receipts	65,340	36,376	27,325	53,068	58,584	48,702	48,736
Net cash from operating activities	(903,483)	(1,132,817)	(1,058,848)	(1,178,429)	(1,078,884)	(1,072,954)	(1,026,588)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(642,488)	(1,769,703)	(1,159,988)	(1,585,800)	(1,519,748)	(1,190,130)	(726,252)
Proceeds from sale of non-current assets	5,928	-	-	-	-	-	-
Net cash from investing activities	(636,560)	(1,769,703)	(1,159,988)	(1,585,800)	(1,519,748)	(1,190,130)	(726,252)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(413,860)	(379,432)	(390,778)	(363,608)	(338,744)	(348,875)	(333,822)
Other payments	-	(114,042)	(12,038)	(68,137)	(383,931)	(469,736)	(237,560)
Proceeds from borrowings	591,606	785,779	718,311	760,331	390,829	313,892	276,747
Net cash from financing activities	177,746	292,305	315,495	328,586	(331,846)	(504,719)	(294,635)
NET INCREASE/(DECREASE) IN CASH HELD.....	299,763	(133,056)	(48,816)	(393,578)	(133,917)	(56,958)	(3,495)
Cash assets at the beginning of the reporting period	448,854	748,617	748,617	699,801	306,223	172,306	115,348
Cash assets at the end of the reporting period	748,617	615,561	699,801	306,223	172,306	115,348	111,853

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

METRONET Projects Under Development

Part 9 Transport

Asset Investment Program

1. A \$1.4 billion provision is incorporated for various METRONET projects including the Byford Rail Extension, Victoria Park-Canning Level Crossing Removal, Midland Station Redevelopment and High Capacity Signalling program of works. Funding will be allocated to specific projects upon completion of tender processes.
2. The provision is funded from a \$722.6 million contribution from the Commonwealth, \$436.8 million in capital appropriation, \$232.5 million in Motor Vehicle Licence Fee Revenue and \$8.7 million from the Metropolitan Region Improvement Fund.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
NEW WORKS							
METRONET Projects Under Development.....	1,400,589	-	-	85,641	392,661	502,449	419,838
Total Cost of Asset Investment Program	1,400,589	-	-	85,641	392,661	502,449	419,838
FUNDED BY							
Capital Appropriation.....			-	48,137	119,145	186,797	82,735
Capital Appropriation - Sourced from Commonwealth			1,500	18,500	264,786	282,939	154,825
Internal Funds and Balances.....			(1,500)	1,500	-	-	-
Metropolitan Region Improvement Fund			-	-	8,730	-	-
Motor Vehicle Licence Fee Revenue.....			-	17,504	-	32,713	182,278
Total Funding.....			-	85,641	392,661	502,449	419,838

Fremantle Port Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	19,887	18,771	23,295	19,895	22,519	22,436	21,724
Local Government Rates Equivalent	685	627	627	698	705	713	720
Dividends ^{(a) (b) (c)}	12,796	57,172	34,686	-	34,853	35,727	34,823
RATIOS							
Dividend Payout Ratio (%)	75	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	217,940	222,790	226,747	233,194	246,234	251,796	252,506
Total Expenses ^(d)	151,804	167,256	154,358	172,597	177,669	183,667	186,527
Total Borrowings	169,279	206,526	158,226	201,606	226,914	261,647	278,019
NET PROFIT AFTER TAX	46,249	38,752	50,542	42,288	47,865	47,560	46,055
CASH ASSETS ^(e)	93,510	33,861	96,521	122,150	93,047	102,549	99,689

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) Excludes current tax expense, deferred tax expense and dividends.
- (e) As at 30 June each financial year.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2021-22 Dividend Retention	-	(61,694)	-	-	-
Revenue, Expense and Asset Investment Update ^(a)	1,885	12,230	11,543	7,239	28

- (a) Updated forecasts to reflect current business operations and economic environment including a comprehensive review of trade forecasts, pricing assumptions, and infrastructure management and maintenance including a reassessment of Asset Investment Program requirements.

Significant Issues Impacting the Government Trading Enterprise

COVID-19 Response

1. The impacts of the COVID-19 pandemic and Government responses to it continue to impact the gross domestic product of most countries globally, which in turn impacts anticipated trade volumes. The Authority implemented Commonwealth and State assistance programs during 2020-21 including rent relief to eligible tenants. The Authority will continue to meet legislation or policy where appropriate in 2021-22.
2. The Port of Fremantle remains an important node in the hard border protecting the State. The Authority is working with State and Commonwealth agencies and port users to ensure communication protocols and safety procedures are in place to manage interactions between ship and shore crews across all facilities within the port boundary to mitigate the ongoing risk of COVID-19 transmission.
3. As a critical infrastructure and service provider, business continuity is essential. Business continuity plans are a key part of the Authority's operations, which include key partners such as the pilots, tug operators and stevedores. The plans identify critical processes and detail actions to be taken should key systems or people be unavailable, or if community transmission of COVID-19 occurs within Western Australia.
4. Under the Government's COVID-19 Response, the Authority has committed to a \$28.5 million upgrade of the Kwinana Bulk Terminal (KBT) import and export facilities including upgrading material handling import infrastructure, concreting the export stockyard area and upgrading power supplies to the terminal. The majority of these works are expected to be completed by 2023-24.

Westport

5. The Authority will continue to actively participate in the Westport process through positive leadership and technical expertise with the aim of assisting it to deliver clear and robust outcomes. Parallel to the Westport process, the Authority will finalise a port development plan focused on inner and outer harbour development over the short-to-medium term. This is critical for creating clarity and certainty for the Authority and its customers.

Inner Harbour Efficiency

6. The Authority will continue efforts to ensure the Inner Harbour and associated transport connections can operate as efficiently as possible. This will reduce impacts on road users while also benefitting customers and port users. Key areas of focus will include:
 - 6.1. ensuring existing port operations remain efficient and meet user needs; and
 - 6.2. with industry and relevant government agencies, progressing initiatives to further improve Inner Harbour landside logistics through increased rail share, increased truck efficiency, off-peak running and other initiatives.

Victoria Quay Waterfront (VQW) Strategy

7. The Authority is committed to the urban renewal of the VQW area. The aim is to enhance the amenity of the area and to create a destination that benefits the broader community, while ensuring no adverse impacts on port operations, namely by avoiding incompatible land uses. The Authority will continue to actively work with the VQW Steering Committee to oversee the development of a vision for the VQW area. Key areas of focus will include:
 - 7.1. progressing short-term initiatives set out in the Stage 1 report of the VQW Steering Committee such as improving the connections between the Fremantle Overseas Passenger Terminal and the rest of VQW and Fremantle and various activation strategies;
 - 7.2. working with Gage Roads Brewing Company to redevelop A Shed on VQW; and
 - 7.3. supporting ongoing work for the proposed film studio development at VQW.

Bulk Business Strategy

8. The expansion of bulk trade is an important aspect of the Authority's trade facilitation role. A significant challenge to the development of the bulk business is the condition of bulk handling assets, which includes ageing cargo handling equipment and berths. These assets are constrained in both capacity and capability and require significant ongoing investment. Key investment decisions relating to future bulk trade business assets and infrastructure will be informed by the future development and financial viability of the bulk trade business. Key areas of focus include continued efforts to secure bulk trade volumes and implementation of a cohesive bulk business strategy to support infrastructure investment decisions and the sustainability of the bulk trade business.

2021-22 Dividend Retention

9. The Authority will retain its forecast 2021-22 dividend payment of \$61.7 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Authority.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Achieve financial targets in line with Government expectations in accordance with prudent commercial principles.	1. Achieve rate of return and profitability targets
	Provide reliable and efficient commercial services to meet customer needs and add value.	2. Highly efficient port operations 3. High levels of customer satisfaction
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Develop new trade and business opportunities.	4. Promote trade growth
	Support workers and provide safe working conditions.	5. Maintain safety and quality management systems in line with best practice
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Provide a safe and healthy environment for the community.	6. Achieve community satisfaction targets

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Achieve rate of return and profitability targets:					
After tax profit (\$'000)	46,249	38,752	50,542	42,288	1
Economic rate of return ^(a)	10.1%	8.7%	10.7%	8.7%	
Outcome: Highly efficient port operations:					
Performance against agreed contract rates: ^(b)					
Kwinana Bulk Terminal ship un/loading performance	88.2%	100%	100%	100%	
Import equipment availability	99%	96%	96%	96%	
Export equipment availability	93.6%	96%	96%	96%	
Crane rates (containers/hr) ^{(c) (d)}	34.6	32	32	32	
Berthing delays - unavailability of berths: ^(c)					
Inner Harbour:					
Container vessels delayed	4.1%	<12%	<12%	<12%	
Container vessels - average hours per delay	18.7	<20	<20	<20	
Kwinana Bulk Terminal:					
Vessels delayed ^(e)	63.3%	<40%	<40%	<40%	
Average hours per delay ^(e)	71.4	<120	<120	<120	
Kwinana Bulk Jetty:					
Vessels delayed ^(e)	50%	<25%	<25%	<40%	2
Average hours per delay ^(e)	98	<50	<50	<120	2
Rail share of container trade ^(c)	20%	20%	20%	20%	
Outcome: High levels of customer satisfaction:					
Customer satisfaction with services:					
The Authority only	86%	>85%	>85%	>85%	
All (private + the Authority) ^(c)	90%	>85%	>85%	>85%	
Community satisfaction:					
Inner Harbour	64%	>70%	>70%	>70%	
Outer Harbour	66%	>70%	>70%	>70%	
Outcome: Promote trade growth:					
Trade growth:					
The Authority's non-containerised trade ^{(c) (f)}	-4.1%	-0.2%	-0.2%	15.3%	3
Container trade ^(c)	-0.1%	-9.9%	-9.9%	7.6%	4
Number of ship visits ^{(c) (g)}	1,632	1,546	1,546	1,488	5
Outcome: Maintain our safety, environmental and quality management systems in line with best practice and our existing certifications:					
Fatalities / disabling injuries	nil	nil	nil	nil	
Lost time injury frequency rate ^(h)	6.4	0 or 10% reduction	0 or 10% reduction	0 or 10% reduction	
Outcome: Achieve community satisfaction targets:					
Community satisfaction:					
Inner Harbour	64%	>70%	>70%	>70%	
Outer Harbour	66%	>70%	>70%	>70%	

(a) Rate of return as calculated in accordance with the Department of Transport's Western Australian Port Authority – Rate of Return Calculation Methodology and Asset Valuation Policy.

(b) Performance against agreed contract rates reflects quarterly average over the year.

(c) Depends on the actions of others but is relevant to the overall performance of the port.

(d) Actual crane rates are as at December quarter 2019.

(e) Vessel delay figures include vessels that arrive ahead of schedule.

(f) Non-containerised trade reflects the Authority's general and bulk cargo trade revenue tonnes (includes Inner Harbour, Kwinana Bulk Jetty and Kwinana Bulk Terminal).

(g) Number of ship visits includes commercial, non-trading and fishing vessels (excludes naval).

(h) Lost time injury frequency rate based on injuries 'occurring in the year' and 'million hours worked'.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual includes higher than anticipated trade revenue compared to the 2020-21 Budget formed in the midst of highly uncertain economic conditions brought about by the COVID-19 pandemic. The budgeted Asset Investment Program for 2020-21 was significantly reprofiled with resulting expenditure impacts on 2020-21 Estimated Actual and 2021-22 Budget results. The 2021-22 Budget includes expenditure relating to finalisation of a comprehensive organisational review and the Authority's focus on development and implementation of a contemporary enterprise resource planning system.
2. Historically, the utilisation of the Kwinana Bulk Jetty (KBJ) was lower than capacity. Therefore, the number of vessels and the incurred delay waiting to berth was low. Taking into consideration the increased utilisation and allowing for seasonal demand, KBJ is now expected to operate near capacity and the berthing delay targets set for KBJ have been adjusted due to the expected increase in utilisation.
3. Significant growth is forecast for the Authority's general and bulk cargo trade in 2021-22 due to an increase in breakbulk through the Inner Harbour, particularly used cars, new cars and industrial vehicles, and short-term increases in bulk trades including iron ore and petroleum through the Outer Harbour.
4. The container trade growth forecast for 2021-22 reflects a positive outlook in comparison to the significant uncertainty resulting from potential COVID-19 impacts in 2020-21.
5. A forecast decrease in ship visits is primarily due to expectations of larger container vessels regularly visiting Fremantle and a decline in tankers due to closure of the BP refinery.

Asset Investment Program

1. The Authority's Asset Investment Program for 2021-22 to 2024-25 totals \$279.5 million, investing in projects across the Inner and Outer Harbours to support the economic growth of the State through the import and export of containers, motor vehicles, bulk commodities and other trades.

Expenditure in the Inner Harbour

2. A total of \$5 million in 2021-22 and \$25.5 million over the forward estimates period is forecast to be spent on Inner Harbour berths upgrades, including continuing upgrades to certain berths in the Inner Harbour to accommodate larger vessels and to allow for heavy-duty use.
3. Land acquisitions and associated works of \$25.2 million for port operations and buffer zones for port activities in the Inner Harbour.
4. Work continues on the Fremantle Waterfront Implementation Plan, including the commercial precinct, to support the developments and land uses identified in the Fremantle Waterfront Masterplan for the western end of Victoria Quay. Expenditure of \$7.2 million in 2021-22 and \$7.8 million over the forward estimates period is subject to the Authority being able to secure private sector interest in the development through a planned Expressions of Interest process.

Expenditure in the Outer Harbour

5. A total of \$13.3 million in 2021-22 and \$63.9 million over the forward estimates period is forecast to be spent on the replacement and upgrade of assets at the Kwinana Bulk Terminal (KBT) to facilitate the ongoing import and export of bulk materials for customers.
6. The projected growth of the export and import of bulk commodities at the KBJ requires an additional spend of \$3.6 million in 2021-22 and \$28.7 million over the forward estimates period on improved product handling infrastructure and equipment. This investment will improve the utilisation of the KBJ.

COVID-19 Response

7. The Authority will spend \$28.5 million over 2020-21 to 2024-25 to upgrade the KBT's import and export facilities comprising:
 - 7.1. \$25 million to upgrade material handling import infrastructure;
 - 7.2. \$3 million to concrete the export stockyard area; and
 - 7.3. \$0.5 million to upgrade power supplies to the terminal.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Kwinana Bulk Terminal - Material Handling Infrastructure							
Renewal of Import System.....	25,000	100	100	4,900	20,000	-	-
Other Works in Progress							
Fremantle Waterfront Project - Commercial Precinct							
Access and Services	4,279	1,529	200	470	2,280	-	-
Inner and Outer Harbour - Security Upgrades Stage 2	3,724	3,126	350	598	-	-	-
Inner Harbour							
Overseas Passenger Terminal	10,234	3,496	642	908	-	-	-
Photovoltaic System Passenger Terminal	950	20	20	930	-	-	-
North Quay - Land Acquisitions.....	25,400	160	-	18,740	6,500	-	-
Outer Harbour							
Kwinana Bulk Jetty - Replace/Upgrade Transformer and Switchgear	4,700	4,659	103	41	-	-	-
Kwinana Bulk Terminal							
High Voltage (HV) Power System Upgrade	6,000	3,409	2,715	2,591	-	-	-
Infrastructure, Equipment Replacement and Upgrade.....	61,959	9,159	-	8,200	15,500	22,500	6,000
Plant and Equipment - Replacement of Navigational Aids	3,633	2,023	-	-	420	420	420
Victoria Quay - Fremantle Waterfront Implementation Plan	16,226	3,953	-	6,710	2,263	3,300	-
COMPLETED WORKS							
COVID-19 Response							
Kwinana Bulk Terminal - Electrical Upgrades.....	500	500	500	-	-	-	-
Other Completed Works							
Inner Harbour - Replacement of Mechanical Plant.....	490	490	490	-	-	-	-
Minor Works - 2020-21 Program	8,559	8,559	8,559	-	-	-	-
Outer Harbour - Kwinana Bulk Terminal - Land Acquisition	30,307	30,307	9	-	-	-	-
Plant and Equipment - Mobile Truck Mounted Capstans	700	450	250	-	-	-	-
NEW WORKS							
COVID-19 Response							
Kwinana Bulk Terminal - Export Stockyard Area							
Concreting	3,000	-	-	-	-	1,500	1,500
Other New Works							
Inner and Outer Harbour - Technology Projects.....	6,800	-	-	6,800	-	-	-
Inner Harbour							
Inner Harbour Infrastructure Refurbishment Program.....	25,763	-	-	250	6,510	5,521	13,482
Provision of Alternative Vehicular Access.....	1,000	-	-	-	-	1,000	-
Replacement of HV Cable from Main Substation to Substation 4.....	550	-	-	-	-	550	-
Minor Works							
2021-22 Program.....	9,182	-	-	9,182	-	-	-
2022-23 Program.....	15,318	-	-	-	15,318	-	-
2023-24 Program.....	12,000	-	-	-	-	12,000	-
2024-25 Program.....	12,000	-	-	-	-	-	12,000
North Quay - Berth - Heavy Duty Pad	7,900	-	-	-	-	-	900
Outer Harbour							
Kwinana Bulk Jetty							
Export-Import Infrastructure	31,231	-	-	3,587	7,067	4,687	14,159
Replacement of Conveyor Structures and Equipment	5,300	-	-	-	-	1,400	1,400
Kwinana Bulk Terminal							
Bulk Handling Equipment.....	12,000	-	-	400	3,900	7,700	-
Direct Conveyor	5,400	-	-	2,100	3,300	-	-
Replacement of JC01 Conveyor.....	5,000	-	-	-	1,700	3,300	-
Plant and Equipment - Replace Floating Plant.....	15,000	-	-	4,000	3,500	-	500
Victoria Quay							
H Berth Fender Replacement	4,700	-	-	4,700	-	-	-
Motor Vehicle Decking.....	15,900	-	-	-	-	-	1,900
Total Cost of Asset Investment Program	390,705	71,940	13,938	75,107	88,258	63,878	52,261
FUNDED BY							
Borrowings			3,110	54,500	36,500	46,000	27,500
Internal Funds and Balances.....			10,778	20,557	51,708	17,828	24,711
Other			50	50	50	50	50
Total Funding.....			13,938	75,107	88,258	63,878	52,261

Financial Statements

Income Statement

Expenses

1. Employee benefits budgeted in 2020-21 reflected proposed organisational changes and role appointments following a comprehensive management review of organisational structure and competencies. The proposed changes were not fully realised in 2020-21. The 2021-22 Budget Estimate includes roles identified and yet to be filled, together with continued investment in the Authority's organisational capability to support future operations. Salary increases are based on active enterprise agreements or reflect the Government's wages policy post agreement expiration.
2. Supplies and services in the 2021-22 Budget Estimate includes costs to support development and implementation of a contemporary enterprise resource planning system to replace the Authority's legacy financial management system.
3. Movements in depreciation and interest costs are driven by changes in the Authority's Asset Investment Program (AIP).

Revenue

4. The Authority's revenue budgets primarily reflect expectations on trade mix and growth, ships and shipping services, and rental revenue from port tenancies.

Statement of Financial Position

5. The Authority's AIP is a major driver of movements in Property, plant and equipment and, through AIP funding assumptions, movements in cash and borrowings balances.
6. Movements in Cash assets relate to timing of dividend payments and AIP funding assumptions.
7. The increase in Intangibles in the 2021-22 Budget Estimate reflects replacement and improvement of technology systems.

Statement of Cashflows

8. Payments for Purchase of non-current assets reflects changes to the Authority's AIP resulting from an extensive review of priorities, timing and expenditure estimates.
9. Movements in Net cash from financing activities are a result of revised AIP timings and general operating requirements. Financing activities include assumptions relating to drawdown and repayment of a working capital facility held with Western Australian Treasury Corporation.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	216,422	221,632	225,602	232,321	245,409	251,023	251,744
Other revenue.....	1,518	1,158	1,145	873	825	773	762
TOTAL REVENUE	217,940	222,790	226,747	233,194	246,234	251,796	252,506
Expenses							
Employee benefits ^(b)	46,596	50,873	46,432	54,312	55,280	55,960	56,683
Supplies and services.....	50,491	53,068	53,885	58,141	57,297	57,885	57,453
Accommodation ^(c)	6,170	7,075	7,069	6,646	6,758	6,887	7,017
Depreciation and amortisation	17,429	20,033	17,474	19,103	22,654	25,757	27,988
Finance and interest costs	7,124	9,452	5,942	7,695	8,587	9,707	9,577
Other expenses ^(d)	23,994	26,755	23,556	26,700	27,093	27,471	27,809
TOTAL EXPENSES	151,804	167,256	154,358	172,597	177,669	183,667	186,527
NET PROFIT/(LOSS) BEFORE TAX	66,136	55,534	72,389	60,597	68,565	68,129	65,979
National Tax Equivalent Regime							
Current tax equivalent expense	19,887	18,771	23,295	19,895	22,519	22,436	21,724
Deferred tax equivalent expense	-	(1,989)	(1,448)	(1,586)	(1,819)	(1,867)	(1,800)
NET PROFIT/(LOSS) AFTER TAX	46,249	38,752	50,542	42,288	47,865	47,560	46,055
Dividends	12,796	57,172	34,686	-	34,853	35,727	34,823

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

(b) The full-time equivalents for the 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 296, 300 and 346 respectively.

(c) Accommodation includes the Authority's total operational electricity and water costs.

(d) Other expenses includes land tax, payroll tax, insurance premiums and other general and administration expenses.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	93,510	33,861	96,521	60,456	31,353	40,855	37,995
Cash assets - Retained dividends	-	-	-	61,694	61,694	61,694	61,694
Receivables	20,282	18,045	26,290	27,155	28,610	26,637	28,454
Other.....	4,961	5,065	5,357	5,468	5,620	5,737	5,825
Total current assets.....	118,753	56,971	128,168	154,773	127,277	134,923	133,968
NON-CURRENT ASSETS							
Property, plant and equipment.....	441,757	518,283	439,002	490,457	557,888	597,075	625,117
Intangibles	326	139	139	6,799	6,119	5,439	4,759
Receivables	2,704	3,082	1,824	865	1	1	1
Other.....	28,993	30,760	30,219	31,563	33,118	34,699	36,240
Total non-current assets.....	473,780	552,264	471,184	529,684	597,126	637,214	666,117
TOTAL ASSETS	592,533	609,235	599,352	684,457	724,403	772,137	800,085
CURRENT LIABILITIES							
Employee provisions.....	13,604	13,734	13,754	13,774	13,857	13,969	14,076
Payables.....	11,814	2,860	14,865	12,481	13,867	15,499	14,089
Borrowings and leases	1,694	3,271	1,842	2,133	2,540	2,273	1,761
Other.....	6,803	7,746	7,133	8,041	8,334	8,744	8,789
Total current liabilities.....	33,915	27,611	37,594	36,429	38,598	40,485	38,715
NON-CURRENT LIABILITIES							
Employee provisions.....	13,902	14,049	14,029	14,172	14,315	14,461	14,606
Borrowings and leases	169,023	210,471	157,757	201,806	226,657	260,771	279,327
Other.....	5,533	5,287	3,956	3,746	3,517	3,271	3,056
Total non-current liabilities.....	188,458	229,807	175,742	219,724	244,489	278,503	296,989
TOTAL LIABILITIES	222,373	257,418	213,336	256,153	283,087	318,988	335,704
NET ASSETS	370,160	351,817	386,016	428,304	441,316	453,149	464,381
EQUITY							
Contributed Equity	105,059	105,059	105,059	105,059	105,059	105,059	105,059
Accumulated surplus/(deficit)	265,101	246,758	280,957	323,245	336,257	348,090	359,322
TOTAL EQUITY	370,160	351,817	386,016	428,304	441,316	453,149	464,381

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	187,935	190,967	190,558	201,350	212,591	219,655	217,141
GST receipts.....	21,800	22,165	22,424	23,234	24,543	25,104	25,177
Other receipts ^(b)	33,731	32,933	29,640	31,189	32,156	33,325	33,540
Payments							
Employee benefits	(46,175)	(50,593)	(46,176)	(54,164)	(55,064)	(55,709)	(56,441)
Supplies and services.....	(52,214)	(53,068)	(53,885)	(58,141)	(57,297)	(57,885)	(57,453)
Accommodation ^(c)	(5,803)	(6,448)	(6,442)	(5,948)	(6,053)	(6,174)	(6,297)
GST payments.....	(20,093)	(22,655)	(21,726)	(23,796)	(24,349)	(24,964)	(25,075)
Finance and interest costs.....	(7,436)	(8,938)	(6,141)	(7,372)	(8,426)	(9,484)	(9,623)
Other payments ^(d)	(26,858)	(25,407)	(25,061)	(24,098)	(27,030)	(27,145)	(27,473)
Net cash from operating activities.....	84,887	78,956	83,191	82,254	91,071	96,723	93,496
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets	9	50	50	50	50	50	50
Payments							
Purchase of non-current assets.....	(17,454)	(95,452)	(13,938)	(75,107)	(88,258)	(63,878)	(52,261)
Net cash from investing activities	(17,445)	(95,402)	(13,888)	(75,057)	(88,208)	(63,828)	(52,211)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	73,300	25,000	79,500	61,500	71,000	52,500
Other proceeds.....	742	808	808	880	959	864	-
Payments							
Repayment of borrowings and leases.....	(4,540)	(37,865)	(36,548)	(37,119)	(37,219)	(37,363)	(37,383)
Other payments	-	-	(455)	(440)	(464)	(488)	(520)
Net cash from financing activities	(3,798)	36,243	(11,195)	42,821	24,776	34,013	14,597
CASHFLOWS FROM STATE GOVERNMENT							
Payments							
Dividends to government.....	(12,796)	(57,172)	(34,686)	-	(34,853)	(35,727)	(34,823)
National Tax Equivalent Regime - Income tax ...	(24,683)	(21,647)	(19,784)	(23,691)	(21,184)	(20,966)	(23,199)
Local Government Rates Equivalent	(685)	(627)	(627)	(698)	(705)	(713)	(720)
Net cash provided to State Government	38,164	79,446	55,097	24,389	56,742	57,406	58,742
NET INCREASE/(DECREASE) IN CASH HELD.....	25,480	(59,649)	3,011	25,629	(29,103)	9,502	(2,860)
Cash assets at the beginning of the reporting period	68,030	93,510	93,510	96,521	122,150	93,047	102,549
Cash assets at the end of the reporting period	93,510	33,861	96,521	122,150	93,047	102,549	99,689

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

(b) Rental revenues are included within sales of goods and services on the Income Statement, however within the Statement of Cashflows these receipts are recorded as Other receipts.

(c) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

(d) Other payments include land tax, payroll tax, insurance premiums and other general and administration expenses.

Kimberley Ports Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax...	-	-	-	-	-	254	577
Local Government Rates Equivalent	124	140	124	140	141	143	144
Dividends ^(a)	-	-	-	-	-	428	1,117
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	-	2,706	2,706	3,100	2,500	2,500	2,500
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution	9,150	4,000	4,000	3,500	500	500	500
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	13,374	13,722	11,880	18,458	20,205	24,466	25,861
Revenue from State Government	-	2,706	2,706	3,100	2,500	2,500	2,500
Total Expenses ^(b)	20,168	21,803	18,911	24,594	25,430	25,951	26,052
Total Borrowings	11,160	9,589	9,594	7,947	6,213	4,382	2,832
NET PROFIT AFTER TAX	(6,794)	(5,375)	(4,325)	(3,036)	(2,725)	761	1,732
CASH ASSETS ^(c)	8,744	3,432	5,934	4,865	1,978	2,100	2,695

(a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Excludes current tax expense, deferred tax expense and dividends.

(c) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2021-22 Budget Parameter Updates	(16)	(1)	(909)	(1,306)	(464)
Transfer of Wyndham, Derby and Yampi Sound Ports to Kimberley Ports Authority	-	(2,500)	(2,500)	(2,500)	-

Significant Issues Impacting the Government Trading Enterprise

Kimberley Ports Amalgamation

1. The Authority is working with port operators at the Ports of Wyndham, Derby and Yampi Sound to affect a seamless transition to the Authority's management under the *Port Authorities Act 1999*, which occurred on 1 July 2021. Derby and Wyndham Ports are considering options to improve cost recovery.

Kimberley Marine Support Base (KMSB)

2. Progress has been made on obtaining the required approvals for the KMSB proposal to construct a Kimberley Marine Material Offloading Facility at the Port of Broome. The KMSB has secured heritage approval from Nyamba Buru Yawuru, environmental approval by the Commonwealth Department of Water, Agriculture and the Environment and the Western Australian Environmental Protection Agency.

Trade Outlook (Commodities, Cargo and Cruise)

3. Demand for agricultural commodities (primarily cattle) is expected to remain at existing levels.
4. Global demand for oil and gas has reduced significantly due to less travel being undertaken as a result of the COVID-19 pandemic, and this commodity market may not recover significantly with an ongoing and unpredictable impact on production, supply and shipping.
5. Cruise shipping was expected to continue to increase; however, the effect of the COVID-19 pandemic on cruise lines and passengers means that the industry may not recover until at least the end of 2022 and is contingent upon the pandemic coming under control world-wide.

COVID-19 Response

6. The Authority continues to work closely with Australian Border Force, the Commonwealth Department of Agriculture, Water and Environment, Western Australian Police Force and WA Health on all matters relating to the arrival and departure of vessels and crew at Kimberley Ports.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Achieve financial targets in line with Government expectations in accordance with prudent commercial principles.	<ol style="list-style-type: none"> 1. Consistent with <i>Port Authorities Act 1999</i>, facilitate trade, plan for future growth and development in a safe and efficient port 2. Achieve rate of return and profitability targets
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Maintain our safety, environmental and quality management systems in line with best practice and our existing certifications.	<ol style="list-style-type: none"> 3. Seek accreditation for ISO 45001: 2018 Occupational health and safety management and ISO 14001: 2016 Environmental management systems at Port of Broome

Outcomes and Key Performance Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Consistent with Port Authorities Act 1999, facilitate trade, plan for future growth and development in a safe and efficient port:					
Customer satisfaction with services – Port of Broome ^(b)	64%	64%	64%	65%	
Employee satisfaction rating ^(c)	n/a	64%	n/a	65%	
Berthing availability ^(d)	64.6%	70.2%	>70.2%	68%	
Trade growth tonnages ^(e)	219,781	199,089	199,089	222,500	
Number of ship visits ^(f)	674	678	678	741	
Outcome: Achieve rate of return and profitability targets:					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	(\$2,693,787)	(\$986,194)	(\$986,194)	\$726,055	1
Rate of return on assets ^(g)	(9.3%)	(7%)	(7%)	(4%)	
Economic rate of return (%) ^(h)	(9.3%)	(9%)	(9%)	(5%)	
Debt to equity ratio	0.26	0.31	0.31	0.16	
Outcome: Seek accreditation for ISO 45001: 2018 Occupational health and safety management and ISO 14001: 2016 Environmental management systems at Port of Broome:					
Environmental incidents	nil	nil	nil	nil	
Lost time injury frequency rate ⁽ⁱ⁾	nil	nil	nil	nil	

(a) The performance measures are used to measure the operational performance of the Port of Broome currently but will be expanded to include other Kimberley ports. They are used by the Port of Broome to monitor service delivery, identify and respond to emerging trends in trade development, and to measure capability for the future and plan for infrastructure development.

(b) Customer satisfaction percentage based on 2020-21 survey results.

(c) The employee satisfaction survey for 2019-20 was not completed to date and is expected to be completed in 2021-22.

(d) Berth availability is measured to enable future infrastructure planning.

(e) Trade growth tonnages is all cargo activities except for cruise vessel passenger numbers.

(f) Number of ship visits includes all vessels visiting the Port of Broome.

(g) The asset base includes current assets to calculate the return on assets.

(h) Rate of return as calculated in accordance with the Department of Transport's 'Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy'.

(i) Lost time injury frequency rate based on injuries 'occurring in the year' and 'million hours worked'.

Explanation of Significant Movements

(Notes)

1. The estimated improvement of \$1.7 million in EBITDA from 2020-21 to 2021-22 is due to continued cost-saving measures and an improvement in vessel calls from 678 to 741 in the Port of Broome. While the Authority's Net Profit After Tax is negative and the rate of return key performance indicators will also be negative, the trend is for a positive rate of return in future years.

Asset Investment Program

1. The Authority's Asset Investment Program (AIP) for 2021-22 to 2024-25 totals \$9 million, which will further support the continued economic growth of the Kimberley region. The Authority's 2021-22 AIP includes spending of:

- 1.1. \$661,000 in 2021-22 for the completion of critical electrical upgrades for the Broome Port Wharf; and
- 1.2. \$8.3 million in 2021-22 and across the forward estimates period as part of the Authority's investment in its ongoing minor works program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Major Port Infrastructure - Wharf Essential Works (Electrical Upgrade)	1,429	768	660	661	-	-	-
COMPLETED WORKS							
Major Port Infrastructure - Crane Acquisition	3,384	3,384	1,784	-	-	-	-
Minor Works - 2020-21 Program	1,818	1,818	1,818	-	-	-	-
NEW WORKS							
Minor Works							
2021-22 Program	2,075	-	-	2,075	-	-	-
2022-23 Program	2,075	-	-	-	2,075	-	-
2023-24 Program	2,075	-	-	-	-	2,075	-
2024-25 Program	2,075	-	-	-	-	-	2,075
Total Cost of Asset Investment Program	14,931	5,970	4,262	2,736	2,075	2,075	2,075
FUNDED BY							
Funding Included in Department of Treasury Administered Item			-	500	500	500	500
Internal Funds and Balances			4,262	2,236	1,575	1,575	1,575
Total Funding			4,262	2,736	2,075	2,075	2,075

Financial Statements

Income Statement

Expenses

1. The increase in Supplies and services for the 2021-22 Budget Estimate relative to the 2020-21 Estimated Actual reflects the Authority assuming responsibility for the Kimberley trading ports of Wyndham, Yampi Sound and Derby from 1 July 2021.

Statement of Financial Position

2. The Authority is expected to return to profitability in 2023-24. Until this is achieved, cash reserves will diminish. Further equity injections are not expected past 2021-22 to support operating cashflows.
3. Strong trading months in May and June 2021 saw receivables higher than budgeted, as well as higher cash reserves than anticipated.
4. An estimated increase in non-current assets in 2021-22 directly relates to the Authority assuming responsibility for the Ports of Derby, Wyndham and Yampi Sound, with the assets being transferred to the Authority.

Statement of Cashflows

5. The Authority will be provided equity injections totalling \$7 million over 2020-21 to 2021-22 to manage the impacts of the COVID-19 pandemic, and associated business downturns on its business operations and associated cashflows. The Government will provide additional equity injections of \$500,000 per annum over 2021-22 to 2024-25 to fund minor works planned for the Ports of Wyndham, Derby and Yampi Sound as the Authority takes over management responsibilities for the three ports.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	12,932	13,395	11,493	14,646	16,356	20,580	21,935
Other revenue.....	442	327	387	3,812	3,849	3,886	3,926
Revenue from government							
Operating subsidies.....	-	2,706	2,706	3,100	2,500	2,500	2,500
TOTAL REVENUE	13,374	16,428	14,586	21,558	22,705	26,966	28,361
Expenses							
Employee benefits ^(b)	9,199	8,788	7,347	7,765	7,990	8,666	8,879
Supplies and services.....	2,659	4,886	2,129	7,134	7,205	7,278	7,351
Accommodation.....	2,602	2,155	3,107	3,631	4,667	4,715	4,761
Depreciation and amortisation.....	3,428	3,767	3,780	3,763	3,268	3,062	2,903
Finance and interest costs.....	677	643	611	526	430	338	242
Other expenses	1,603	1,564	1,937	1,775	1,870	1,892	1,916
TOTAL EXPENSES	20,168	21,803	18,911	24,594	25,430	25,951	26,052
NET PROFIT/(LOSS) BEFORE TAX	(6,794)	(5,375)	(4,325)	(3,036)	(2,725)	1,015	2,309
National Tax Equivalent Regime Current tax equivalent expense	-	-	-	-	-	254	577
NET PROFIT/(LOSS) AFTER TAX	(6,794)	(5,375)	(4,325)	(3,036)	(2,725)	761	1,732
Dividends	-	-	-	-	-	428	1,117

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 58, 45.5 and 45.5 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	8,744	3,432	5,934	4,865	1,978	2,100	2,695
Receivables.....	1,846	300	1,156	3,915	3,914	3,915	3,914
Other.....	131	77	77	131	131	131	131
Total current assets.....	10,721	3,809	7,167	8,911	6,023	6,146	6,740
NON-CURRENT ASSETS							
Property, plant and equipment.....	61,498	64,826	62,061	73,185	72,153	71,271	70,511
Intangibles.....	595	1,149	1,149	463	301	195	127
Other.....	21	42	42	-	-	-	-
Total non-current assets.....	62,114	66,017	63,252	73,648	72,454	71,466	70,638
TOTAL ASSETS	72,835	69,826	70,419	82,559	78,477	77,612	77,378
CURRENT LIABILITIES							
Employee provisions.....	2,096	2,137	1,668	1,627	1,627	1,627	1,627
Payables.....	617	416	423	681	681	936	1,259
Borrowings and leases.....	1,569	1,768	1,768	1,734	1,830	1,557	730
Other.....	548	57	57	548	548	548	548
Total current liabilities.....	4,830	4,378	3,916	4,590	4,686	4,668	4,164
NON-CURRENT LIABILITIES							
Employee provisions.....	58	53	53	58	58	58	58
Borrowings and leases.....	10,012	8,814	8,819	6,590	4,637	2,957	2,112
Other.....	21	42	42	-	-	-	-
Total non-current liabilities.....	10,091	8,909	8,914	6,648	4,695	3,015	2,170
TOTAL LIABILITIES	14,921	13,287	12,830	11,238	9,381	7,683	6,334
NET ASSETS	57,914	56,539	57,589	71,321	69,096	69,929	71,044
EQUITY							
Contributed Equity.....	55,540	59,540	59,540	76,308	76,808	77,308	77,808
Accumulated surplus/(deficit).....	(5,947)	(11,322)	(10,272)	(13,308)	(16,033)	(15,700)	(15,085)
Reserves.....	8,321	8,321	8,321	8,321	8,321	8,321	8,321
TOTAL EQUITY	57,914	56,539	57,589	71,321	69,096	69,929	71,044

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	12,595	12,299	9,880	12,481	14,169	18,371	19,703
GST receipts.....	2,290	-	1,272	-	-	-	-
Other receipts.....	2,655	2,424	2,114	5,977	6,036	6,095	6,157
Payments							
Employee benefits.....	(9,004)	(8,752)	(7,780)	(7,801)	(7,989)	(8,666)	(8,879)
Supplies and services.....	(3,236)	(4,780)	(2,032)	(7,659)	(7,205)	(7,278)	(7,351)
Accommodation ^(b)	(2,478)	(2,015)	(2,983)	(3,491)	(4,526)	(4,572)	(4,617)
GST payments.....	(2,293)	(68)	(1,281)	-	-	-	-
Finance and interest costs.....	(676)	(643)	(611)	(526)	(430)	(338)	(242)
Other payments.....	(1,729)	(1,564)	(1,709)	(1,776)	(1,870)	(1,892)	(1,914)
Net cash from operating activities.....	(1,876)	(3,099)	(3,130)	(2,795)	(1,815)	1,720	2,857
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	10	-	-	-	-	-	-
Payments							
Purchase of non-current assets.....	(16,103)	(6,778)	(4,262)	(2,736)	(2,075)	(2,075)	(2,075)
Net cash from investing activities.....	(16,093)	(6,778)	(4,262)	(2,736)	(2,075)	(2,075)	(2,075)
CASHFLOWS FROM FINANCING ACTIVITIES							
Payments							
Repayment of borrowings and leases.....	(873)	(2,001)	(2,000)	(1,998)	(1,856)	(1,952)	(1,672)
Net cash from financing activities.....	(873)	(2,001)	(2,000)	(1,998)	(1,856)	(1,952)	(1,672)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Operating subsidies.....	-	2,706	2,706	3,100	2,500	2,500	2,500
Equity contributions.....	9,150	4,000	4,000	3,500	500	500	500
Payments							
Dividends to government.....	-	-	-	-	-	(428)	(1,117)
National Tax Equivalent Regime - Income tax...	-	-	-	-	-	-	(254)
Local Government Rates Equivalent.....	(124)	(140)	(124)	(140)	(141)	(143)	(144)
Net cash provided to State Government.....	(9,026)	(6,566)	(6,582)	(6,460)	(2,859)	(2,429)	(1,485)
NET INCREASE/(DECREASE) IN CASH HELD.....	(9,816)	(5,312)	(2,810)	(1,069)	(2,887)	122	595
Cash assets at the beginning of the reporting period.....	18,560	8,744	8,744	5,934	4,865	1,978	2,100
Cash assets at the end of the reporting period.....	8,744	3,432	5,934	4,865	1,978	2,100	2,695

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

(b) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

Mid West Ports Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	4,967	5,106	6,402	8,942	15,659	16,680	16,643
Local Government Rates Equivalent	868	899	872	919	940	961	983
Dividends (a) (b) (c)	4,124	22,121	11,627	-	24,467	28,743	29,140
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution	-	-	-	8,000	-	-	-
RATIOS							
Dividend Payout Ratio (%)	100	100	100	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	67,757	70,164	74,715	101,041	113,816	115,700	115,652
Total Expenses (d)	50,874	53,144	53,374	71,234	61,616	60,102	60,176
Total Borrowings	9,479	8,058	8,058	6,819	6,142	5,519	4,809
NET PROFIT AFTER TAX	11,626	11,914	14,939	20,865	36,541	38,918	38,833
CASH ASSETS (e)	42,186	12,829	40,074	54,194	55,423	63,668	77,801

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) Excludes current tax expense, deferred tax expense and dividends.
- (e) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2020-21 Estimated Actual Outturn	(727)	-	-	-	-
2021-22 Dividend Retention	-	(28,319)	-	-	-
Geraldton Port Wide Fire Fighting System	-	-	-	-	(1,043)
Trade Throughput Revisions (a)	438	17,618	23,623	27,561	28,071
Wharf 4 Deck Strengthening and Rail Replacement Project (b)	-	278	(5)	(39)	(39)

- (a) Revenue and associated operating expenses from additional trade by new customers.
- (b) Depreciation expense impacts of re-phasing of the project and additional capital funding.

Significant Issues Impacting the Government Trading Enterprise

1. The Authority received State endorsement for the Geraldton Port Master Plan (PMP) in July 2020. The PMP will guide the longer-term development of the Port of Geraldton over the next 15 years.
2. The rapidly growing demand for bulk export facilities in the Mid West region has seen an immediate increase in trade throughput from existing and new customers at the port, with the trend forecast to continue over the forward estimates period taking in a broader range of customers and commodities.
3. As part of its long-term capacity planning, the Authority continually assesses current and future customer demands and port improvements to facilitate those demands in the most effective manner consistent with the PMP.
4. To address the immediate needs, the Authority will undertake a range of improvements to increase public and port user safety by addressing road access issues in the port precinct, improving utilisation of existing berth infrastructure to increase ship loading efficiencies and acquiring land to ease operational bottlenecks.
5. The Authority continues to work with the Departments of Transport and Jobs, Tourism, Science and Innovation to transfer the marine safety function of the ports of Cape Cuvier and Useless Loop from the Department of Transport to the Authority.
6. The Authority is unique amongst the Western Australian ports in that it manages the Fishing Boat Harbour, which supports the West Coast Rock Lobster Fishery. As part of the COVID-19 Response a number of amenity upgrades were delivered by the Authority in 2020-21 and are planned for 2021-22.
7. The Authority will retain its forecast 2021-22 dividend payment of \$28.3 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Authority.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Facilitate, Protect and Grow Efficient Trade and Tourism.	1. Improve Revenue Diversification and Growth 2. Improve Underlying Profit 3. Improve Long-term Business Value 4. Increase Regional Economic Contribution
	Realising Development Strategies.	5. Provide Quality Infrastructure
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Enabling Supply Chain.	6. Transparent Service Offering and Clear Role as Supply Chain Enablers
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Engaged Customers, Community and Stakeholders.	7. Run a Safe, Efficient and Cost Effective Service Offering 8. Engaged, Easy to Do Business with and Deliver on our Promise
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Operate in Balance with the Environment.	9. Improve Whole of Port Environmental Outcomes

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Improve Revenue Diversification and Growth:					
Economic rate of return ^(a)	7.6%	10.3%	10.2%	12%	
Earnings before interest, tax, depreciation and amortisation (\$'000)	23,518	24,346	30,579	37,862	
Outcome: Improve Underlying Profit:					
Return on assets	9.4%	10.2%	12.7%	16.2%	
Outcome: Improve Long-term Business Value:					
Finalise continuous improvement training to all staff across organisation ^(b)	n/a	n/a	n/a	100%	
Outcome: Increase Regional Economic Contribution:					
Total local spend ^(b)	n/a	n/a	n/a	>70%	
Outcome: Provide Quality Infrastructure:					
Availability of the Authority train unloading infrastructure when required by customers	99.99%	98%	100%	>98%	
Outcome: Transparent Service Offering and Clear Role as Supply Chain Enablers:					
Total port trade (Mt)	14.95	14	15.07	18.2	
Outcome: Run a Safe, Efficient and Cost Effective Service Offering:					
Availability of berth 4 ship loading infrastructure when required by customers	99.5%	98%	99.95%	>98%	
Availability of berth 5 ship loading infrastructure when required by customers	99.8%	98%	99.8%	>98%	
Lost Time Injury Frequency Rate	nil	nil	8.4	nil	
Outcome: Engaged, Easy to Do Business with and Deliver on our Promise:					
Customer satisfaction score (including Fishing Boat Harbour) ^(b)	n/a	n/a	n/a	>80%	
Suppliers' satisfaction survey score ^(b)	n/a	n/a	n/a	>80%	
Employee satisfaction score ^(b)	n/a	n/a	n/a	>80%	
Outcome: Improve Whole of Port Environmental Outcomes:					
Compliance with environmental licence, legislation and best practice ^(b)	n/a	n/a	n/a	100%	

(a) Rate of return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

(b) New key performance indicator established from 2021-22.

Asset Investment Program

1. The Authority's 2021-22 Asset Investment Program includes funding that has been allocated to:
 - 1.1. the Port Wide Firefighting System to provide fully compliant fire systems across the port that meet standards and regulatory compliance requirements;
 - 1.2. land acquisitions and road improvements in the port precinct funded via Royalties for Regions; and
 - 1.3. minor works projects to improve services, upgrade existing civil infrastructure, security, environmental systems, computer systems and replacement of equipment.

COVID-19 Response

2. The Authority will spend \$9.6 million in 2021-22 at the Port of Geraldton and the Fishing Boat Harbour to:
 - 2.1. strengthen the Wharf 4 deck slab and to replace the shiploader rails. This will improve utilisation of the shiploader and support the operational requirements of the berth, which is the port's main multi-good berth;
 - 2.2. complete the Fishing Boat Harbour street lighting project; and
 - 2.3. replace the walkways at the Fishing Boat Harbour to improve amenities, given these facilities are located within the Port of Geraldton boundary.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Fishing Boat Harbour - Street Lighting	280	145	145	135	-	-	-
Wharf 4 Deck Strengthening and Rail Replacement	13,500	4,530	4,530	8,970	-	-	-
COMPLETED WORKS							
COVID-19 Response							
Fishing Boat Harbour							
Amenities	240	240	240	-	-	-	-
Replacement of Fuel Bowsers	330	330	330	-	-	-	-
Replacement of Northern Walkways	230	230	230	-	-	-	-
Other Completed Works							
Miscellaneous Works - 2020-21 Program	3,741	3,741	3,741	-	-	-	-
NEW WORKS							
COVID-19 Response							
Fishing Boat Harbour Replacement of Southern Walkways	500	-	-	500	-	-	-
Other New Works							
Miscellaneous Works							
2021-22 Program	9,772	-	-	9,772	-	-	-
2022-23 Program	15,245	-	-	-	15,245	-	-
2023-24 Program	5,500	-	-	-	-	5,500	-
2024-25 Program	5,500	-	-	-	-	-	5,500
Port Wide Firefighting System	13,500	-	-	2,000	8,000	3,500	-
Total Cost of Asset Investment Program	68,338	9,216	9,216	21,377	23,245	9,000	5,500
FUNDED BY							
Drawdowns from Royalties for Regions Fund			-	8,000	-	-	-
Internal Funds and Balances			9,216	13,377	23,245	9,000	5,500
Total Funding			9,216	21,377	23,245	9,000	5,500

Financial Statements

Income Statement

Expenses

1. The 2021-22 Budget Estimate reflects a significant increase in Supplies and services expense due to the planned maintenance dredge program to restore the Port of Geraldton's shipping channel and harbour to its original design depths.
2. Other variable expenses are increasing in line with increased throughput.

Revenue

3. Increases in the Sales of goods and services are due to the significant resurgence of the Mid West mining industry, resulting in a significant increase in trade throughput.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	66,416	69,075	74,162	100,425	113,191	115,066	115,008
Other revenue.....	1,341	1,089	553	616	625	634	644
TOTAL REVENUE	67,757	70,164	74,715	101,041	113,816	115,700	115,652
Expenses							
Employee benefits ^(b)	21,853	22,035	22,179	22,800	23,436	23,556	23,749
Supplies and services.....	14,114	14,905	14,274	30,603	19,086	17,068	15,071
Accommodation.....	1,800	1,355	1,413	1,769	1,954	2,064	2,130
Depreciation and amortisation	6,255	6,975	7,156	7,773	8,539	8,739	10,542
Finance and interest costs.....	380	350	324	281	248	225	202
Other expenses	6,472	7,524	8,028	8,008	8,353	8,450	8,482
TOTAL EXPENSES	50,874	53,144	53,374	71,234	61,616	60,102	60,176
NET PROFIT/(LOSS) BEFORE TAX	16,883	17,020	21,341	29,807	52,200	55,598	55,476
National Tax Equivalent Regime							
Current tax equivalent expense	4,967	5,106	6,402	8,942	15,659	16,680	16,643
Deferred tax equivalent expense	290	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	11,626	11,914	14,939	20,865	36,541	38,918	38,833
Dividends ^(c)	4,124	22,121	11,627	-	24,467	28,743	29,140

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 137, 143 and 150 respectively.

(c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	42,186	12,829	40,074	25,875	27,104	35,349	49,482
Cash assets - Retained dividends	-	-	-	28,319	28,319	28,319	28,319
Receivables.....	6,742	6,776	10,802	11,031	10,838	10,845	10,843
Other.....	1,829	1,829	1,719	1,719	1,719	1,719	1,719
Total current assets.....	50,757	21,434	52,595	66,944	67,980	76,232	90,363
NON-CURRENT ASSETS							
Property, plant and equipment.....	126,639	144,102	129,853	143,731	158,521	159,135	154,349
Other.....	2,863	2,863	2,863	2,863	2,863	2,863	2,863
Total non-current assets.....	129,502	146,965	132,716	146,594	161,384	161,998	157,212
TOTAL ASSETS	180,259	168,399	185,311	213,538	229,364	238,230	247,575
CURRENT LIABILITIES							
Employee provisions.....	4,168	4,168	3,801	3,801	3,801	3,801	3,801
Payables.....	4,404	4,328	6,957	7,535	12,099	11,265	11,599
Borrowings and leases	1,642	1,778	1,438	843	654	888	903
Other.....	166	166	591	591	591	591	591
Total current liabilities.....	10,380	10,440	12,787	12,770	17,145	16,545	16,894
NON-CURRENT LIABILITIES							
Employee provisions.....	3,989	3,989	4,737	4,737	4,737	4,737	4,737
Borrowings and leases	8,367	6,654	6,952	6,331	5,708	4,999	4,302
Other.....	1,374	1,374	1,374	1,374	1,374	1,374	1,374
Total non-current liabilities.....	13,730	12,017	13,063	12,442	11,819	11,110	10,413
TOTAL LIABILITIES	24,110	22,457	25,850	25,212	28,964	27,655	27,307
NET ASSETS	156,149	145,942	159,461	188,326	200,400	210,575	220,268
EQUITY							
Contributed Equity	76,857	76,857	76,857	84,857	84,857	84,857	84,857
Accumulated surplus/(deficit).....	78,504	68,297	81,816	102,681	114,755	124,930	134,623
Reserves	788	788	788	788	788	788	788
TOTAL EQUITY	156,149	145,942	159,461	188,326	200,400	210,575	220,268

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	63,719	65,617	69,249	95,953	108,632	110,439	110,312
GST receipts.....	7,042	7,223	7,455	10,074	11,351	11,539	11,534
Other receipts.....	6,583	4,547	5,586	5,088	5,184	5,261	5,340
Payments							
Employee benefits.....	(21,120)	(22,035)	(21,811)	(22,783)	(23,430)	(23,551)	(23,744)
Supplies and services.....	(14,114)	(14,905)	(14,274)	(30,692)	(19,141)	(17,159)	(15,164)
Accommodation ^(b)	(4,032)	(456)	(541)	(850)	(1,014)	(1,103)	(1,147)
GST payments.....	(6,739)	(7,227)	(7,074)	(9,106)	(12,158)	(11,339)	(11,374)
Finance and interest costs.....	(408)	(314)	(324)	(272)	(242)	(219)	(193)
Other payments.....	(8,579)	(7,523)	(10,987)	(7,935)	(8,303)	(8,364)	(8,393)
Net cash from operating activities.....	22,352	24,927	27,279	39,477	60,879	65,504	67,171
CASHFLOWS FROM INVESTING ACTIVITIES							
Payments							
Purchase of non-current assets.....	(4,517)	(24,438)	(9,216)	(21,377)	(23,245)	(9,000)	(5,500)
Net cash from investing activities.....	(4,517)	(24,438)	(9,216)	(21,377)	(23,245)	(9,000)	(5,500)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	294	-	-	-	-	-
Payments							
Repayment of borrowings and leases.....	(1,641)	(1,871)	(1,670)	(1,490)	(895)	(828)	(937)
Net cash from financing activities.....	(1,641)	(1,577)	(1,670)	(1,490)	(895)	(828)	(937)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Equity contributions.....	-	-	-	8,000	-	-	-
Payments							
Dividends to government.....	(4,124)	(22,121)	(11,627)	-	(24,467)	(28,743)	(29,140)
National Tax Equivalent Regime - Income tax...	(5,843)	(5,249)	(6,006)	(9,571)	(10,103)	(17,727)	(16,478)
Local Government Rates Equivalent.....	(868)	(899)	(872)	(919)	(940)	(961)	(983)
Net cash provided to State Government.....	10,835	28,269	18,505	2,490	35,510	47,431	46,601
NET INCREASE/(DECREASE) IN CASH HELD.....	5,359	(29,357)	(2,112)	14,120	1,229	8,245	14,133
Cash assets at the beginning of the reporting period.....	36,827	42,186	42,186	40,074	54,194	55,423	63,668
Cash assets at the end of the reporting period.....	42,186	12,829	40,074	54,194	55,423	63,668	77,801

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

(b) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

Pilbara Ports Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	56,460	80,629	71,130	91,976	103,175	108,787	114,745
Local Government Rates Equivalent	2,760	2,747	2,809	2,897	2,972	3,060	3,128
Dividends (a) (b) (c)	31,678	190,365	111,913	-	168,884	182,785	194,431
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Other Subsidies	9,013	9,013	9,110	9,110	9,110	9,110	9,110
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution	45,888	47,617	20,151	82,013	37,061	17,070	27,418
RATIOS							
Dividend Payout Ratio (%)	85	85	85	85	85	85	85
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	456,689	505,603	508,755	575,693	626,362	637,382	649,751
Revenue from State Government	9,013	9,013	9,110	9,110	9,110	9,110	9,110
Total Expenses (d)	277,618	281,734	312,053	310,786	323,478	329,991	311,899
Total Borrowings	108,832	105,614	105,614	91,198	96,573	88,724	51,639
NET PROFIT AFTER TAX	131,624	152,253	134,682	182,041	208,819	207,714	232,217
CASH ASSETS (e)	316,437	277,644	405,263	603,428	612,599	635,275	714,580

(a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Most Government Trading Enterprises (GTE) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.

(c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.

(d) Excludes current tax expense, deferred tax expense and dividends.

(e) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2021-22 Dividend Retention	-	(230,868)	-	-	-
Impact from Change in Throughput Volume and Pricing	(3,298)	11,681	47,923	53,998	55,349
Other Revenue and Expense Updates	11,066	(7,860)	(2,134)	422	2,595
Port Hedland Voluntary Buy-back Scheme	(2,841)	17,913	11,430	18,041	28,402
Other					
Port of Varanus Island Transfer ^(a)	-	6	12	12	-

(a) The Port of Varanus Island was transferred from the Department of Transport to the Authority from July 2021.

Significant Issues Impacting the Government Trading Enterprise

Navigating the COVID-19 Pandemic

1. There is the potential for the Authority to be impacted by a predicted skilled worker shortage in Western Australia, with some trade-based roles and professional roles such as marine and helicopter pilots likely to be most impacted. If realised, the skilled worker shortage could impact project delivery and port operations.
2. The Authority is investigating options to manage these impacts.

COVID-19 Response

3. Two projects are underway at the Port of Port Hedland as part of the Government's COVID-19 Response:
 - 3.1. The Tug Haven Revetment Wall Upgrade project (\$51.2 million) will repair the harbour revetments and provide storm shelter for the modern tugs operating at the port. The project scope includes the construction of a combi-pile wall to support the existing revetments and the replacement of the existing sheet pile wall.
 - 3.2. The Inner Harbour revetment works project (\$20 million) will repair and upgrade the existing revetments that have been degraded over many years by cyclonic storms, tides and shipping activity. The project scope includes the remediation of revetment slopes under Berth 3 and refurbishment of the piles that lie within the revetment zone.
4. Both of these projects will sustain and improve port capacity.

Election Commitment - Port Hedland Spoilbank Marina

5. In June 2020, the Government announced that the Authority would be the lead agency for the construction of the \$121.5 million Port Hedland Spoilbank Marina and would be the owner and operator of the marina once it is complete.
6. The project is being delivered in two key stages:
 - 6.1. Stage One, delivered by Main Roads Western Australia on behalf of Department of Transport, involved the construction of the truck haulage road which reached practical completion at the end of March 2021.
 - 6.2. The Authority is delivering Stage Two, which is comprised of: bulk earthworks, revetments and breakwaters; dredging and reclamation works; marina structures and land-side civil works.

Port Hedland Voluntary Buy-back Scheme

7. In June 2020, the Government announced a voluntary buy-back scheme for parts of Port Hedland's West End and that the scheme would be delivered by the Authority. There are 439 eligible properties. The offer and acceptance process has commenced, as has the acquisition of properties.

2021-22 Dividend Retention

8. The Authority will retain its forecast 2021-22 dividend payment of \$230.9 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Authority.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Appropriate financial returns to the State.	1. Optimise capital structure of the Authority, including consideration of debt and equity funding of major value accretive capital investments.
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Regional prosperity and development.	2. Maximise regional benefits through management of existing and future ports.

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Optimise capital structure of the Authority, including consideration of debt and equity funding of major value accretive capital investments:					
Rate of return on assets	10.7%	13.3%	11.6%	13.4%	
Economic rate of return ^(a)	11.2%	13.2%	12.0%	13.8%	
Debt to equity ratio	0.40	0.40	0.39	0.38	
Outcome: Maximise regional benefits through management of existing and future ports: ^(b)					
Port of Port Hedland:					
Ship revenue earned per visit	\$107,872	\$117,117	\$120,636	\$129,006	1
Port trade ('000 tonnes)	538,164	547,999	545,510	566,014	
Number of vessel visits	3,097	3,150	3,139	3,257	
Port of Dampier:					
Ship revenue earned per visit	\$16,895	\$17,073	\$17,100	\$16,455	1
Port trade ('000 tonnes)	167,961	174,098	167,912	172,824	
Number of vessel visits	3,373	3,490	3,372	3,471	

(a) Economic Rate of Return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

(b) Port of Ashburton is not included for reasons of commercial-in-confidence.

Explanation of Significant Movements

(Notes)

1. The differences between Port of Port Hedland and Port of Dampier revenue per ship visit are largely due to differences in ship sizes. Dampier has a larger number of smaller vessels. Additionally, the operating models and services provided at the Port of Port Hedland and the Port of Dampier are different.

Asset Investment Program

1. The Authority's 2021-22 Asset Investment Program totals \$140.5 million for the provision of major and minor works, revetment upgrades at the Port of Port Hedland, construction of the Port Hedland Spoilbank Marina and port infrastructure at the Port of Ashburton.
2. Chevron's handover of the Port of Ashburton infrastructure was completed in 2018-19. Works to support future development of the multi-user facilities at the port are forecast to be \$5.9 million in 2021-22 and totalling \$23.2 million over the forward estimates period.
3. The construction of the Port Hedland Spoilbank Marina is forecast to be \$37.2 million in 2021-22 and \$67.1 million in 2022-23. The expenditure will be funded from Royalties for Regions and contributions from the Town of Port Hedland, BHP and the State.
4. Following Severe Tropical Cyclone Veronica in March 2019 work was undertaken to assess the extent of damage caused to the Port Hedland Inner Harbour. The cyclone was analysed as being a 1 in 50-year event. Four revetment locations were identified as requiring immediate upgrade. The Port Hedland Inner Harbour revetment project has forecast expenditure of \$5.6 million in 2021-22 and \$8 million in 2022-23.
5. The revetment walls and perimeter sheet pile wall at the Port of Port Hedland's Nelson Point Tug Haven have been steadily deteriorating. Cyclonic conditions from Severe Tropical Cyclone Veronica persisted in the port area for 36 hours and coincided with seasonal high tides. The collective effect of these factors accelerated the deterioration of the Tug Haven revetments and sheet pile wall. The Port Hedland Tug Haven Revetment Wall Upgrade project has forecast expenditure of \$20.4 million in 2021-22 and \$30.6 million in 2022-23.
6. The minor works program totals \$28.4 million in 2021-22 and totalling \$88.2 million over the forward estimates period. The program provides for replacement of mobile plant and office equipment, upgrades to safety, information and communications technology, electrical and other equipment, and infrastructure (civil and marine).
7. The Hedland Maritime Initiative (HMI) is the special purpose vehicle established to administer the Government's Port Hedland Voluntary Buy-back Scheme and facilitate the planning and development of a Maritime Precinct. HMI is a wholly owned subsidiary of the Authority. HMI acquisition of residential properties is forecast to be \$43 million in 2021-22 and totalling \$83.6 million over the forward estimates period.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Port of Port Hedland							
Inner Harbour Revetment Upgrades.....	20,000	6,391	6,391	5,609	8,000	-	-
Tug Haven Revetment Wall Upgrades	51,200	220	220	20,400	30,580	-	-
Other Works in Progress							
Election Commitment - Port of Port Hedland - Spoilbank							
Marina.....	109,500	5,203	5,203	37,180	67,117	-	-
Hedland Maritime Initiative	88,978	5,350	5,350	43,036	21,414	19,178	-
Port of Ashburton - Port Infrastructure Construction							
Project	32,400	9,239	678	5,945	8,082	3,791	5,343
COMPLETED WORKS							
Minor Works - 2020-21 Program	13,505	13,505	13,505	-	-	-	-
NEW WORKS							
Minor Works							
2021-22 Program.....	28,372	-	-	28,372	-	-	-
2022-23 Program.....	19,205	-	-	-	19,205	-	-
2023-24 Program.....	20,323	-	-	-	-	20,323	-
2024-25 Program.....	20,323	-	-	-	-	-	20,323
Total Cost of Asset Investment Program	403,806	39,908	31,347	140,542	154,398	43,292	25,666
FUNDED BY							
Funding Included in Department of Treasury							
Administered Item.....			-	36,831	13,169	-	-
Drawdowns from Royalties for Regions Fund			16,000	31,972	11,528	-	-
Internal Funds and Balances.....			15,347	71,739	129,701	43,292	25,666
Total Funding.....			31,347	140,542	154,398	43,292	25,666

Financial Statements

Income Statement

Expenses

- Operating expenses are expected to rise due to changes to the workforce plan and the incorporation of HMI.

Revenue

- Revenue growth is attributable to the implementation of Sustaining Infrastructure Dues, the Port Hedland Voluntary Buy-back Scheme Levy and approved price increases.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	441,444	493,097	495,868	562,492	612,663	623,368	634,949
Other revenue.....	15,245	12,506	12,887	13,201	13,699	14,014	14,802
Revenue from government							
Other subsidies.....	9,013	9,013	9,110	9,110	9,110	9,110	9,110
TOTAL REVENUE	465,702	514,616	517,865	584,803	635,472	646,492	658,861
Expenses							
Employee benefits ^(b)	53,958	57,205	59,659	61,338	62,348	63,520	64,715
Grants and subsidies	-	-	350	4,050	7,000	10,600	-
Supplies and services	63,437	73,584	80,880	79,210	78,800	79,943	79,603
Accommodation	39,214	39,505	39,311	42,738	47,292	48,012	48,884
Depreciation and amortisation	81,917	81,142	85,201	84,003	84,666	84,711	83,625
Finance and interest costs	5,060	5,133	5,178	5,336	5,398	5,158	4,255
Other expenses	34,032	25,165	41,474	34,111	37,974	38,047	30,817
TOTAL EXPENSES	277,618	281,734	312,053	310,786	323,478	329,991	311,899
NET PROFIT/(LOSS) BEFORE TAX	188,084	232,882	205,812	274,017	311,994	316,501	346,962
National Tax Equivalent Regime Current tax equivalent expense	56,460	80,629	71,130	91,976	103,175	108,787	114,745
NET PROFIT/(LOSS) AFTER TAX	131,624	152,253	134,682	182,041	208,819	207,714	232,217
Dividends ^(c)	31,678	190,365	111,913	-	168,884	182,785	194,431

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

(b) Permanent full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 275, 303 and 298 respectively.

(c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	254,403	220,610	344,484	320,037	337,538	404,407	483,712
Cash assets - Retained dividends	-	-	-	230,868	230,868	230,868	230,868
Restricted Cash	62,034	57,034	60,779	52,523	44,193	-	-
Receivables	59,782	64,841	64,871	64,801	67,048	68,076	69,509
Other.....	7,842	8,529	8,507	8,495	8,797	8,932	9,121
Total current assets.....	384,061	351,014	478,641	676,724	688,444	712,283	793,210
NON-CURRENT ASSETS							
Property, plant and equipment.....	2,430,975	2,466,492	2,377,119	2,433,658	2,503,390	2,461,971	2,404,011
Intangibles	3,092	2,831	354	93	93	93	93
Other Investments	232	232	232	232	232	232	232
Other.....	66,301	66,301	66,301	66,301	66,301	66,301	66,301
Total non-current assets.....	2,500,600	2,535,856	2,444,006	2,500,284	2,570,016	2,528,597	2,470,637
TOTAL ASSETS	2,884,661	2,886,870	2,922,647	3,177,008	3,258,460	3,240,880	3,263,847
CURRENT LIABILITIES							
Employee provisions.....	8,897	9,155	9,539	9,765	9,923	10,107	10,294
Payables	21,832	22,328	19,550	24,251	23,401	24,428	25,488
Borrowings and leases	79,711	15,209	15,209	15,419	15,642	15,878	15,878
Other.....	16,043	16,736	16,307	16,380	16,378	16,493	16,607
Total current liabilities.....	126,483	63,428	60,605	65,815	65,344	66,906	68,267
NON-CURRENT LIABILITIES							
Employee provisions.....	1,257	1,293	1,351	1,384	1,407	1,434	1,461
Borrowings and leases	74,003	130,166	135,287	120,661	125,813	117,728	80,643
Other.....	616,709	616,269	616,275	615,965	615,717	562,634	556,094
Total non-current liabilities.....	691,969	747,728	752,913	738,010	742,937	681,796	638,198
TOTAL LIABILITIES	818,452	811,156	813,518	803,825	808,281	748,702	706,465
NET ASSETS	2,066,209	2,075,714	2,109,129	2,373,183	2,450,179	2,492,178	2,557,382
EQUITY							
Contributed Equity	353,449	401,066	373,600	455,613	492,674	509,744	537,162
Accumulated surplus/(deficit).....	464,850	426,738	487,619	669,660	709,595	734,524	772,310
Reserves	1,247,910	1,247,910	1,247,910	1,247,910	1,247,910	1,247,910	1,247,910
TOTAL EQUITY	2,066,209	2,075,714	2,109,129	2,373,183	2,450,179	2,492,178	2,557,382

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	406,362	495,815	499,711	572,412	619,663	631,566	643,039
GST receipts.....	35,497	118	-	-	-	-	-
Other receipts.....	56,674	4,184	3,404	3,744	4,242	4,557	5,345
Payments							
Employee benefits.....	(52,432)	(57,205)	(59,249)	(61,312)	(62,398)	(63,548)	(64,518)
Supplies and services.....	(58,712)	(68,067)	(75,980)	(74,259)	(73,828)	(74,948)	(74,583)
Accommodation ^(b)	(36,454)	(36,758)	(36,502)	(39,841)	(44,320)	(44,952)	(45,756)
GST payments.....	(32,977)	-	-	-	-	-	-
Finance and interest costs.....	(5,382)	(4,898)	(4,310)	(4,189)	(4,227)	(3,961)	(3,315)
Other payments.....	(37,907)	(30,185)	(45,939)	(44,331)	(51,064)	(107,309)	(43,249)
Net cash from operating activities.....	274,669	303,004	281,135	352,224	388,068	341,405	416,963
CASHFLOWS FROM INVESTING ACTIVITIES							
Payments							
Purchase of non-current assets.....	(77,284)	(116,347)	(31,347)	(140,542)	(154,398)	(43,292)	(25,666)
Net cash from investing activities.....	(77,284)	(116,347)	(31,347)	(140,542)	(154,398)	(43,292)	(25,666)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	64,700	64,700	8,411	17,411	8,411	8,411
Payments							
Repayment of borrowings and leases.....	(36,715)	(73,039)	(67,918)	(22,827)	(12,037)	(16,259)	(45,496)
Net cash from financing activities.....	(36,715)	(8,339)	(3,218)	(14,416)	5,374	(7,848)	(37,085)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Equity Contributions.....	45,888	47,617	20,151	82,013	37,061	17,070	27,418
Other subsidies.....	9,013	9,013	9,110	9,110	9,110	9,110	9,110
Payments							
Dividends to government.....	(31,678)	(190,365)	(111,913)	-	(168,885)	(182,785)	(194,431)
National Tax Equivalent Regime - Income tax...	(84,564)	(80,629)	(72,283)	(87,327)	(104,187)	(107,924)	(113,876)
Local Government Rates Equivalent.....	(2,760)	(2,747)	(2,809)	(2,897)	(2,972)	(3,060)	(3,128)
Net cash provided to State Government.....	64,101	217,111	157,744	(899)	229,873	267,589	274,907
NET INCREASE/(DECREASE) IN CASH HELD.....	96,569	(38,793)	88,826	198,165	9,171	22,676	79,305
Cash assets at the beginning of the reporting period.....	219,868	316,437	316,437	405,263	603,428	612,599	635,275
Cash assets at the end of the reporting period.....	316,437	277,644	405,263	603,428	612,599	635,275	714,580

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

(b) Payment of Local Government Rates Equivalent is included within Accommodation expense on the Income Statement, however within the Statement of Cashflows this is recorded as a payment to State Government and not as a payment from operating activities.

Southern Ports Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	18,331	13,341	17,748	13,316	12,493	12,894	15,005
Local Government Rates Equivalent	790	713	808	786	797	810	823
Dividends ^{(a) (b) (c)}	6,365	55,991	38,982	-	22,223	22,390	25,334
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies ^(d)	30,373	21,529	21,529	8,078	-	-	-
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution ^(e)	1,624	2,890	640	2,750	12,750	-	-
RATIOS							
Dividend Payout Ratio (%)	100	100	100	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	119,103	136,837	137,835	148,136	158,118	159,204	161,430
Revenue from State Government.....	30,373	21,529	21,529	8,078	-	-	-
Total Expenses ^(f)	93,711	113,898	100,203	111,826	116,474	116,222	111,415
Total Borrowings	11,534	7,505	7,504	6,194	4,805	3,334	1,949
NET PROFIT AFTER TAX	38,982	31,127	41,413	31,072	29,151	30,088	35,010
CASH ASSETS ^(g)	92,314	46,697	86,096	98,833	92,199	103,463	116,522

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) This largely represents subsidies paid to the Authority to facilitate the ongoing operation of the Koolyanobbing mine following Mineral Resources Limited's acquisition of this mine from the outgoing Cleveland-Cliffs in 2018.
- (e) The Authority will receive Royalties for Regions funding of \$15.5 million over 2021-22 to 2022-23 to support the delivery of the Inner Harbour Access Bridge at the Port of Bunbury.
- (f) Excludes current tax expense, deferred tax expense and dividends.
- (g) As at 30 June each financial year.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
2021-22 Dividend Retention	-	(58,273)	-	-	-
Esperance Port					
Power Connection ^(a)	-	93	295	329	329
Shed 3 Recladding ^(a)	-	-	981	1,167	1,167
Trade and Operating Expense Revisions ^(b)	12,223	7,073	(12,075)	(14,087)	(8,814)

(a) Refer to the Asset Investment Program section for details of this project.

(b) The Authority has experienced a significant increase in lead times for maintenance goods and services due to the impact of the COVID-19 pandemic. This has resulted in a significant forecast underspend on repairs and maintenance in 2020-21, continuing into 2021-22. The Authority has also revised its throughput projections over 2021-22 to 2024-25 to align with updated customer demand forecasts.

Significant Issues Impacting the Government Trading Enterprise

Trade Development

1. The Authority will continue to create a pipeline of trade opportunities across various commodities and provide latent capacity to accommodate third-party access to its ports. The Authority is focused on remaining agile to meet changing market conditions for commodities to mitigate the risk of reliance on any one commodity.

Port Development

2. The Authority is focused on the implementation of a new Asset Management Framework to meet the long-term needs of its customers. Implementing this framework will position the Authority for long-term sustainable growth by ensuring its assets are properly maintained to optimise performance and useful life.

Sustainability

3. The Authority will continue to pursue sustainability through its operations, building a solid reputation with its customers and local communities for creating long-term value through the protection of the environment and heritage assets, while achieving strong economic and regional development for current and future generations. This will also incorporate the Government's goal of achieving net zero greenhouse gas emissions by 2050.

Supply Chain

4. The Authority will continue to facilitate the optimisation of supply links for its customers and the State across all three of its ports.

Innovation

5. The Authority is focused on transitioning to a fully digital organisation by 2025 and has implemented its future ports strategy to bring the right technologies and innovation to the organisation and its customers. This includes improving digital reporting capability to enable more efficient decision making.

2021-22 Dividend Retention

6. The Authority will retain its forecast 2021-22 dividend payment of \$58.3 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Authority.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Financially Sustainable.	1. Maximise opportunities to create value for the State.
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Strong Regional Jobs.	2. Maintain a flexible and nimble organisational structure with clear accountabilities for competent and knowledgeable personnel.
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Environmental Compliance.	3. Maintain a solid reputation with customers and the community for creating long-term value which protects the environment and heritage assets.

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Maximise opportunities to create value for the State:					
Return on assets	14%	10.9%	14.1%	10.2%	1
Earnings before interest, taxes, depreciation and amortisation (\$'000)	65,367	54,531	69,275	55,129	1
Economic rate of return ^(a)	6.5%	7.4%	9.6%	6.2%	1
Debt to equity ratio	0.2	0.21	0.15	0.12	
Outcome: Maintain a flexible and nimble organisational structure with clear accountabilities for competent and knowledgeable personnel:					
Customer satisfaction score - corporate index score	51	>65	61	>65	
Lost time injury frequency rate	8.5	nil or 10% reduction	13.1	nil or 10% reduction	
Total number of vessel visits	788	802	752	782	
Total port trade tonnes ('000 tonnes)	32,230	34,785	35,370	35,791	
Outcome: Maintain a solid reputation with customers and the community for creating long-term value which protects the environment and heritage assets:					
Number of reportable environment incidents	nil	nil or 10% reduction	nil	nil or 10% reduction	

(a) Rate of return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

Explanation of Significant Movements

(Notes)

1. The Authority receives an operating subsidy to facilitate the ongoing operation of the Koolyanobbing mine following Mineral Resources Limited's acquisition of this mine from the outgoing Cleveland-Cliffs in 2018. This subsidy totalled \$30.2 million in 2019-20, \$21.4 million in the 2020-21 Estimated Actual, and \$8.1 million in the 2021-22 Budget Estimate, with associated impacts on this key performance indicator.

Asset Investment Program

1. The Authority's Asset Investment Program for 2021-22 to 2024-25 totals \$86 million, investing in projects to support regional development and the economic growth of the State through the import and export of various commodities.

New Projects

2. The Authority will spend \$17.1 million over 2021-22 to 2022-23 on the following infrastructure projects:
 - 2.1. \$2.5 million on a new power connection at the Port of Esperance to modify existing and install new infrastructure to facilitate the 20 year agreement with Horizon Power to supply electricity at the port; and
 - 2.2. \$14.6 million on the recladding of Esperance Port Iron Ore Shed 3. Due to the existing corrosion of the Shed, combined with exacerbating sea-side conditions, remediation works are required to ensure no loss of storage capacity and trade opportunities.

Existing Projects and Minor Works

3. The Authority will spend \$16.7 million in 2021-22 on the following existing projects:
 - 3.1. \$12.2 million of minor works across its three ports, including the replacement of plant and equipment, improvements to port infrastructure and other civil works;
 - 3.2. \$2.4 million to finalise capacity upgrades at the Port of Bunbury's Berth 8 that will enhance port operations and improve efficiency;
 - 3.3. \$1.9 million to finalise upgrades to Shed 4 at the Port of Esperance which will improve trade facilitation and export opportunities; and
 - 3.4. \$230,000 to re-engine the Port of Bunbury's primary pilot vessel to improve operational flexibility and ensure the ability to continue to provide safe and reliable pilotage services.

COVID-19 Response

4. The Authority will spend \$24.2 million over 2021-22 to 2022-23 on the following infrastructure projects:
 - 4.1. \$15.4 million over 2021-22 to 2022-23 on the design and construction of a new access road and bridge to Turkey Point at the Port of Bunbury. The expenditure aims to address safety and operational issues at the port by providing an alternative access route to the port's northern berths, and Turkey Point and Vittoria Bay which are areas frequently used by the public;
 - 4.2. \$2.8 million over 2021-22 to 2022-23 at the Port of Bunbury for the construction of a secondary road hopper, construction of a required fire system at Berth 8, and replacement of the Berth 8 electrical substation; and
 - 4.3. \$6 million in 2021-22 at the Port of Esperance for the sealing of internal port roads and construction of additional container hardstands.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Port of Bunbury							
Berth 8 Substation Replacement	1,500	72	72	200	1,228	-	-
Inner Harbour Access Bridge	15,500	126	126	2,624	12,750	-	-
Required Berth 8 Fire System	500	80	80	420	-	-	-
Port of Esperance							
Additional Container Hardstand	2,000	360	360	1,640	-	-	-
Berth 2 Hardstand and Stormwater System	3,200	155	155	3,045	-	-	-
Sealing Internal Port Roads	1,500	179	179	1,321	-	-	-
Other Works in Progress							
Port of Bunbury							
Berth 8 Capacity Upgrade	8,882	6,522	2,703	2,360	-	-	-
Tuart Pilot Launch Re-engine	550	320	320	230	-	-	-
Port of Esperance - Trade Facilitation Upgrade - Shed 4	3,168	1,303	486	1,865	-	-	-
COMPLETED WORKS							
Minor Works - 2020-21 Program	7,567	7,567	7,567	-	-	-	-
Port of Esperance - Shed 1 Upgrades	3,055	3,055	535	-	-	-	-
NEW WORKS							
COVID-19 Response							
Port of Bunbury - Secondary Road Hopper	1,000	-	-	200	800	-	-
Other New Works							
Minor Works							
2021-22 Program	12,238	-	-	12,238	-	-	-
2022-23 Program	10,045	-	-	-	10,045	-	-
2023-24 Program	9,000	-	-	-	-	9,000	-
2024-25 Program	9,000	-	-	-	-	-	9,000
Port of Esperance							
Iron Ore Shed 3 Recladding	14,580	-	-	625	13,955	-	-
Power Connection	2,479	-	-	2,479	-	-	-
Total Cost of Asset Investment Program	105,764	19,739	12,583	29,247	38,778	9,000	9,000
FUNDED BY							
Drawdowns from Royalties for Regions Fund			-	2,750	12,750	-	-
Internal Funds and Balances			12,583	26,497	26,028	9,000	9,000
Total Funding			12,583	29,247	38,778	9,000	9,000

Financial Statements

Income Statement

Expenses

- Supplies and services - the Authority has experienced a significant increase in lead times for maintenance goods and services due to the impact of the COVID-19 pandemic. These matters have resulted in a significant forecast underspend on repairs and maintenance in 2020-21, continuing into 2021-22. Notwithstanding these forecast underspends, it is noted that the Authority's expenditure on repairs and maintenance is forecast to be sufficient to carry out required works and remain at stable levels over 2021-22 to 2024-25.

Income

- Operating subsidies - the Authority receives an operating subsidy to facilitate the ongoing operation of the Koolyanobbing mine following Mineral Resources Limited's acquisition of this mine from the outgoing Cleveland-Cliffs in 2018. This operating subsidy is forecast to cease in 2021-22, subject to actual throughput in 2021-22.

Statement of Financial Position

- Borrowings and leases - the Authority has a loan agreement with the Western Australian Treasury Corporation that was utilised for the construction of various assets at Esperance Port. This loan is due to expire in 2027. The Authority has a capital user charge agreement (non-current receivable) in place with respect to these assets.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	106,552	123,976	130,686	134,833	143,354	144,039	145,877
Other revenue.....	12,551	12,861	7,149	13,303	14,764	15,165	15,553
Revenue from government							
Operating subsidies.....	30,373	21,529	21,529	8,078	-	-	-
TOTAL REVENUE	149,476	158,366	159,364	156,214	158,118	159,204	161,430
Expenses							
Employee benefits ^(b)	33,071	35,571	36,707	39,188	39,761	40,005	40,334
Supplies and services.....	31,378	46,270	32,150	40,188	44,366	43,823	38,707
Accommodation.....	10,700	11,978	11,675	11,070	10,271	10,284	10,297
Depreciation and amortisation	9,742	9,988	10,307	10,965	11,753	11,753	11,753
Finance and interest costs.....	1,073	639	597	568	486	398	304
Other expenses	7,747	9,452	8,767	9,847	9,837	9,959	10,020
TOTAL EXPENSES	93,711	113,898	100,203	111,826	116,474	116,222	111,415
NET PROFIT/(LOSS) BEFORE TAX	55,765	44,468	59,161	44,388	41,644	42,982	50,015
National Tax Equivalent Regime							
Current tax equivalent expense	18,331	13,341	17,748	13,316	12,493	12,894	15,005
Deferred tax equivalent expense	(1,548)	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	38,982	31,127	41,413	31,072	29,151	30,088	35,010
Dividends	6,365	55,991	38,982	-	22,223	22,390	25,334

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 192, 230 and 247 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	92,314	46,697	86,096	40,560	33,926	45,190	58,249
Cash assets - Retained dividends	-	-	-	58,273	58,273	58,273	58,273
Receivables	18,068	18,823	17,675	19,629	19,981	20,214	20,599
Other.....	4,304	4,368	3,468	3,089	2,708	2,327	1,945
Total current assets.....	114,686	69,888	107,239	121,551	114,888	126,004	139,066
NON-CURRENT ASSETS							
Property, plant and equipment.....	156,243	177,941	158,729	177,407	204,300	201,415	198,530
Receivables	9,052	7,769	7,769	6,403	4,949	3,401	1,753
Other.....	16,948	17,033	15,109	14,774	14,439	14,104	13,769
Total non-current assets.....	182,243	202,743	181,607	198,584	223,688	218,920	214,052
TOTAL ASSETS	296,929	272,631	288,846	320,135	338,576	344,924	353,118
CURRENT LIABILITIES							
Employee provisions.....	6,894	7,042	7,722	7,899	8,081	8,267	8,457
Payables.....	13,265	14,383	8,417	9,036	9,076	9,080	8,860
Borrowings and leases	4,102	1,383	1,310	1,389	1,473	1,385	1,410
Other.....	5,960	5,975	4,433	1,984	2,012	2,041	2,071
Total current liabilities.....	30,221	28,783	21,882	20,308	20,642	20,773	20,798
NON-CURRENT LIABILITIES							
Employee provisions.....	1,296	1,330	1,418	1,452	1,486	1,520	1,555
Borrowings and leases	7,505	6,585	6,271	5,278	3,673	2,158	616
Other.....	10,226	10,226	8,523	8,523	8,523	8,523	8,523
Total non-current liabilities.....	19,027	18,141	16,212	15,253	13,682	12,201	10,694
TOTAL LIABILITIES	49,248	46,924	38,094	35,561	34,324	32,974	31,492
NET ASSETS	247,681	225,707	250,752	284,574	304,252	311,950	321,626
EQUITY							
Contributed Equity	94,259	97,149	94,899	97,649	110,399	110,399	110,399
Accumulated surplus/(deficit).....	138,607	113,743	141,038	172,110	179,038	186,736	196,412
Reserves	14,815	14,815	14,815	14,815	14,815	14,815	14,815
TOTAL EQUITY	247,681	225,707	250,752	284,574	304,252	311,950	321,626

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	94,046	114,410	115,123	123,752	132,003	132,590	134,038
GST receipts.....	13,009	14,179	14,262	15,284	15,099	15,387	15,572
Other receipts.....	22,575	21,739	23,108	22,437	25,841	26,469	27,096
Payments							
Employee benefits.....	(32,051)	(35,408)	(35,924)	(38,988)	(39,555)	(39,794)	(40,118)
Supplies and services.....	(31,788)	(46,071)	(33,758)	(41,723)	(43,990)	(43,486)	(38,600)
Accommodation ^(b)	(9,910)	(11,265)	(10,867)	(10,284)	(9,474)	(9,474)	(9,474)
GST payments.....	(13,154)	(13,954)	(14,037)	(15,059)	(14,955)	(15,251)	(15,429)
Finance and interest costs.....	(1,112)	(639)	(504)	(565)	(483)	(395)	(301)
Other payments.....	(7,551)	(9,025)	(7,898)	(9,437)	(9,424)	(9,539)	(9,594)
Net cash from operating activities.....	34,064	33,966	49,505	45,417	55,062	56,507	63,190
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	150	-	-	-	-	-	-
Payments							
Purchase of non-current assets.....	(16,152)	(31,299)	(12,583)	(29,247)	(38,778)	(9,000)	(9,000)
Net cash from investing activities.....	(16,002)	(31,299)	(12,583)	(29,247)	(38,778)	(9,000)	(9,000)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Other proceeds.....	1,132	1,205	1,205	1,283	1,366	1,454	1,548
Payments							
Repayment of borrowings and leases.....	(7,214)	(4,029)	(4,155)	(1,442)	(1,521)	(1,603)	(1,517)
Net cash from financing activities.....	(6,082)	(2,824)	(2,950)	(159)	(155)	(149)	31
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Operating subsidies.....	30,373	21,529	21,529	8,078	-	-	-
Equity Contributions.....	1,624	2,890	640	2,750	12,750	-	-
Payments							
Dividends to government.....	(6,365)	(55,991)	(38,982)	-	(22,223)	(22,390)	(25,334)
National Tax Equivalent Regime - Income tax...	(12,666)	(13,175)	(22,569)	(13,316)	(12,493)	(12,894)	(15,005)
Local Government Rates Equivalent.....	(798)	(713)	(808)	(786)	(797)	(810)	(823)
Net cash provided to State Government.....	(12,168)	45,460	40,190	3,274	22,763	36,094	41,162
NET INCREASE/(DECREASE) IN CASH HELD.....	24,148	(45,617)	(6,218)	12,737	(6,634)	11,264	13,059
Cash assets at the beginning of the reporting period.....	68,166	92,314	92,314	86,096	98,833	92,199	103,463
Cash assets at the end of the reporting period.....	92,314	46,697	86,096	98,833	92,199	103,463	116,522

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

(b) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.