



Government of **Western Australia**
Department of **Treasury**

Illustrative Model Annual Report

Tier 2 (Simplified Disclosures) Agency

For the year ended 30 June 2024

Illustrative Model Annual Report – Tier 2 Agency

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Contact

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Foreword

This **Model Annual Report** (the Model) has been designed to guide you in understanding and meeting your financial reporting obligations as a Tier 2 (Simplified Disclosures) reporting agency in the public sector. The Model incorporates annual reporting requirements of the Australian Accounting Standards (accounting standards), *Financial Management Act 2006* (FMA) and Treasurer's instructions (TIs).

The Model is designed for broad applicability and is not intended to cover every conceivable circumstance.

The Model is suitable for use by public sector agencies. It streamlines financial statements by grouping notes in a functional structure. Agencies are encouraged to streamline their financial statements, and this may entail following a more appropriate structuring methodology that is more relevant to their financial statements.

Agencies are encouraged to consider materiality in preparing their financial statements and in determining disclosures that are relevant to the users of the financial statements. Disclosures could be omitted on the basis that they are not quantitatively or qualitatively material. Any omissions should be documented and retained as supporting evidence for the annual audit process. Agencies may refer to the [AASB Practice Statement 2: Making Materiality Judgements](#) to assist in making materiality judgements when preparing financial statements in accordance with the accounting standards.

Further reporting requirements are specified in the WA Government website available at: [Annual report guidelines for 2023-24 \(www.wa.gov.au\)](#)

Instructions for using the Model

Set out below are instructions for using the Model including some key things to consider when preparing your annual financial statements:

- Disclosures must be included in agency annual reports where required by legislation or are material under accounting standards.
- Apply critical judgements in determining if the model needs to be modified to meet specific circumstances that are material to the understanding of the financial results of the agency.
- Apply operative Australian Accounting Standards and TIs, issued between publication of this model report and reporting date.
- Set an appropriate materiality limit and exclude disclosures that are not material to the understanding of the financial statements.

The Model is not designed as a replacement for referring to accounting standards or TIs. Nor is it designed to be used as a template; agencies must apply their judgement and understanding of their own financial results to determine the appropriate level of disclosures that need to be made.

Significant changes to this Model Annual Report

This Tier 2 Model Annual Report for the year ended 30 June 2024 reflects the initial adoption of AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*. It also includes commentary on [climate-risk](#).

Which agencies does Tier 2 reporting apply to?

Agencies listed in Schedule 1 of TI 1107 Application of Tiered Reporting – Simplified Disclosures must report as Tier 1 reporting entities.

Agencies not listed in the schedule can report as Tier 2 but may need to apply Tier 1 reporting requirements for the following Australian Accounting Standards:

- AASB 12 Disclosure of Interests in Other Entities
- AASB 140 Investment Property
- AASB 141 Agriculture; and
- AASB 1059 Service Concession Arrangements: Grantors.

Setting out the disclosures and guidance

The reporting requirements as set out in the Model are presented as follows:

- 1) **Illustrative disclosures:** Presented first – predominantly in black text and for a fictitious agency. These disclosures have been designed to demonstrate compliance with accounting standards and TIs.
- 2) **Guidance (or commentary):** Provided on the illustrative disclosures. Guidance has been set out in the illustrative disclosures as follows:



In italics and with a call out border around the guidance.

In some instances, the Model may present illustrative examples that are fit for a given set of circumstances. In such instances the guidance may call out alternative disclosures where an agency may be faced with alternative disclosures. These are demonstrated as follows:



In plain text and with a call out border around the guidance.

- 3) **References:** Highlighted throughout the illustrative disclosures and the guidance and are prefixed by **AASB..., Int..., TI..., and/or FMA...**
- 4) **Consideration points:** Throughout the Model, markers are used to indicate where additional consideration and application of materiality and factors specific to the agency should be applied.



Indicates 'stop and consider'. Do you need to include this disclosure?

Indicates 'items **for attention**'. These disclosures may be non-standard.

- 5) **Key judgements:** These statements include key judgements and estimates within the note disclosing the quantitative impact of the estimate and/or judgement. Where a sample judgement or estimate is disclosed, it is marked with the icon as shown below. Agencies should ensure they consider throughout the need to disclose estimates and judgements and make the appropriate disclosures.



Sample key judgement or estimate disclosure.

Additional guidance

Treasury seeks to provide users of the Model with relevant and sufficient guidance to be able to apply the requirements included within the Model.

A guide to streamlining a set of financial statements is included on the following page.

A guide to continuously streamlining financial statements

1. Use the model accounts as your base

- Consider reporting requirements illustrated in the Model Annual Report
- Adapt the model to your agency's circumstances when necessary
- Demonstrate compliance *with Financial Management Act 2006*, Accounting Standards, and Treasurer's instructions

2. Strategise

- Determine level of disclosure by:
 - applying critical judgements
 - understanding the financial results
 - considering and applying materiality
 - considering the needs of your primary users

3. Assess reporting considerations

- Is there a paper trail to support changes to disclosures including any omitted disclosures?
- Are there paper trails to support decisions to exclude notes based on materiality?
- Are all notes relevant and have immaterial notes been excluded?

4. Consider structure

- Group relevant notes together
- Adjust the layout for ease of reading
- Use tables and graphs where possible
- Eliminate duplication and any irrelevant or immaterial disclosure
- Use legend and footnotes to de-clutter
- Introduce each note section for better understanding

5. Sharpen

- Simplify language
- Make use of bullet points
- Explain the basis of materiality
- Summarise the information further

6. Sense check

- Is there a logical flow
- Is the information presented in a meaningful manner?
- Is the information concise?
- Are the material financial reporting matters understandable?
- Is all relevant discussion located in the same place?

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Statement of Compliance

Reference

TI 902

For year ended 30 June 2024

HON MICHAEL JACKSON

MINISTER FOR INFORMATION TECHNOLOGY

TI 902(2)

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the Annual Report of the Agency for the financial year ended 30 June 2024.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006* and [*any other relevant written law*].

The financial statements comply with Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board.


TI902(3)

(Signature)

B. King

Chief Executive Officer

1 September 2024

	Guidance – Statement of Compliance
TI 902(3)(ii)	<i>For agencies whose accountable authority is a body, the statement must be signed by two members of that body.</i>

Overview

Reference

TI 903(3)(i)

TI 903(5)

Executive summary

Performance highlights

- The Agency received a commendation from the State Government for its services in providing assistance to public sector agencies to complement the corporate services reforms.
- Customer surveys indicated that 95% of agencies rated the services provided for the implementation of corporate services reforms as exceptional.
- The Agency’s research and development project on software development for public sector accounting is on schedule and is expected to be completed in 2025.

TI 903(6)

Operational structure

TI 903(6)(i)

The Agency delivers services through the following divisions:

- Information Technology;
- Customer Relations; and
- Corporate Services.

Enabling legislation


TI 903(6)(ii)

The Agency was established as an agency on 1 July 2007, under the *Public Sector Management Act 1994*.

TI 903(6)(iii)

Responsible minister

The Hon. Michael Jackson, BCom MLA, Minister for Information Technology.

	Guidance – Overview
TI 903(5)	Executive Summary <i>Each agency should include a statement from the accountable authority that includes performance highlights and/or other significant events impacting on the agency. In the above example, this has been included under ‘Executive Summary’.</i>
TI 903(6)	Operational Structure <i>Under this section, agencies should disclose a summary of activities and responsibilities for each division or its equivalent. In the above example, this has been included under ‘Operational Structure’.</i>

Reference

Organisational structure

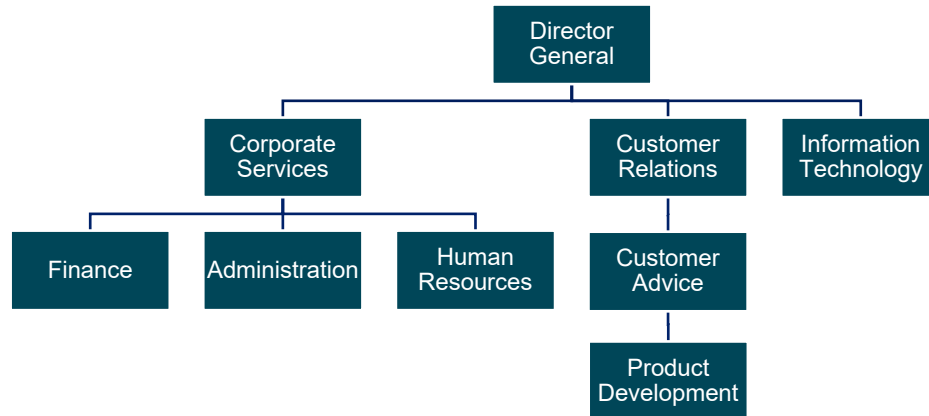
TI 903(6)

Mission

To provide leadership, support and services necessary to ensure that Western Australians have easy and affordable access to a diverse range of information technology.

TI 903(6)(iv)

Organisational chart



Senior officers

Dr Bill King PhD (Chief Executive Officer)

Mr King has extensive experience in corporate management and public sector information technology.

Elliot Ng BCom CA (Director Information Technology)


Mr Ng has 7 years' public sector management experience and 15 years corporate advisory experience in the private sector.

Christy Fleming BCom FCPA (Director Corporate Services, Chief Finance Officer)

Ms Fleming has 17 years' experience in public sector finance, in addition to experience in the private sector.

Delia Smith BA (Hons) (Director Customer Relations)

Ms Smith has 10 years' experience in public sector customer relations.

	<p>Guidance – Overview</p>
	<p><i>Statutory authorities should include information about the appointment of Board members and a short biographical summary for each member of the Board whose term of appointment is pertinent to the reporting period.</i></p>

Reference Administered legislation


TI 903(6)(v)-(vii) The Agency assists the Minister for Information Technology in the administration of the following Acts:

- *Information Technology Act 1983*; and
- *Information Protection Act 1959*.

Other key legislation impacting on the agency’s activities

In the performance of its functions, the Agency complies with the following relevant written laws:

- *Auditor General Act 2006*;
- *Contaminated Sites Act 2003*;
- *Disability Services Act 1993*;
- *Equal Opportunity Act 1984*;
- *Financial Management Act 2006*;
- *Freedom of Information Act 1992*;
- *Industrial Relations Act 1979*;
- *Long Service Leave Act 1958*;
- *Minimum Conditions of Employment Act 1993*;
- *Occupational Safety and Health Act 1984*;
- *Procurement Act 2020*;
- *Public Sector Management Act 1994*;
- *Salaries and Allowances Act 1975*; and
- *State Records Act 2000*.

	<p>Guidance – Overview</p>
<p>TI 903(6)(v)-(vii)</p>	<p>Administered legislation</p> <p><i>Include the name of and authority for establishment of each subsidiary, related and affiliated body, with information about the legislation administered pertaining to each subsidiary and related body.</i></p> <p>Other key legislation impacting on the agency’s activities</p> <p><i>In addition to the abovementioned legislation, where applicable, agencies may consider disclosing specialised legislation that impacts upon their operations. Although the above information is not mandatory, listing the key legislation impacting on the agency’s activities provides useful information to users.</i></p>

Reference

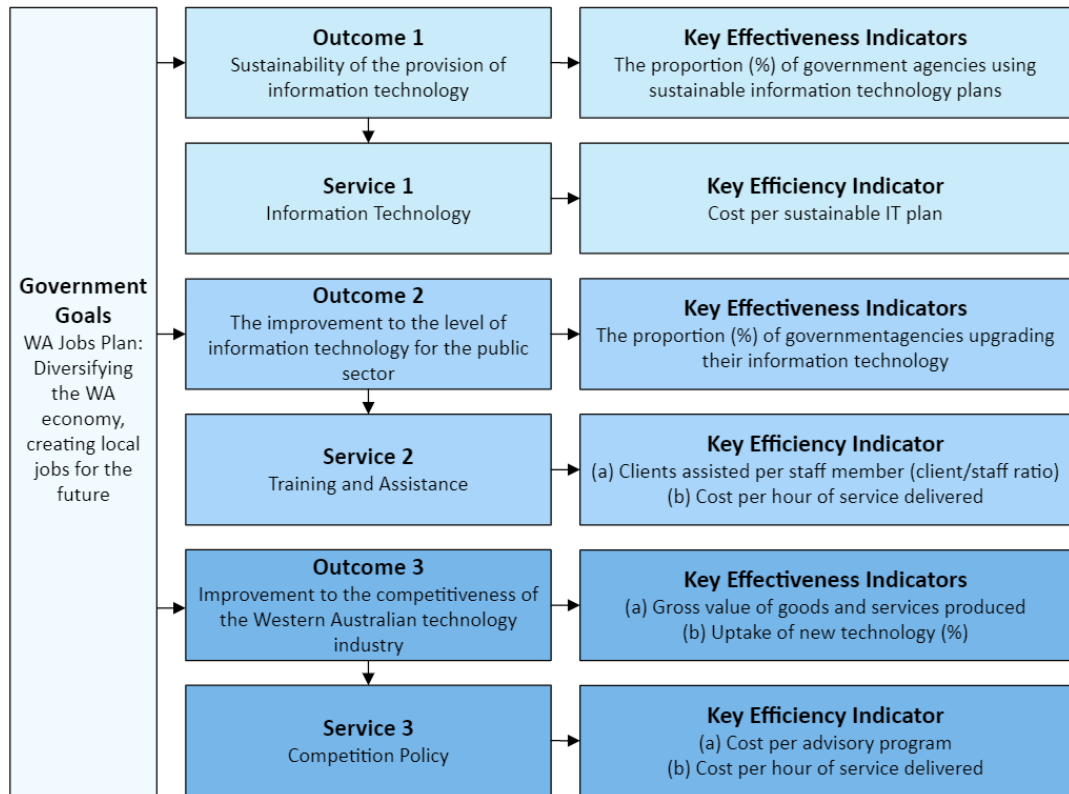
Performance management framework

TI 903(7)

TI 904(2)

TI 903(7)(i)

Outcome-based management framework



TI903(7)(ii)

Changes to outcome-based management framework

The Agency's outcome-based management framework did not change during 2023-24.

TI903(7)(iii)

Shared responsibilities with other agencies

The Agency did not share any responsibilities with other agencies in 2023-24.



Guidance – Performance management framework

TI 903(7)

TI 904(2)

Outcome-based management framework

Include a description of the links between the relevant government goals (if applicable), agency level government desired outcomes and services.

Changes to outcome-based management framework

Include a discussion of any changes to agency level government desired outcomes, services and key performance indicators (KPIs) from the previous year. This segment should be included even if there is a nil return.

Shared responsibilities with other agencies

Include a statement of which services are being delivered jointly with other agencies and how the agency is contributing to other agencies' desired outcomes. This segment should be included even if there is a nil return.

Agency Performance

Reference

TI 903(8)
FMA sec 61(2)

Report on the operations

Actual results versus budget targets


TI 808(3)

Financial Targets

	2024 Target ^(A) (\$000)	2024 Actual (\$000)	Variation ⁽¹⁾ (\$000)
Total cost of services (expense limit) (details from Statement of comprehensive income)	805,979	801,497	(4,482) ^(a)
Net cost of services (details from Statement of comprehensive income)	774,912	768,048	(6,864) ^(b)
Total equity (details from Statement of financial position)	1,477,895	1,461,355	(16,540) ^(c)
Agreed/directed ^(B) salary expense level	670,435	669,757	(678)
Agreed/directed ^(B) Executive Salary Expense			
Agreed borrowing limit (where applicable)	-	-	-

- (1) Further explanations are contained in Notes [2.3](#), [3.2](#), [3.3](#), and [9.1](#) to the financial statements.
- (a) The variation is mainly due to implementing tighter cost controls, resulting in savings of \$4,482,000.
- (b) In addition to the explanation above regarding expenses, the variation was mainly due to an increase in user charges and fees, and sales revenue (\$2,177,000) as a result of better than expected demand.
- (c) The variation is mainly due to a lower than expected asset revaluation increments for land and buildings.

	Guidance – Financial targets
TI 903(8) FMA sec 43(4), 44(1)	<p>(A) Agencies should indicate whether Targets are those set in the budget statements, resource agreements, statements of corporate intent or another document.</p> <p>(B) Strike out where inapplicable, as “directed” may be the more appropriate description where a resource agreement is finalised without agreement under section 43(3).</p>

	Guidance – Agency performance
TI 903(8)	Report on the operations
FMA sec 61(2)	<p>The report should Include a brief discussion of agency performance, including references to achievements and other key highlights about agency performance during the year. This can include both financial and non-financial performances as well as the agency’s vision and mission.</p> <p>Include any narrative necessary to explain the results and describe the agency’s performance, including any material variations and the impact of any external factors.</p> <p>Where an agency has a resource agreement, the extent to which the agency achieved any targets described in the resource agreement must be disclosed.</p>
TI 808(3)	Reporting actual performance compared to resource agreement targets
	Where an agency has a resource agreement, the agency is required to adopt the format shown in the Guidelines to TI 808 ‘Resource Agreements’.

TI 822

Borrowing limits

The agreed borrowing limit is the total amount of borrowings authorised by the Treasurer during, or subsequent to, the budget process that is expected to impact the State's Net Debt. Accountable authorities should refer to TI 822 Borrowings, which provides background on borrowing limits and provides guidance on amounts included in the agency borrowing limit.

Reference

Working cash targets

TI 808(3)

	2024 Agreed limit (\$000)	2024 Target / Actual (\$000)	Variation (\$000)
Agreed working cash limit (at Budget)	9,934	9,934	-
Agreed working cash limit (at Actuals)	8,074	6,808 ^(a)	(1,266) ^(b)

(a) The actual working cash balance at the close of the 2023 financial year is \$6,808,000. This amount consists of the cash and cash equivalents of \$8,308,000, as identified in the Statement of financial position as at 30 June 2023, minus the \$1,500,000 for Asset Investment Program milestone payments due early in the first month of the successive reporting period. The milestone payments relate to capital works projects which are omitted from the calculation of working cash limit.

(b) The variation is mainly due to *[insert narrative]*.



Guidance – Working cash targets

The 'Agreed working cash limit (at Budget)' is calculated by multiplying budgeted recurrent payments (total operating and financing) by 5%. Further information on the working cash limit may be found in the [Cash Management Policy \(2007\)](#).

Reference

Summary of key performance indicators

TI 903(8)

	2024 Target	2024 Actual	Variation	Result (1)
<p><i>Outcome 1: Sustainability of the provision of information technology</i> Key effectiveness indicator(s): The proportion (%) of government agencies using sustainable information technology plans</p>	85%	86%	1%	✓
<p><i>Service 1: Information technology</i> Key efficiency indicator(s): Cost per sustainable IT plan</p>	\$22,700	\$21,950	\$750	
<p><i>Outcome 2: The improvement to the level of information technology for the public sector</i> Key effectiveness indicator(s): The proportion (%) of government agencies upgrading their information technology</p>	75%	76%	1%	✓
<p><i>Service 2: Training and assistance</i> Key efficiency indicator(s): Clients assisted per staff member Cost per hour of service delivered</p>	0.36 \$5,000	0.39 \$5,311	0.03 (\$311)	
<p><i>Outcome 3: Improvement to the competitiveness of the Western Australian technology industry</i> Key effectiveness indicator(s): Gross value of goods and services produced Uptake of new technology (%)</p>	\$200m 66%	\$206m 68%	\$6m 2%	✓
<p><i>Service 3: Competition policy</i> Key efficiency indicator(s): Cost per advisory program Cost per hour of service delivered</p>	\$19,300 \$5,000	\$18,900 \$5,155	\$400 (\$155)	

(1) The following symbols indicate the outcome of the key performance indicators:

- ✓ Performance target achieved or exceeded
- × Performance target not achieved

TI 904(3)(v)

Explanations for the variations between target and actual results are:

- (a) The variation is mainly due to *[insert narrative]*.
- (b) The variation is mainly due to *[insert narrative]*.

Additional information is provided at the [Detailed information in support of key performance indicators](#).



Guidance – Summary of KPIs

TI 903(8) (11)
TI 904

Additional information, including long term trends and footnotes, may be disclosed either in this section or in ‘Disclosures and Legal Compliance’. The report on the operations include any narrative necessary to explain the results and describe the agency’s performance, including any material variations and the impact of any external factors.

Include page-references if additional information is disclosed elsewhere.

Agencies should clearly indicate whether key performance targets have been met. The indication must be compliant with accessibility standards.

Where there is no resource agreement, the KPIs approved under TI 904 Key Performance Indicators can be disclosed in the section ‘Disclosures and Legal Compliance’ together with the additional information.



An annual report should clearly identify those KPIs that are audited by the Auditor General. Audited information should have the previous year’s comparative result.

Significant issues impacting the agency

Reference

TI 903(9)

Current and emerging issues and trends

The rapid pace of technological advancements is leading to a reduction in the Agency costs and creates opportunities to deliver enhanced services.

Economic and social trends

There is an expectation in society that services delivered by the Agency will be enhanced to take advantage of technological advances.


Changes in written law

There were no changes in any written law that affected the Agency during the reporting period.

Likely developments and forecast results of the operations

It is likely that the Agency operations will undergo a period of consolidation during 2025 as a result of the full impact of changes made during the 2023-24 reporting period. The most significant areas for change will be in relation to:

- the continuation of the research and development project on software development for public sector accounting. This project is expected to deliver significant cost savings to the public sector; and
- the measures taken in the current period with respect to information technology services, which should begin to deliver significant cost savings and greater sales growth.

	<p>Guidance – Significant issues impacting the agency</p>
<p>TI 903(9)</p>	<p><i>Describe current and emerging issues and trends affecting the operations of the agency and any subsidiary or related bodies, explaining how the agency intends to address them. This may include economic and social trends and changes in any written law and significant judicial decisions affecting the agency or bodies.</i></p> <p><i>Any likely developments in the operations of the agency or bodies and the forecast results of those developments should also be disclosed unless the disclosure is likely to be prejudicial to the agency.</i></p>



Climate change is an emerging risk with possible future implications that could impact on the welfare of communities and economies, both domestically and globally. Agencies should consider current and emerging impacts that climate-related risks could have to its operations from:

- physical risks, both direct and indirect, that could impact on the physical assets, and financial and non-financial performance of agencies. It can be either event-driven or the result from longer-term shifts in climate patterns;
- transition risks as a result of transitioning to a lower-carbon economy. This could be in the form of policy, regulatory, legal, reputation, technological and market changes;
- liability risks that are associated with people or businesses seeking compensation for losses suffered due to climate change; and
- climate-related opportunities, such as improved operational efficiency, savings on energy costs, adaptive capacity to respond to climate change, capitalise on shifting consumer preferences, etc.

Climate reporting has gained increasing momentum with the release of the International Sustainability Standard Board's global sustainability standards:

- *General Requirements for disclosure of Sustainability-related Financial Information* (IFRS S1); and
- *Climate-related Disclosures* (IFRS S2).

IFRS S1 sets out requirements and guidelines for broader sustainability reporting and IFRS S2 for climate reporting specifically. Both standards fully incorporate the recommendations of the *Task Force on Climate-related Financial Disclosures* (TCFD).

The Australian Accounting Standards Board (AASB) is developing Australian equivalent sustainability standards and intends to address climate as the first sustainability reporting topic. They will be based on the international sustainability standards but adapted to Australian matters and requirements. Standards are expected to focus on the for-profit sector with not-for-profit public sector requirements to be developed at a later stage.

WA Government policy discussing transitioning to a lower-carbon economy and benefiting from climate-related opportunities including strategies and guidance on how to perform climate risk assessment may be accessed at:

- [Western Australian Climate Change Policy](#);
- [Sectoral Emissions Reduction Strategies](#);
- [Climate Adaptation Strategy](#); and
- [Climate change risk management guide \(interim\)](#).

Disclosures and legal compliance

Reference

TI 903(10)-(16)

Certification of financial statements

FMA sec 62(2)
TI 947

For the financial year ended 30 June 2024

The accompanying financial statements of the Agency have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2024 and the financial position as at 30 June 2024.

AASB 110.17

At the date of signing we are not aware of any circumstances which would render the particulars included within the financial statements misleading or inaccurate.

TI 947(3)

(Signature)

C. Fleming

Chief Finance Officer


1 September 2024

(Signature)

B. King

Accountable Authority

1 September 2024

	Guidance – Disclosures and legal compliance
FMA sec 62(1)	<i>Financial statements are to be prepared in accordance with accounting standards and other requirements issued by the Australian Accounting Standards Board.</i>
FMA sec 62(2)	<i>Financial statements include any financial statements and information prescribed by Treasurer's instructions and any other financial information required by a written direction given by the Minister.</i>
AASB 1060.186	<i>Disclose the date when the financial statements were authorised for issue and who gave that authorisation. If the agency's owners or others have the power to amend the financial statements after issue, the agency shall disclose that fact.</i>
TI 947(2)(ii)	<i>Where the accountable authority is a body, the statement shall be signed by two members of that body.</i>

Financial statements

The Agency has pleasure in presenting its audited general purpose financial statements for the reporting period ended 30 June 2024 which provides users with the information about the Agency's stewardship of resources entrusted to it. The financial information is presented in the following structure:

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Guidance – Financial report structure

AASB 1060.25
TI 1102(5)(iii)

A complete set of financial statements comprises the following:

- a Statement of comprehensive income;
- a Statement of financial position;
- a Statement of changes in equity;
- a Statement of cash flows; and
- notes, comprising material accounting policy information and other explanatory information.

AASB 1060.90-94

Contents of the notes to the financial statements

The notes to the financial statements of an agency shall:

- present information about the basis of preparation of the financial statements and the specific accounting policies used;
- disclose the information required by AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities that is not presented in the face of the financial statements;
- provide information that is not presented elsewhere in the financial statements but is relevant to an understanding of any of them; and
- be presented in a systematic manner with cross references to each item in the financial statements to any related information in the notes.

The TI 945 Explanatory Statement and AASB 1060 require agencies to disclose the following in their complete set of financial statements:

Departments and Statutory authorities

AASB 1060.238-241
AASB 1060.222, 225
TI 945(3)

- Summary of consolidated account appropriations;
- Explanatory statements disclosing original budgets versus actual results; and
- Explanatory statements disclosing current year actual results versus prior year comparative results for the agency.

Departments

AASB 1060.219-220
AASB 1060.223, 225
TI 945(4)

- Schedules for administered income, expenses, assets and liabilities;
- Explanatory statements for administered items disclosing original budgets versus actual results; and
- Explanatory statements for administered items disclosing current year actual results versus prior year comparative results for the agency.

Statement of comprehensive income

Reference

		For the year ended 30 June 2024		
		Notes	2024 (\$'000)	2023 (\$'000)
		COST OF SERVICES		
		Expenses		
TI 1102(7)(i)	Employee benefits expenses	2.1(a)	669,757	599,002
TI 1102(7)(i)(a)	Supplies and services	2.3	60,980	56,345
TI 1102(7)(i)(e)		4.1		
TI 1102(7)(i)(b)	Depreciation and amortisation expenses	4.2	35,764	36,448
		4.3		
TI 1102(7)(i)(c)	Finance costs	6.5	613	568
TI 1102(7)(i)(e)	Accommodation expenses	2.3	6,963	6,330
TI 1102(7)(i)(e)	Grants and subsidies	2.2	9,801	8,910
TI 1102(7)(i)(e)	Cost of Sales	3.3	5,560	3,700
TI 1102(7)(i)(e)	Other expenses	2.3	12,059	12,782
TI 1102(7)(i)(g)	Total cost of services		801,497	724,085
TI 1102(7)(ii)	Income			
TI 1102(7)(ii)(a)	User charges and fees	3.2	15,912	14,997
TI 1102(7)(ii)(f)	Sale of goods	3.3	14,267	12,970
TI 1102(7)(ii)(b)	Commonwealth grants	3.4	1,100	1,000
TI 1102(7)(ii)(c)	Interest income		-	-
TI 1102(7)(ii)(g)	Other income	3.5	2,170	6,300
	Total income		33,449	35,267
TI 1102(7)(iii)	Net cost of services		768,048	688,818
TI 1102(7)(iv)	Income from State Government			
TI 1102(7)(iv)(a)	Service appropriation	3.1	803,846	713,701
TI 1102(7)(iv)(b)	Income from other public sector entities	3.1	-	-
TI 1102(7)(iv)(c)	Liabilities assumed	3.1	-	-
TI 1102(7)(iv)(d)	Resources received	3.1	1,595	1,450
TI 1102(7)(iv)(e)	Royalties for Regions Fund	3.1	-	-
	Total income from State Government		805,441	715,151
TI 1102(7)(vi)	Surplus/(deficit) for the period		37,393	26,333
TI 1102(7)(vii)	Other comprehensive income			
<i>Items not reclassified subsequently to profit or loss</i>				
TI 1102(7)(vii)(a)	Changes in asset revaluation surplus	4.1	100,000	25,500
	Total other comprehensive income		100,000	25,500
TI 1102(7)(viii)	Total comprehensive income for the period		137,393	51,833

The Statement of comprehensive income should be read in conjunction with the accompanying notes.



Guidance – Presentation of the statement of comprehensive income

Statement of comprehensive income comprises the following:

TI 1102(7)(i)

Total cost of services

Transactions are those economic flows that arise as a result of policy decisions, usually interactions between two entities by mutual agreement, and also flows within an agency. Transactions can be in cash or in kind.

Please note the following:

- Supplies and services include administrative expenses;
- Finance costs include borrowing costs, including costs incurred in the borrowing of funds (AASB 123.5), and the effect of unwinding of discounting of items measured at present value (AASB 5.17 and AASB 137.45) and the interest component of the lease liability repayments (AASB 16.49); and
- The discounting of employee benefits should be recognised under employee benefits expense rather than separately as a finance cost.

TI 1107(7)(ii)

Total income

This section includes:

- Sales revenue from the provision of goods and services in relation to trading operations;
- Sales revenue from the provision of goods and service other than those relating to trading operations;
- Non-payable grants and/or contributions from the Commonwealth Government;
- Interest income;
- Share dividend income; and
- Gains on disposal of non-current assets.

Operating subsidies should be classified as sales revenue in relation to trading operations or from provision of good and services (and not as income from other public sector entities) as they are considered payments made on behalf of external parties.

TI 1107(7)(iv)

Total income from State Government

This section includes:

- Service appropriation;
- Income from other public sector entities;
- Liabilities assumed;
- Resources received; and
- Royalties for Regions Fund.

Please note that resources received includes assets transferred. This is made at the transferor agency’s discretion and represents an expense to the transferor (generally income to the transferee).

TI1107(7)(vii)

Other comprehensive income

This section presents line items for amounts classified by nature. These items are then grouped into those that:

- Will not be reclassified subsequently to profit or loss; or
- Will be reclassified subsequently to profit or loss when specific conditions are met.

It includes:

- Revaluations and impairments of physical and intangible assets;
- Fair value changes of financial instruments through profit or loss;

<p>AASB 101.29, 99 TI 1102(7)(i)</p>	<ul style="list-style-type: none"> • Gains and losses attributable to agricultural assets (AASB 141.26-29); • Share of the profit or loss of equity accounted investments; • A single amount for the total of discontinued operations; and • Other income. <p><i>This model illustrates only items that will not be subsequently reclassified to the profit and loss. Certain items do get reclassified to profit or loss and appropriate disclosures must be made if agencies hold such items as listed below:</i></p> <ul style="list-style-type: none"> • Exchange differences reserves; and • Financial instruments measured at fair value through other comprehensive income.
<p>AASB 1060.21 TI 1102(7)(i)(e)</p>	<p>Classification of expenses by nature or function:</p> <p><i>Expenses must be classified and presented (either in the Statement of comprehensive income or in the related notes) based on either their nature or their function, whichever provides information that is reliable and more relevant.</i></p> <p><i>In the illustrative disclosures, the agency classifies its expenses by nature, with the exception of sale of goods which is a functional classification. Expenses are recorded on the face of the Statement of comprehensive income and further disaggregated in the notes.</i></p>
<p>AASB 1060.21-22</p>	<p><i>When items of income and expense are material, their nature and amount shall be disclosed separately either in the Statement of comprehensive income or in the notes to the financial statements. TI 1102 prescribes the minimum disclosure required in the Statement of comprehensive income.</i></p>
<p>AASB 1060.52(g)</p>	<p><i>Further, an agency shall disclose, either in the Statement of comprehensive income or in the notes, any amounts related to components of other comprehensive income that are reclassified to net result in the current period, that were previously recognised in other comprehensive income in the current or previous periods.</i></p>
<p>AASB 1060.56</p>	<p><i>Additional disclosures such as additional line items, headings and subtotals shall be presented on the face when it is relevant to an understanding of the financial performance of the agency.</i></p>



Note that 'Other expenditure', for which no description of the nature is disclosed, cannot exceed 10% of total expenses. Agencies should review their categories of expenses and ensure that they are providing users with the appropriate level of detail to understand how the agency is utilising its funding.



Guidance – Income from other public sector entities

TI 1102 Guidelines

The term 'Public sector entities' refers to 'wholly-owned public sector entities' as defined in TI 955.


Recurrent (service) appropriations received through a central department (controlled and/or administered) should be classified as income from other public sector entities.

Examples include:

- Indirect appropriations received from Treasury Administered,
- Indirect appropriations received by Health Services Providers from the Department of Health,
- Funding an agency receives from Treasurer's special purpose accounts, such as the Royalties for Regions Fund.
- Funding an agency receives from another wholly-owned public sector entity, including from another agency's special purpose accounts, such as the Road Trauma Trust Account.

Income from other public sector entities should include amounts paid by other public sector entities on a charge out basis (such as professional and management fees) **if material**. However, operating subsidies should be classified as sales revenue in relation to trading operations or revenues from the provision of goods and/or services (and not as income from other public sector entities) as they are considered payments made on behalf of an external party.

Income from other public sector entities should not include National Specific Purpose Payments and National Partnership Payments received through Treasury. These payments should be classified as grants and contributions from the Commonwealth Government under the heading Income as they are made under pass through arrangements.

	Guidance – Statement of financial position
AASB 1060.37-41	<p>Current/non-current distinction</p> <p>Assets and liabilities shall be classified as either current or non-current. Tier 2 reporting reflects the same liquidity distinction requirements imposed on Tier 1 reporters under AASB 101.60.</p>
AASB 1060.44	<p>Sub-classification of line items</p> <p>Depending on the size, nature and function of the amounts involved and requirements of Australian Accounting Standards, the Statement of financial position line items must be sub-classified in a manner appropriate to the agency's operations (either in the Statement of financial position or in the related notes).</p>
AASB 1060.40, 185	<p>Refinancing liabilities – classification</p> <p>Financial liabilities shall be categorised as current when they are due to be settled within 12 months of the reporting period, even if:</p> <ul style="list-style-type: none"> (a) the original term was for a period longer than 12 months; and (b) an agreement to refinance, or to reschedule payments, beyond 12 months, is completed after the reporting period and before the financial statements are authorised for issue.
AASB 1060.21, 35-36	<p>Where material, information to be presented includes:</p> <p>Assets:</p> <ul style="list-style-type: none"> • Investment property; • Biological assets; • Investments in associates; • Investments in joint ventures; • Current tax assets; and • Deferred tax assets. <p>Liabilities:</p> <ul style="list-style-type: none"> • Current tax liabilities; • Deferred tax liabilities; and • Liabilities included in disposal groups classified as held for sale under AASB 5 Non-current Assets Held for Sale and Discontinued Operations. <p><i>It must be noted that the line items need only be presented where the agency recognises such an asset or liability. This model includes additional line items as examples only.</i></p> <p><i>If an agency holds additional assets/liabilities and the presentation of these is important for the understanding of the financial results they must be disclosed on the face of the Statement of financial position.</i></p>
AASB 1053.9	<p>Simplified Disclosures</p> <p>Agencies applying Tier 2 simplified disclosure requirements are exempted from the requirement of preparing a third statement of financial position (i.e. a third column) when they apply an accounting policy retrospectively, make a retrospective restatement of items in their financial statements or reclassify items in their financial statements.</p>
AASB 1060.104, 125-128, 129-131	<p>Interests in Other Entities</p> <p>Where the financial statements consolidate another entity or recognise investments in associates or joint ventures, specific disclosures are required. This model excludes these disclosures.</p>

Statement of changes in equity

Reference

AASB 1060.25(c)

For the year ended 30 June 2024

	Contributed equity	Reserves	Accumulated surplus/(deficit)	Total equity	
	(\$000)	(\$000)	(\$000)	(\$000)	
	Balance at 1 July 2022	33,650	180,000	992,329	1,205,979
AASB 1060.61(b)	<i>Changes in accounting policy or correction of prior period errors</i>				
	Restated balance at 1 July 2022	33,650	180,000	992,329	1,205,979
AASB 1060.61(c)(i)	Surplus/(deficit)	-	-	26,333	26,333
AASB 1060.61(c)(ii)	Other comprehensive income	-	25,500	-	25,500
AASB 1060.61(a)	Total comprehensive income for the period	-	25,500	26,333	51,833
AASB 1060.61(c)(iii)	<i>Transactions with owners in their capacity as owners:</i>				
TI 955(3)(i)	Capital appropriation	65,000	-	-	65,000
	Royalties for Regions Fund – Regional Infrastructure and Headworks Account	-	-	-	-
AASB 1004.48	Other contributions by owners	1,500	-	-	1,500
AASB 1004.49	Distributions to owners	(12,350)	-	-	(12,350)
	Total	54,150	-	-	54,150
	Balance at 30 June 2023	87,800	205,500	1,018,662	1,311,962
	Balance at 1 July 2023	87,800	205,500	1,018,662	1,311,962
AASB 1060.61(c)(i)	Surplus/(deficit)	-	-	37,393	37,393
AASB 1060.61(c)(ii)	Other comprehensive income	-	100,000	-	100,000
AASB 1060.61(a)	Total comprehensive income for the period	-	100,000	37,393	137,393
AASB 1060.61(c)(iii)	<i>Transactions with owners in their capacity as owners:</i>				
TI 955(3)(i)	Capital appropriation	12,000	-	-	12,000
	Royalties for Regions Fund – Regional Infrastructure and Headworks Account	-	-	-	-
AASB 1004.48	Other contributions by owners	-	-	-	-
AASB 1004.49	Distributions to owners	-	-	-	-
	Total	12,000	-	-	12,000
	Balance at 30 June 2024	99,800	305,500	1,056,055	1,461,355

The Statement of changes in equity should be read in conjunction with the accompanying notes.


**Guidance – Statement of changes in equity**


AASB 1060.61

This statement is included to present a reconciliation between the various classes of equity at the beginning of the period to the end of the period.

Where material, the following information must be disclosed:

- (a) total comprehensive income for the period, showing separately the total amounts attributable to owners of the parent and to non-controlling interests;*
- (b) for each component of equity, the effects of retrospective application or retrospective restatement recognised in accordance with AASB 108; and*
- (c) for each component of equity, a reconciliation between the carrying amount at the beginning and the end of the period, separately disclosing changes resulting from:
 - (i) profit or loss;*
 - (ii) other comprehensive income; and/or*
 - (iii) transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners and changes in ownership interests in subsidiaries that do not result in a loss of control.**

	Guidance – Contributed equity
<p>TI 955(3)(i)</p>	<p>Capital appropriations</p> <p>TI 955 Contributions by Owners Made to Wholly Owned Public Sector Entities designates capital appropriations as contributions by owners in accordance with Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.</p>
<p>AASB 1060.216-218</p>	<p>Transfer of net assets from other agencies</p> <p>AASB 1004 Contributions requires transfers of net assets as a result of a restructure of administrative arrangements to be accounted for as contributions by owners and distributions to owners.</p> <p>Where activities are transferred from one agency to another agency as a result of a restructure of administrative arrangements, AASB 1004 (paragraph 57) requires the transferee agency to disclose the expenses and income attributable to the transferred activities for the reporting period, showing separately those expenses and income recognised by the transferor agency during the reporting period. Furthermore, AASB 1060 (paragraph 217) requires disclosures by class for each material transfer of assets and liabilities in relation to a restructure of administrative arrangements, together with the name of the counterparty transferor/transferee agency. In respect of transfers that are individually immaterial, the assets and liabilities are to be disclosed on an aggregate basis.</p>
<p>TI 955(3)(ii)</p>	<p>TI 955 designates non-discretionary and non-reciprocal transfers of net assets between state government agencies as contributions by owners in accordance with Interpretation 1038. Where the transferee agency accounts for a non-discretionary and non-reciprocal transfer of net assets as a contribution by owners, the transferor agency accounts for the transfer as a distribution to owners.</p>
<p>TI 955(5)</p>	<p>Distribution to owners</p> <p>TI 955 requires non-reciprocal transfers of net assets to the Government to be accounted for as distribution to owners in accordance with Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.</p>

	<p>Guidance – Statement of cash flows</p>
<p>TI 1101(8)(i)</p>	<p>TI 1101 mandates an additional classification within an Agency’s Statement of cash flows. The category of cash flows from/to State Government in terms of paragraph (8)(i)(b) of this instruction is intended to include only those from or to the State Government. This includes appropriations and funds from other public sector entities. Non-repayable grants and contributions received from the Commonwealth (not re-appropriated through the Consolidated Account) are cash flows from operating activities. Treasurer’s Advances should be classified as cash flows from financing activities as they are repayable to the Treasurer.</p>
<p>TI 1101(14)</p>	<p>Purchase of non-current assets – due to the capitalisation threshold where assets below \$5,000 are to be expensed, the cash flows under investing activities represent the extent to which expenditure has been made for resources that are initially recognised as an asset in the Statement of financial position. Therefore, expenditure on items below \$5,000 is to be accounted for under operating activities.</p>
<p>TI 916(3)</p>	<p>Principal elements of lease payments – due to the threshold where leases below \$5,000 are to be expensed, the cash flows under financing activities represent the extent of amounts recognised as lease liabilities in the Statement of financial position. Therefore, expenditure on items below \$5,000 is to be accounted for under operating activities.</p> <p>Cash and cash equivalent assets transferred to/from an agency as part of a distribution to/contribution by owners should be reported under ‘Cash flows from State Government’.</p>
<p>TI 1101(7)(i)</p>	<p>While AASB 1060 permits the use of either the direct or the indirect method for reporting cash flows from operating activities, TI 1101 Application of Australian Accounting Standards and Other Pronouncements mandates application of the direct method.</p> <p>Non-cash transactions</p>
<p>AASB 1060.86</p>	<p>An entity shall exclude from the Statement of cash flows investing and financing transactions that do not require the use of cash or cash equivalents. An entity shall disclose such transactions elsewhere in the financial statements in a way that provides all the relevant information about those investing and financing activities.</p>



Where finance costs represent service concession interest expenses, leasing interest expenses or borrowing interest expenses, agencies have a policy choice as to where to present these. In the model above they are shown as operating activities as the model assumes the costs are in relation to the operations of the agency as opposed to financing or investing matters of the agency.

These models have highlighted common cash flow line items. In some instances, such as interest received, the line items are not populated. Lines should not be shown if the agency does not have values for them.

Administered Schedules (Departments only)

Administered income and expenses

Reference

AASB 1060.219(a)- (b)	For the year ended 30 June 2024	Notes	2024 (\$000)	2023 (\$000)
	Income			
	For transfer:			
	Regulatory fees and charges		4,855	4,050
	Other revenue		1,140	1,080
	Total administered income		5,995	5,130
	Expenses			
	Supplies and services		560	520
	Grants and subsidies	9.2	3,570	2,530
	Transfer payments ^(a)	9.2	1,505	250
	Total administered expenses		5,635	3,300

(a) Transfer payments represent the transfer of non-retainable regulatory fees to the Consolidated Account.

Further explanations of variances are contained in [note 9.2](#) 'Explanatory statement for administered items'.



Guidance – Disclosure of administered income and expenses

TI 955 Guidelines

When a department retains and administers capital appropriation on behalf of the government (i.e. retained by a department for a subsequent transfer), the administering department should disclose the administered item in the notes as administered income called 'non-repayable capital appropriation'.

AASB 1060.220


In respect of administered payments to eligible recipients, the details of the broad categories of recipients and the amounts transferred to those recipients is to be disclosed.

Departments must disclose each major class of administered income and expenses that can be attributed to each of its activities. If, after taking reasonable steps, departments cannot reliably do so, they must disclose the fact along with a brief explanation.

Where central agencies act as a conduit in connection with payments to an agency, they should not recognise administered income because such payments are made under pass-through arrangements.

Administered assets and liabilities*Reference*

As at 30 June 2024		2024	2023
<i>AASB 1060,219(c), (d)</i>		(\$000)	(\$000)
Current assets			
Cash and cash equivalents		1,850	1,490
Receivables		430	320
Other items as required		-	-
Total administered current assets		2,280	1,810
Non-current assets			
Property, Plant and equipment		280	260
Other items as required		-	-
Total administered non-current assets		280	260
Total administered assets		2,560	2,070
Current liabilities			
Payables		1,200	950
Other items as required		-	-
Total administered current liabilities		1,200	950
Non-current liabilities			
Other items as required		-	-
Total administered non-current liabilities		-	-
Total administered liabilities		1,200	950

	<i>Additional disclosures required for administered assets and liabilities</i>
	<p>Disclose any administered contingent assets and/or liabilities here.</p> <p>In the rare circumstance that an administering department receives a repayable administered capital appropriation or an administered loan (e.g. an administered Treasurer's Advance), these administered items should be classified as administered borrowings here.</p>

Notes to the financial statements

1. Basis of preparation

Reference

AASB 1060.11(b), 32(a)	The Agency is a Government not-for-profit entity controlled by the State of Western Australia, which is the ultimate parent.
AASB 1060.32(b)	A description of the nature of its operations and its principal activities have been included in the ' Overview ' which does not form part of these financial statements.
AASB 1060.186	These annual financial statements were authorised for issue by the accountable authority of the Agency on 1 September 2024.


Statement of compliance

AASB 1060.10, 11(a) TI 1101(12)-(13)	The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by Treasurer's instructions. Several of these are modified by Treasurer's instructions to vary application, disclosure, format and wording.
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The Act and Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

TI 1101(3), (5)	These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).
AASB 1060.31(d),(e), 95(a)	

	Additional disclosures – fair values
AASB 1060.115;	Agencies applying fair value to various assets and liabilities are required to provide qualitative disclosures concerning the basis of the valuation, assumptions and unobservable inputs affecting the values. The following references should be reviewed, where relevant:
AASB 1060.128;	<ul style="list-style-type: none"> • <i>Financial assets and liabilities;</i>
AASB 1060.131	<ul style="list-style-type: none"> • <i>Investment in associates;</i>
AASB 1060.132(a)	<ul style="list-style-type: none"> • <i>Investments in joint ventures;</i>
AASB 1060.140(c)	<ul style="list-style-type: none"> • <i>Investment property;</i>
AASB 1060.204(b)	<ul style="list-style-type: none"> • <i>Intangible assets; and</i> • <i>Biological assets</i>

Accounting for Goods and Services Tax (GST)

Int 1031.6-11

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Agency as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis.

However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed equity

Int 1038
TI 955

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, as designated as contributions by owners (at the time of, or prior to, transfer) be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly-Owned Public Sector Entities* and have been credited directly to Contributed Equity.

Administered items (Departments only)

AASB 1060.219

The Department administers, but does not control, certain activities and functions for and on behalf of Government that do not contribute to the Department's services or objectives. It does not have discretion over how it utilises the transactions in pursuing its own objectives.

Transactions relating to the administered activities are not recognised as the Department's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered income and expenses', and 'Administered assets and liabilities'.

The accrual basis of accounting and applicable Australian Accounting Standards has been adopted.



This model contains disclosures for Administered items which applies only to Departments. Statutory authorities should remove this item, along with [note 9.2](#) *Explanatory statement for administered items (Departments only)*.

Comparative information

AASB 1060.20


Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;
- Intangible Asset reconciliations; and
- Right-of-Use Asset reconciliations.

Judgements and estimates

AASB 1060.96, 97

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

	Guidance – Basis of preparation and reporting entity
AASB 1060.96	<p>Judgements, estimates and assumptions:</p> <p><i>In preparing financial statements, the nature of significant judgements, estimates and assumptions made by management need to be disclosed. The following disclosures are required:</i></p> <ul style="list-style-type: none"> • <i>the fact that significant assumptions, judgements and estimates were made;</i> • <i>the nature of the significant assumptions, judgements and estimates; and</i> • <i>how these were made (the method used).</i> <p><i>Examples include lease commitments, valuation of investments and impairment of Infrastructure, property, plant and equipment etc.</i></p> <p><i>In these financial statements where judgements have been made they have been included in the relevant note along with the policy description.</i></p> <p><i>Agencies should consider carefully where there are material judgements and estimates they are making in the recognition and measurement of financial statement items. Agencies may have more judgements and estimates than are disclosed in these model statements.</i></p>
AASB 1060.97	<p>Key sources of estimation uncertainty</p> <p><i>Agencies shall disclose in the notes information about the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. In respect of those assets and liabilities, the notes shall include details of:</i></p> <ol style="list-style-type: none"> <i>(a) their nature; and</i> <i>(b) their carrying amount at the end of the reporting period.</i>
AASB 1060.97	<p><i>Determining the carrying amounts of some assets and liabilities requires estimation of the effects of uncertain future events on those assets and liabilities at the end of the reporting period.</i></p> <p><i>These disclosures are not required for assets and liabilities with a significant risk that their carrying amounts might change materially within the next reporting period if, at the end of the reporting period, they are measured at fair value based on recently observed market prices.</i></p>

2. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Agency's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Agency in achieving its objectives and the relevant notes are:

	Notes
Employee benefits expenses	2.1(a)
Employee related provisions	2.1(b)
Grants and subsidies	2.2
Other expenditure	2.3

Reference	2.1(a) Employee benefits expenses	2024	2023
		(\$000)	(\$000)
AASB 1060.58(a)	Employee benefits	636,757	569,002
AASB 1060.174	Termination benefits	-	-
AASB 1060.172	Superannuation – defined contribution plans	33,000	30,000
	Employee benefits expenses	669,757	599,002
TI 916(8)	Add: AASB 16 non-monetary benefits (not included in employee benefits expense)	5,000	4,000
APG 6	Less: Employee contributions (per note 3.5 Other income)	(2,000)	(1,600)
	Total employee benefits provided	672,757	601,402

AASB 119.11, 13, 153
TI 1101 Guidelines

Employee benefits include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

AASB 119.165
TI 1101 Guidelines

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Agency is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

AASB 119.51-52
TI 1101 Guidelines

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, other GESB schemes or other superannuation funds.

TI 916(8),
Guidelines, APG 6

AASB 16 non-monetary benefits are non-monetary employee benefits, predominantly relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

TI 1103 Guidelines

Employee contributions are contributions made to the Agency by employees towards employee benefits that have been provided by the Agency. This includes both AASB 16 and non-AASB 16 employee contributions.



Where an agency has more than one defined benefit plan, TI 1101 *Application of Australian Accounting Standards and Other Pronouncements* mandates that disclosures shall be made separately for each plan.

Termination benefits have been included as a line item, and the associated policy note has also been included above. If the agency does not have such expenses in a given reporting period these should be excluded from the annual report.

For each category of termination benefits that an entity provides to its employees, the entity shall disclose the nature of the benefit, the amount of its obligation and the extent of funding at the reporting date.

When there is uncertainty about the number of employees who will accept an offer of termination benefits, a contingent liability exists. The Agency shall disclose information about its contingent liabilities in accordance with the section on Provisions and Contingencies in AASB 1060 unless the possibility of an outflow in settlement is remote.



Guidance – Non-monetary benefits provided to employees

TI 916(8)
TI 1103 Guidelines

An agency that provides employee benefits in the form of non-monetary benefits, and the employees' right to those benefits do not accrue in proportion to their periods of service and do not accumulate. The agency recognises the cost incurred in providing the benefits on a gross basis in the period the benefits are taken by employees. Employee contributions towards these benefits are recognised as income to the agency.

For non-monetary benefits provided to employees that are subject to leases recognised in the Statement of financial position, the total cost of providing these benefits is interest and depreciation expenses recognised in accordance with AASB 16 Leases. A notional reconciliation will be required to enable the employee benefits expenses note to the financial statements to show the total cost of employee benefits incurred by the agency and the net benefits provided to employees. Refer to TI 916 Leases for further advice on accounting for leases.

In the notes to the financial statements, employee benefits expenses should show both the total cost of employee benefits incurred by an agency (employer) and the net benefits provided to employees.

Reference

2.1(b) Employee related provisions

AASB 1060.44(e)

	2024 (\$000)	2023 (\$000)
Current		
Employee benefits provisions		
Annual leave	9,136	10,124
Long service leave	2,614	2,326
Deferred salary scheme	50	102
	11,800	12,552
Other provisions		
Employment on-costs	1,958	1,398
Total current employee related provisions	13,758	13,950
Non-current		
Employee benefits provisions		
Long service leave	500	666
Other provisions		
Employment on-costs	489	349
Total non-current employee related provisions	989	1,015
Total employee related provisions	14,747	14,965

AASB 119.13

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

AASB 1060.40(d)

Annual leave liabilities are classified as current as there is no right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.



This model is prepared with the expectation that it is unlikely for annual leave to be settled wholly within 12 months after the end of the reporting period.

AASB 119.8, 155

Therefore, the model characterises annual leave as 'other long-term employee benefits', recognising and measuring the liability for employee benefits at present value.

AASB 119.8, 11

Where annual leave is expected to be settled wholly within 12 months after the end of the reporting period, the liability may be recognised and measured at nominal amounts.

AASB 1060.40(d)

Long service leave liabilities are unconditional long service leave provisions and are classified as current liabilities as the Agency does not have the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Agency has the right to defer the settlement of the liability until the employee has completed the requisite years of service.

AASB 119.11, 155

The provision for long service leave is calculated at present value as the Agency does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.


AASB 1060.40(d)

Deferred salary scheme liabilities are classified as current where there is no right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

AASB 1060.153
(b)-(d)

Employment on-costs involve settlements of annual and long service leave liabilities which gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance premiums, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses, [note 2.3](#) (apart from the unwinding of the discount (finance cost))' and are not included as part of the Agency's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	Guidance – Employment on-costs
TI 1103 Guidelines	<p><i>Employment on-costs are recognised in other expenses at note 2.3 Other expenditure.</i></p> <p><i>Where a claim has been accepted, the amount of workers' compensation an agency pays its employee is considered to be made for and on behalf of the insurer (e.g. RiskCover). As such, the agency will account for the payment as a receivable and apply the subsequent recoups against that receivable.</i></p>

AASB 1060.153(a)	Employment on-costs provision	2024 (\$000)
	Carrying amount at start of period	1,747
	Additional/(reversals of) provisions recognised	6,040
	Payments/other sacrifices of economic benefits	(5,400)
	Unwinding of the discount	60
	Carrying amount at end of period	2,447




Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Several estimates and assumptions are used in calculating an agency's long service leave provision. These include:

- *expected future salary rates;*
- *discount rates;*
- *employee retention rates; and*
- *expected future payments.*

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

	Guidance – Deferred salary
TI 1101 Guidelines	<p><i>Deferred salary schemes represent agreements between the agency and individual employees, whereby the employee sacrifices salary to purchase additional leave. The liability for leave is measured on a discounted basis by calculating the present value of estimated future cash outflows.</i></p> <p><i>Disclose any 48/52 leave arrangements in place as a separate line item similar to the Deferred salary scheme.</i></p> <p><i>Accumulating, non-vesting sick leave entitlements should be recognised as sick leave provisions, where appropriate, and disclosed as a separate line item.</i></p>



Guidance – Employee benefits

AASB 119.9,
153

Distinction between short-term and long-term employee benefits

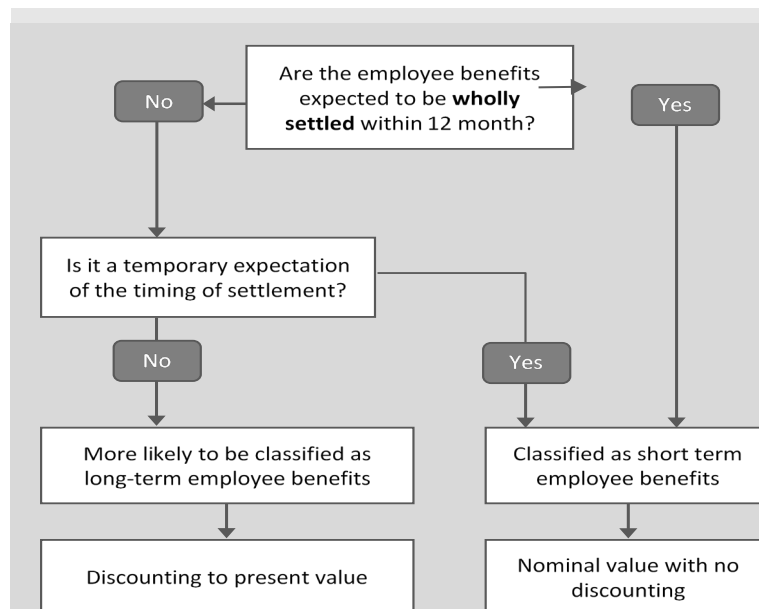
Employee benefits are classified as short-term when they are expected to be settled wholly within 12 months after the employees render the related services. For instance, the characterisation of annual leave benefit is mutually exclusive and it cannot be apportioned to 'short-term benefits' and 'other long-term benefits'.

Government agencies should review their current short-term employee benefits to ensure their classification remains appropriate.

AASB 119.11,
155

Measurement of short-term and long-term employee benefits

Short-term employee benefits are accounted for on an undiscounted basis in the period in which the related service is rendered. For employee benefits that are classified as long-term, the obligations are measured at present value (discounted basis). The decision tree below highlights the process considering the 'short-term/long-term' classification and measurement. It is generally expected that accrued annual leave will not be wholly settled before the end of the next annual reporting period, so that the provisions will need to be measured at present value (on a discounted basis).





Unit of account

The definition of short-term employee benefits introduces the notion of 'wholly'. The expectation of the timing of settlement is based on the agency level, not at the individual employee level.

It is unnecessary for agencies to obtain detailed information of each employee's anticipated timing for their leave settlement. However, they should form their own reasonable expectations and document the timing of expected annual leave settlement. Expectations of characterisation of annual leave benefits being construed as 'short-term employee benefits' requires a greater onus of evidence to justify the calculation of the benefit at nominal values without discounting.

This Model assumes the annual leave accrued by the agency as at 30 June 2024 is not expected to be settled wholly within 12 months thereafter. Accordingly, the provision for annual leave is classified as 'other long-term benefits' for measurement purposes, and is discounted to its present value.

The Model assumes the discounting method is done on an annual basis, and entities are encouraged to adopt similar assumptions to ensure the consistency of agency reports.

	<p>Guidance – Employee benefits</p>
	<p>Provision for on-costs</p> <p><i>On-costs, such as payroll tax and workers' compensation insurance, are recognised as liabilities when the employment to which they relate has occurred. They are not employee benefits and are to be disclosed separately from provisions for employee benefits.</i></p>
AASB 1060.40(d)	<p>Current/non-current classification of employee benefits</p> <p><i>All annual leave and unconditional vested long service leave are disclosed as a current liabilities. This is based on the assumption that the agency cannot avoid settling these liabilities within 12 months.</i></p> <p><i>Conditional long service leave (less than seven years of continuous service) is disclosed as a non-current liability.</i></p> <p><i>In measuring employee benefits, consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated timing of benefit payments.</i></p>
	<p>Guidance – Casual employees and long service leave</p>
TI 1101 Guidelines	<p><i>Government Sector Labour Relations (GSLR) confirmed and communicated in September 2019, that casual employees under the Public Service Award or Government Officers Salaries Allowances and Conditions (GOSAC) awards are entitled to long service leave (LSL). The entitlement arises even if the applicable award provides casual loading in lieu of LSL. As such, agencies were required to calculate LSL for casual employees.</i></p> <p><i>When undertaking an assessment of their casual employees LSL entitlements agencies should take into consideration the following:</i></p> <ul style="list-style-type: none"> • <i>the transitional arrangements and worked examples provided from the GSLR;</i> • <i>the extent to which GSLR's guidance applies to the agency;</i> • <i>the term 'continuous service' and the application of this to current and former employees;</i> • <i>what time period the entitlement should be calculated back to (i.e. a retrospective approach); and</i> • <i>whether legal advice is required.</i> <p><i>If an agency is unable to measure the amount of the LSL entitlements with sufficient reliability (e.g. agencies do not have sufficient records or systems in place for certain casual workers) then a contingent liability should be disclosed.</i></p> <p><i>Agencies may wish to contact their Labour Relations Advisor at the Department of Energy, Mines, Industry Regulation and Safety's Government Sector Labour Relations unit if there are any queries on the implementation and transition to any new industrial agreements or related matters.</i></p>

Reference

2.2 Grants and subsidies

AASB 1060.58

	2024 (\$000)	2023 (\$000)
Recurrent		
Function A	6,095	5,544
Agency A	164	146
Royalties for Regions Fund – Regional Infrastructure and Headworks Account	77	70
	-	-
Capital		
Function B	935	850
Industry group	2,530	2,300
Total grants and subsidies	9,801	8,910

Transactions in which the Agency provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant or subsidy expenses'. These payments or transfers are recognised at fair value at the time of the transaction and are recognised as an expense in the reporting period in which they are paid. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

The model agency is not responsible for administering a government subsidy scheme.



Guidance – Grants and subsidies

Broad categories of recipients must be disclosed in the notes to the financial statements under 'Grants and Subsidies', where material. Presentation of grants and subsidies expenditures should be tailored to the needs of users reliant on general purpose financial statements and reflect discharge of accountability requirements. To achieve this, a mixture of classifications may be required. These classifications can be based on sector, function, project, destination/recipient or a combination of these classifications, as appropriate.

Disclosure of the nature of the grants or subsidies expenditures is appropriate, for example:

- *whether grants are for general purposes, that are not subject to conditions regarding their use, or for specific purposes which are paid for a particular purpose and/or have conditions attached regarding their use;*
- *whether grants are for operating or capital uses; and/or*
- *which government program gives rise to the subsidy.*

Classification by sector may entail distinguishing public sector, private sector, private sector NFP recipients. Alternatively, the profile of the sector might be significant for transparency purposes (e.g. schools, households or sporting clubs).

Functional classification may incorporate differentiation between grants for research, targeted subsidy schemes, donations and sponsorships. Grants for research can be further disaggregated by area of research, distinguishing differences in the funding of aquaculture research, environmental research or digital system research.



Have you identified and disclosed all grants and subsidies? Agencies should ensure adequate line item disclosure is made for material grants on issue by the government e.g. Royalties for Regions Funds – Regional Community Services Account.

Reference

2.3 Other expenditure

	2024	2023
	(\$000)	(\$000)
Supplies and services		
Communications	16,302	14,820
Consultants and contractors	15,318	13,925
Consumables	8,910	8,100
Materials	18,591	17,810
Other supplies and services expenses	1,859	1,690
Total supplies and services expenses	60,980	56,345
Accommodation expenses		
Office rental	6,306	5,770
Other accommodation expenses	657	560
Total accommodation expenses	6,963	6,330
Other expenses		
Repairs and maintenance	5,225	5,420
<i>AASB 9.5.5.15, B5.5.35</i> Expected credit losses expense	100	100
Employment on-costs	6,040	5,491
<i>AASB 1060.139</i> Research and development costs expensed	-	-
Other [<i>List type of other material expenses</i>]	694	1,771
Total other expenses	12,059	12,782
Total other expenditure	80,002	75,457

AASB 1060.95

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the Agency and the Department of Finance for the leasing of office accommodation contain significant substitution rights.

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Building and infrastructure maintenance and equipment repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

Expected credit losses is recognised for movement in allowance for impairment of trade receivables. Please refer to [note 5.1](#) Receivables for more details.

Software modification costs are recognised as expenses as incurred.

Restoration expenses and warranties expenses are recognised as the movement in the provision for restoration costs of leased premises and warranty claims. Please refer to [note 5.6](#) for more details.

Employee on-cost includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at [note 2.1\(b\)](#) Employee related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.



Note that 'Other expenditure' aggregating to more than 10% of total expenses without disclosure of the description of its nature may materially mislead users of general purpose financial statements. Agencies should review their categories of expenses and ensure that they are providing users with the appropriate level of detail to understand how the agency is using its funding. [AASB Practice Statement 2 Making Materiality Judgements](#) may assist agencies in determining which disclosures are appropriate.




'Other' may include short-term lease, low-value lease and variable lease payment expenses when they are immaterial. Further disclosure of these items is at [note 6.2 Lease liabilities](#).

3. Our funding sources

How we obtain our funding

This section provides additional information about how the Agency obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Agency and the relevant notes are:

	Notes
Income from State Government	3.1
User charges and fees	3.2
Sale of goods	3.3
Commonwealth grants	3.4
Other income	3.5

Reference	3.1 Income from State Government	2024 (\$000)	2023 (\$000)
AASB 1060.229(c)	Appropriation received during the period:		
	- Service appropriation	803,846	713,701
	Total service appropriation	803,846	713,701
AASB 1060.229(a) AASB 1060.157(b)	Income received from other public sector entities during the period:		
	- IT Training	-	-
	- IT Support	-	-
	Total income from other public sector entities	-	-
AASB 1060.215	Liabilities assumed by the Treasurer or other public sector entities during the period:		
	<i>[List of liabilities]</i>	-	-
	Total liabilities assumed	-	-
	Resources received from other public sector entities during the period:		
	- Assets transferred in	1,000	1,000
	- Services received free of charge	595	450
	Total resources received	1,595	1,450
AASB 1060.229(a)	Royalties for Regions Fund:		
	- Regional Infrastructure and Headworks Fund	-	-
	- Regional Community Services Fund	-	-
	Total Royalties for Regions Fund	-	-
	Total income from State Government	805,441	715,151
AASB 1058.10	Service Appropriations are recognised as income at the fair value of consideration received in the period in which the Agency gains control of the appropriated funds. The Agency gains control of the appropriated funds at the time those funds are deposited in the bank account or credited to the holding account held at Treasury.		
AASB 1058.10 AASB 15.31	Income from other public sector entities is recognised as income when the Agency has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the Agency receives the funds.		
TI 1102(11)(i)	Liabilities assumed by the Treasurer or other public sector entities are recognised as income for an amount equivalent to the liability assumed when the liability is assumed.		
TI 1102(11)(ii)	Resources received from other public sector entities is recognised as income equivalent to the fair value of assets received, or the fair value of services received that can be reliably determined and which would have been purchased if not donated.		
AASB 1058.10, 16	The Regional Infrastructure and Headworks Fund, and, Regional Community Services Fund are sub-funds within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as income when the Agency receives the funds.		
	Guidance – Income from State Government		
APG 5	<i>Agencies should assess whether a Royalties for Regions agreement contains any performance obligations that are sufficiently specific. Such performance obligations will be recognised as contract liabilities under AASB 15 Revenue from Contracts with Customers when the fund is received. Revenue will then be recognised when (or as) the performance obligations are satisfied.</i>		

Reference


Summary of consolidated account appropriations

AASB 1060.239

For the year ended 30 June 2024

	2024	2024	2024	2024	2024	2024
	Budget	Section 25 transfers	Additional funding*	Revised budget	Actual	Variance
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Delivery of Services						
Item X Net amount appropriated to deliver services	802,950	-	-	802,950	803,846	896
-Amount authorised by other statutes	-	-	-	-	-	-
- Salaries and Allowances Act 1975	150	-	-	150	200	50
Total appropriations provided to deliver services	803,100	-	-	803,100	804,046	946
Capital						
Item Y Capital appropriations	11,000	-	-	11,000	12,000	1,000
Administered Transactions						
Item XX Administered grants, subsidies and other transfer payments	1,085	-	-	1,085	1,085	-
Item YY Administered capital appropriations	-	-	-	-	-	-
Total administered transactions	1,085	-	-	1,085	1,085	-
Total consolidated account appropriations	815,185	-	-	815,185	817,131	1,946

* Additional funding includes supplementary funding and new funding authorised under section 27 of the Act and amendments to standing appropriations.

	Guidance – Summary of consolidated account appropriations
<p>AASB 1060.239 (a)(ii)</p> <p>Ti 1102 Guidelines</p>	<p><i>Any supplementary amounts appropriated (under section 27(3) of the Act) and amounts authorised other than by way of appropriation (such as section 25 transfers) should be separately disclosed.</i></p> <p><i>The following agencies must prepare a summary of consolidated account appropriations:</i></p> <ul style="list-style-type: none"> • <i>agencies that receive an appropriation identified by an item number;</i> • <i>agencies that submit a separate cash disbursement profile for funding from the Consolidated Account; or</i> • <i>agencies that appear as a single division of the Consolidated Account Expenditure Estimates,</i> <p><i>Statutory authorities that receive their funding from a department (including Treasury Administered) in the form of a grant under an agreement (such as a service delivery or performance agreement) are not required to present the Summary of Consolidated Account Appropriations. Nor should such grants be reported as service appropriations by the statutory authority in the Statement of Comprehensive Income.</i></p> <p><i>Where a combination of a department and statutory authorities forms a single Division of the Consolidated Account Expenditure Estimates, the department prepares the summary of consolidated account appropriations that includes both controlled appropriations and administered appropriations that have passed through the department to the statutory authorities.</i></p>

Reference

3.2 User charges and fees

		2024	2023
		(\$000)	(\$000)
AASB 1060.157(b)	User charges and fees		
	- IT Training	15,207	14,382
	- IT Support	705	615
		15,912	14,997
AASB 15.31, 46	Revenue is recognised at the transaction price when the Agency transfers control of the services to customers.		
AASB 1060.157(a)	Revenue is recognised at a point-in-time for IT training <i>[insert description of the nature of the services that the Agency has promised to transfer]</i> . The performance obligations for these user fees and charges are satisfied when services have been provided <i>[Disclose the significant judgements made in evaluating when a customer obtains control of the services]</i> .		
AASB 1060.157(a), 158	Revenue is recognised over-time for IT support <i>[insert description of the nature of the services that the Agency has promised to transfer]</i> . The Agency typically satisfies its performance obligations in relation to these user fees and charges when <i>[disclose the methods used to recognise revenue which may include the description of the output methods or input methods used and how these methods are applied]</i> .		



Please note that the accounting policy for user charges and fees, as noted above, is a generic accounting policy and should be tailored to suit your relevant agency.

If applicable, agencies should include information on the significant payment terms, obligations for returns, refunds and other similar obligations and types of warranties and related obligations from their revenue from contracts with customers (AASB 1060.157(a)).

**Guidance – Fees and charges**

APG 5

Fees and charges in subsidiary legislation are generally set annually at a level that is authorised by statute under which the subsidiary legislation is made.

Agencies should ensure that their fees and charges are a reasonable reflection of costs, though factors such as competitive neutrality and government policy objectives may alter this situation.

Most public sector fees and charges are recognised at a point in time (or over a relatively short period of time, e.g. a trip of public transport) when the services have been provided and payments are received. For example, the motor vehicle record fee will be recognised on the grant, renewal or variation of a vehicle licence and that is generally when a motorist makes the payment. If payments are not received, agencies will recognise a receivable. Note that trade receivables are subject to 'expected credit losses' under AASB 9 Financial Instruments.

Where fees and charges are recognised over-time (e.g. water and electricity charges), agencies may recognise revenue at the end of a period when they have provided the services to customers. This may coincide with their billing cycle. Revenue and receivables would be recognised on the issuance of the bills. If the periods of providing the services fall within a reporting period (e.g. school fees), subject to materiality, agencies may recognise all revenue at the end of the reporting period. That is, contract liabilities will be recognised on payments received during a reporting period and revenue would not be recognised at the end of the reporting period for the amount of the contract liabilities that is outstanding.

Reference

3.3 Sale of goods

	2024	2023
	(\$000)	(\$000)
AASB 1060.157(b)	Sale of goods:	
	- IT booklets	1,934
	- IT equipment	11,036
	14,267	12,970
AASB 1060.123(c)	Cost of Sales:	
	Opening Inventory	(15,425)
	Purchases	(3,650)
	(20,893)	(19,075)
AASB 1060.123(b)	Closing Inventory	15,375
	Cost of Goods Sold	(3,700)
	Gross profit	8,707
AASB 1060.44(c)	Closing Inventory comprises:	
	Current Inventories	
	Raw materials & stores (at cost)	6,365
	Work in progress (at cost)	2,495
	Finished goods:	
	- At cost	4,545
	- At net realisable value	1,970
	Total current inventories	15,375
	Non-current Inventories	
	[List classes of inventories]	
	-	-
	Total non-current inventories	-
	Total Inventories	15,375

AASB 15.31, 46
AASB 1060.157(a)

Sale of goods

Revenue from the sales of goods is recognised at the transaction price when the Agency transfers control of the goods to customers. [Disclose any obligations for returns, refunds and warranties].

AASB 102.9, 25
AASB 1060.123(a)

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate for each class or inventory, with the majority being measured on a first in first out basis.

Inventories not held for resale are measured at cost unless they are no longer required, in which case they are measured at net realisable value.



Please note that the accounting policy for sale of goods and inventories, as noted above, are generic accounting policies and should be tailored to suit your relevant agency.

Note that these models do not include inventory impairment losses recognised or reversed in profit or loss (AASB 1060.123(d)). Agencies should ensure they consider their inventory valuations and make the appropriate disclosures should they result in such an impairment.

	Guidance – Sale of goods
APG 5	<p><i>A sale of goods results in the goods being transferred to the customer or to other parties on behalf of the customer (i.e. reciprocal). Therefore, revenue from sale of goods will be recognised in accordance with AASB 15 Revenue from Contracts with Customers.</i></p> <p><i>Sale of goods in the public sector will generally be recognised at a point in time when the goods have been transferred and payments are received.</i></p> <p><i>Where a sale of goods contains a significant financing component, agencies shall discount the promised amount of consideration to its present value. This is to recognise revenue at an amount that reflects the price a customer would pay for the goods if the customer paid cash on receiving the goods. The discount rate should reflect the credit characteristics of the customer as well as any collateral or security provided. That is, the discount rate should take into account any ‘expected credit losses’ from the customer. As a result, trade receivables that have been discounted should not be re-assessed year by year for expected credit losses, unless there are significant increases in credit risk.</i></p> <p><i>As a practical expedient, an agency needs not discount the promised amount of consideration for the effects of a significant financing component if the agency expects it will receive the payments within a year.</i></p>

	Guidance – Inventories
AASB 1060.123	<p>The financial statements shall disclose:</p> <ul style="list-style-type: none"> (a) <i>the accounting policies adopted in measuring inventories, including the cost formula used;</i> (b) <i>the total carrying amount of inventories and the carrying amount in classifications appropriate to the agency;</i> (c) <i>the amount of inventories recognised as an expense during the period;</i> (d) <i>impairment losses recognised or reversed in profit or loss in accordance with AASB 102 Inventories; and</i> (e) <i>the total carrying amount of inventories pledged as security for liabilities.</i>
AASB 102.Aus9.1	<p>Other considerations:</p> <p><i>Inventories ‘held for distribution’ by not-for-profit entities must be disclosed separately in the notes and measured at cost, adjusted when applicable for any loss of service potential.</i></p>

Reference

3.4 Commonwealth grants


	2024	2023
	(\$000)	(\$000)
National Partnership Payments		
AASB 1060.229(a) - Recurrent grants	50	30
AASB 1060.233 - Capital grants	1,050	970
Total commonwealth grants	1,100	1,000

AASB 1058.10 Recurrent grants are recognised as income when the grants are receivable.

AASB 1060.234-237 Income from grants to acquire/construct a recognisable non-financial asset to be controlled by the Agency is recognised when the Agency satisfies its obligations under the transfer. The Agency satisfies the obligations under the transfer over time as the non-financial assets are being constructed. The Agency typically satisfies the obligations under the transfer when it achieves milestones specified in the grant agreement and amounts received in advance of obligation satisfaction are reported at [note 5.5](#).



Please note that the accounting policy for commonwealth grants, as noted above, are generic accounting policies and should be tailored to suit your relevant agency.


	Guidance – National Partnership Payments
APG 5	<p><i>National Partnership Payments (NPP) are generally be accounted for in accordance with AASB 1058. However, this would not necessarily result in cash accounting. For example, in relation to the Disaster Recovery Funding Arrangements where the Commonwealth will provide financial assistance to the State in certain circumstances (usually in the form of partial reimbursement of the State’s expenditure and estimated reconstruction costs), the State would be able to recognise income under AASB 1058 when it incurs eligible expenses (prior to receiving the Commonwealth payments). This accrual accounting is possible because of the ‘enforceable’ Intergovernmental Agreement.</i></p> <p><i>Note that NPPs for capital purposes shall be accounted for in accordance with paragraphs 15-16 of AASB 1058. For example, in relation to the NPP on Land Transport Infrastructure Projects where the Commonwealth provides funding for land transport infrastructure projects administered under the National Land Transport Act 2014, a capital grant liability will be recognised for any Commonwealth payments received in-advance. The State (through its agencies) will then recognise income when it achieves agreed project milestones.</i></p>

Reference

3.5 Other income

	Notes	2024 (\$'000)	2023 (\$'000)
APG 6	Employee Contributions ^(a)	2,000	1,600
		2,000	1,600
	Net proceeds from disposal of non-current assets		
	Land	990	-
	Plant, equipment and vehicles	1,808	11,190
	Carrying amount of non-current assets disposed		
	Land	(690)	-
	Plant, equipment and vehicles	(1,938)	(6,490)
TI 1102(7)(ii)(e)	Net gains/(losses) on disposal of non-current assets	170	4,700
AASB 1060.119	[List types of other material gains/(losses)]	-	-
	Other gains/(losses)	-	-
	Total other income	2,170	6,300

(a) Income received by the Agency from subleasing of right-of-use assets relates to lease payments received from operating leases. The Agency has leased a number of right-of-use assets from the Government Regional Officer Housing (GROH), which it subleases out to employees at a subsidised rate. Information on the Agency's leasing arrangements with GROH can be found in [note 2.1\(a\)](#).

	Guidance – Gains/(losses) on disposal
TI 1102(6)(iv)(a), (7)(iv)	<p><i>Net disposal proceeds are gross proceeds less costs to sell. Costs to sell (e.g. sales commissions netted from agency receipts) are ordinarily immaterial. Where the amounts are material, additional disclosure is warranted.</i></p> <p><i>Insured non-current assets written-off as a result of an insurable event should be treated as other expenses (write-off of assets destroyed by fire/storm/earthquake etc.). The subsequent insurance recovery is to be treated as 'Income from State Government' when it is received or receivable.</i></p> <p><i>TI 1102(7)(i) & (ii) requires any material net gain/(loss), other income or other expense components of this note disclosure to be presented on the face of the Statement of comprehensive income. The amounts recognised in these models is immaterial and presentation in the notes is compliant with the required treatment.</i></p>



Did you have instances of:

Material reversals of impairments; and

Revaluation increments (offsetting decrements previously expensed).

These will need to be disclosed as other income.

4. Key assets

This section includes information regarding the key assets the Agency utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:


	Notes
Infrastructure, property, plant and equipment	4.1
Intangibles	4.2
Right-of-use assets	4.3
Service concession assets	4.4

4.1 Infrastructure, property, plant and equipment

Year ended 30 June 2024	Land	Buildings	Buildings under construction	Plant, equipment and vehicles	Office equipment	Infrastructure	Works of art	Total
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
1 July 2023								
Gross carrying amount	97,910	494,164	96,090	24,505	800	624,079	150	1,337,698
Accumulated depreciation	-	(55,454)	-	(12,156)	(94)	(23,002)	-	(90,706)
Accumulated impairment loss	-	-	-	-	-	-	-	-
Carrying amount at start of period	97,910	438,710	96,090	12,349	706	601,077	150	1,246,992
Additions	-	22,400	20,000	16,327	-	-	-	58,727
Transfers ^(a)	-	-	-	(3,370)	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Reclassification of assets held for sale								
Revaluation increments/(decrements)	15,000	45,000	-	-	-	40,000	-	100,000
Impairment losses ^(b)	-	-	-	-	-	-	-	-
Impairment losses reversed ^(b)	-	-	-	-	-	-	-	-
Depreciation	-	(17,939)	-	(6,091)	(160)	(8,587)	-	(32,777)
Carrying amount at end of period	112,910	488,171	116,090	19,215	546	632,490	150	1,369,572
Gross carrying amount	112,910	561,564	116,090	36,708	800	664,079	150	1,492,301
Accumulated depreciation	-	(73,393)	-	(17,493)	(254)	(31,589)	-	(122,729)
Accumulated impairment loss	-	-	-	-	-	-	-	-

(a) The Department of Planning, Lands and Heritage (DPLH) is the only Department with the power to sell Crown land. The land is transferred to DPLH for sale and the Agency accounts for the transfer as a distribution to owner.

(b) Recognised in the Statement of comprehensive income. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.

Guidance – Infrastructure, property, plant and equipment	
	<i>AASB 1060.134(e)</i> A reconciliation of the carrying amount of infrastructure, property, plant and equipment for the comparative period is not required under Tier 2 reporting requirements.
	<i>AASB 1060.169</i> Impairment losses and reversal of impairment losses for each class of asset shall be disclosed.

Reference**Initial recognition**AASB 1060.134
(a)

Items of property, plant and equipment and infrastructure, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of comprehensive income (other than where they form part of a group of similar items which are significant in total).

AASB 116.Aus
15.1

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

AASB 1060.136

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- land; and
- buildings.

Land is carried at fair value.

Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses.

Infrastructure, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

AASB 1060.136

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Landgate) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2023 by Landgate. The valuations were performed during the year ended 30 June 2024 and recognised at 30 June 2024. In undertaking the revaluation, fair value was determined by reference to market values for land: \$108,000,000 (2023: \$93,640,000) and buildings: \$348,821,000 (2023: \$320,969,000). For the remaining balance, unobservable (level 3) inputs were used to determine the fair value. As at 30 June 2024, there were no indications of impairment to property, plant and equipment or infrastructure.

AASB 1060.136
(c)

Unobservable (level 3) inputs used to determine fair values of Infrastructure, property, plant and equipment are:

Infrastructure	<p><i>Historical cost per cubic metre (m³)</i></p> <p>The costs of construction of infrastructure are extracted from financial records of the Agency and indexed by movements in construction costs by quantity surveyors.</p>
Land	<p>Fair value for restricted use land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuation Services).</p>
Buildings	<p><i>Historical cost per square metre floor area (m²)</i></p> <p>The costs of constructing specialised buildings with similar utility are extracted from financial records of the Model Department, then indexed by movements in CPI.</p> <p><i>Consumed economic benefit/obsolescence of asset</i></p> <p>These are estimated by the Western Australian Land Information Authority (Valuation Services).</p>



The above wording is provided on an example basis only. Agencies should be tailoring these disclosures to meet their facts and circumstances.



Significant assumptions and judgements: The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

AASB 13.B2



Guidance – Infrastructure, property, plant and equipment

AASB 116.Aus
15.1

Initial recognition:

The following guidance is relevant in relation to the initial recognition and measurement of assets:

AASB 116.16

TI 1102(11)(ii)

Assets acquired for significantly less than fair value should be initially recognised at their fair value.

All other assets are initially measured at cost. AASB 116 provides guidance around the elements of cost. Agencies should refer to that guidance when acquiring and/or developing new assets.

Agencies should consider their capitalisation thresholds when recognising new assets and/or elements of cost that make up new assets.

TI 954(4)

Subsequent measurement:

Land and buildings are mandated by TI 954 Revaluation of Non-Current Physical Assets to be subsequently measured at fair value. In addition, land and buildings where AASB 140 Investment Property applies must also subsequently be measured at fair value.

The adoption of the fair value basis for subsequent measurement of infrastructure, plant and equipment is at the agency's discretion.

All assets within a class (i.e. buildings) must have the same measurement principles applied to it.

In this model, the agency has recognised revaluations annually. However, AASB 116 only requires revaluations to be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

AASB 116.35

On revaluation:

Agencies may elect to either:

- restate the gross carrying amount by reference to observable market data (gross method); or
- eliminate accumulated depreciation against the gross carrying amount of the asset and restate the net carrying amount to the revalued amount (net method).

TI 954
Guidelines

This model is prepared on the **gross basis** and the disclosure above reflects this election. By retaining useful information the basis provides a better disclosure outcome, though it may not always be practicable.

Reference

AASB 1060.134
(b)-(c)

AASB 116.51, 52

Useful lives

All infrastructure, property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life
Building	20 to 40 years
Plant and equipment	10 to 15 years
Office equipment	5 years
Software ^(a)	3 to 5 years
Motor vehicles	3 to 7 years
Infrastructure	55 to 80 years

(a) Software that is integral to the operation of related hardware.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.



The useful lives illustrated in the Model are for illustrative purposes only. Agencies should determine appropriate useful lives for asset classes.

Other agencies may comment on indefinite lives of earthworks, land under roads, and core cultural assets where those assets are germane to their Statement of financial position.

Impairment

AASB 136.9, 59

Non-financial assets, including items of infrastructure, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

AASB 136.60

Where an asset measured at cost and is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

AASB 136.Aus61.1

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset.

AASB 136.Aus5.1

As the Agency is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.



Consider the policy wording above. It includes policy descriptions for impairment reversals. Agencies should ensure they tailor policies to their circumstances.



Guidance – Depreciation and impairment

Depreciation

AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets require that the consumption of physical or intangible assets by wear over time is classified as either depreciation or amortisation expense.

Agencies should be electing depreciation policies and useful lives that best reflect the pattern of use.

Agencies should ensure they are reviewing at least annually, the depreciation methods, useful lives and residual values of their physical or intangible assets.

Where adjustments are required, these should be treated as adjustments to an estimate. The change in depreciation only affects prospective Statements of comprehensive income. Changes to previously recognised depreciation expenses are expressly prohibited.

Impairment

Steps to follow to determine whether an asset is impaired:

- Each agency shall apply AASB 136 Impairment of Assets to determine whether an asset is impaired and to account for any impairment loss identified.
- Each agency shall assess at the end of each reporting period whether there is any indication that an asset may be impaired.
- AASB 136.12 sets out potential indicators of impairment.
- Indicators can be external and internal to the organisation and include factors such as:
 - evidence of obsolescence or damage
 - changes in Government policy
 - technological changes

AASB 136.12

Agencies should consider all factors and evidence available to them when assessing for indicators of impairment.

If any such indication exists, the agency shall estimate the recoverable amount of the asset.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

For not-for-profit agencies regularly revaluating specialised assets, the recoverable amount is anticipated to be materially the same as fair value.

Please note that the above is generic and each agency should refer to AASB 136 and their individual circumstances to determine if impairment exists.

AASB 136.59,
60

Steps to follow after it was concluded that the asset is impaired:

- If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.
- An impairment loss is recognised immediately in profit or loss for items carried at historical cost.
- If the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and accounted for in other comprehensive income.

AASB 136.117,
119

Steps to follow if there is a reversal in an impairment loss previously recognised:

- When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. The increased carrying amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years.
- A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

If the above is the case, please refer to AASB 136 for further guidance.

Reference

4.2 Intangible assets

AASB 1060.137

Year ended 30 June 2024	Licences (\$000)	Computer Software (\$000)	Total (\$000)
1 July 2023			
Gross carrying amount	200	1,994	2,194
Accumulated amortisation	(20)	(772)	(792)
Carrying amount at start of period	180	1,222	1,402
Additions	-	-	-
Classified as held for sale	-	-	-
Impairment losses	-	-	-
Impairment losses reversed	-	-	-
Amortisation expense	(10)	(384)	(394)
Carrying amount at end of period	170	838	1,008

Initial recognitionAASB 138.24,
Aus24.1

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

TI 1101(14)

Acquired and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138 *Intangible Assets* (as noted above) are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of comprehensive income.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset, and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

AASB 1060.139

Costs incurred in the research phase of a project are immediately expensed.



This note should be tailored to meet the requirements of your agency. TI 1101(14) permits agencies to make a policy election for the unit of account for intangible assets, stipulating that the minimum recognised asset be \$5,000 or greater.

Research and development expenditures require separate disclosure.


Subsequent measurement

AASB 1060.140

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.



This note should be tailored to meet the requirements of your agency. There may be elements of the policy wording that can be omitted or summarised depending on your agency's circumstances.

	Guidance – Intangibles (disclosures)
AASB 1060.137(e)	<i>A reconciliation of the carrying amount of intangibles for the comparative period is not required under Tier 2 reporting requirements.</i>

Reference

AASB 1060.137(a)

Useful lives

Amortisation of finite life intangible assets is calculated on a straight-line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Agency have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Asset	Useful life
Licences	Up to 10 years
Development Costs	3 to 5 years
Software(a)	3 to 5 years
Website Costs	3 to 5 years


(a) Software that is not integral to the operation of any related hardware.


Impairment of intangible assets

AASB 138.108

Intangible assets with indefinite useful lives are tested for impairment annually or when an indication of impairment is identified. As at 30 June 2024 there were no indications of impairment to intangible assets.

The policy in connection with testing for impairment is outlined in [note 4.1](#).

	Guidance – Intangibles
APG 2	<i>The following is relevant for the recognition and measurement of intangibles:</i>
TI 1101(14)	<i>Agencies should assess their own circumstances in determining capitalisation thresholds for intangible assets (TI 1101 requires a minimum threshold of \$5,000).</i>
AASB 138.75-78	<i>Intangible assets can only be revalued to fair value where an active market exists. Please note that it is exceptionally rare that an active market exists for intangible assets and it is therefore unlikely that intangible assets will be revalued to fair value.</i>
AASB 138.107-108	<i>Intangible assets that have an indefinite useful life are not subject to amortisation but must be tested annually for impairment.</i>
AASB 138.97	<i>Amortisation is allocated on a systemic basis over the useful life when the intangible asset becomes available for use. It ceases when the asset is classified as held-for-sale or where the asset is derecognised.</i>
	Disclosure of amortisation
AASB 1060.137(d)	<i>An agency shall disclose the line item(s) of the Statement of comprehensive income in which any amortisation of intangible assets is included.</i>
AASB 1060.138(a)	<i>An agency shall also disclose a description, the carrying amount and remaining amortisation period of any individual intangible asset that is material to the financial statements.</i>
	Additional disclosures for indefinite useful life Intangible assets
AASB 1060.141	<i>An agency shall disclose, for an intangible asset assessed as having an indefinite useful life, the carrying amount of that asset and the reasons supporting the assessment of an indefinite useful life. In giving these reasons, the agency shall describe the factor(s) that played a significant role in determining that the asset has an indefinite useful life.</i>

	Additional disclosures – Intangibles
	<p>The following are examples of policy notes that may be applicable for some agencies:</p> <p>Licences</p> <p>Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.</p> <p>Website Costs</p> <p>Website costs are expensed when incurred unless they directly relate to the acquisition or development of an intangible asset. In this instance they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website that can be reliably measured, are capitalised to the extent that they represent probable future economic benefits.</p> <p>Research and Development Costs</p> <p>Research costs are expensed as incurred. Development costs incurred for an individual project are carried forward when the future economic benefits can be reasonably regarded as assured and the cost base exceeds the agency's asset recognition threshold. Other development costs are expensed as incurred.</p> <p>Computer Software</p> <p>Software that is an integral part of the related hardware is recognised as part of the tangible asset. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.</p>

Reference

4.3 Right-of-use assets

Year ended 30 June 2024

			Residential	Concessionary		
	Buildings	Vehicles	Housing	Leases	Total	
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	
	Carry amount at beginning of period	19,115	2,130	-	-	21,245
AASB 1060.145	Additions	3,353	-	-	-	3,353
AASB 1060.145	Impairment losses	-	-	-	-	-
AASB 1060.145	Impairment losses reversed	-	-	-	-	-
AASB 1060.145	Depreciation	(1,890)	(703)	-	-	(2,593)
AASB 1060.144(a)	Net carrying amount as at end of period	20,578	1,427	-	-	22,005

AASB 1060.144(c) The Agency has leases for vehicles, office and residential housing. The lease contracts are typically made for fixed periods of 1-10 years with an option to renew the lease after that date. Lease payments for buildings not leased through the Department of Finance are renegotiated every five years to reflect market rentals.

The Agency subleases residential housing to employees at a subsidised rate. The Agency recognises lease payments from operating leases as income on a straight-line basis over the term of the lease.

AASB 16.5
TI 916(3)-(4)

The Agency has also entered into a Memorandum of Understanding Agreements with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.



Are fixed periods of 1-10 years appropriate for the agency? If not, adjust disclosure as appropriate.

Initial recognition

AASB 16.23, 24

At the commencement date of the lease, the Agency recognises right-of-use assets and a corresponding lease liability for most leases. The right-of-use assets are measured at cost comprising of:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in [note 6.2](#)

AASB 16.5, 6
TI 916(3)

The Agency has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

AASB 16.29 The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

AASB 16.30, 31 Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

AASB 16.32 If ownership of the leased asset transfers to the Agency at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

AASB 16.33 Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in [note 4.1](#).



This note should be tailored to meet the requirements of your agency. There may be elements of the policy wording that can be omitted or summarised depending on your agency's circumstances.

**Guidance – Right-of-use assets under concessionary leases**

TI 916(5)

TI 916 Leases mandates that right-of-use assets resulting from concessionary leases are measured at cost, comprising of:

AASB 16.23, 24

- *the amount of the initial measurement of lease liability;*
- *any lease payments made at or before the commencement date less any lease incentives received;*
- *any initial direct costs; and*
- *restoration costs, including dismantling and removing the underlying asset.*

AASB 1060.151

Therefore, in accordance with AASB 16 Leases, where the lessee is a not-for-profit entity and where the leases have below-market terms and conditions principally to enable the entity to further its objectives (concessionary leases) and measures a class or classes of concessionary lease right-of-use assets at initial recognition at cost, the lessee shall disclose additional qualitative and quantitative information about those leases necessary to meet the disclosure objectives. This is to ensure users understand the effects of these leases on the entity's financial position, financial performance and cash flows.

This additional information shall include, but is not limited to, information that helps users of financial statements to assess:

- (a) the entity's dependence on leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives; and*
- (b) the nature and terms of the leases, including:*
 - (i) the lease payments;*
 - (ii) the lease term;*
 - (iii) a description of the underlying assets; and*
 - (iv) restrictions on the use of the underlying assets specific to the entity.*



Paragraphs 147 and 148 of AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* contain disclosures for lessors with finance and operating leases. Agencies sub-leasing GROH properties are excluded from the scope of paragraph 148(a).



4.4 Service concession assets

AASB 1060.242,
243

The following is an example of the disclosure and policy note for a service concession asset.

Determining whether an arrangement is a service concession requires significant judgement and should be assessed on an asset by asset basis. There is no one size fits all approach and the characteristics of each potential service concession arrangement should be considered. Agencies may seek external accounting advice to assist them with determining whether they have arrangements that fall under this Standard.

Name of the service concession asset (SCA)	Service concession asset 1	Service concession asset 2
Description of the arrangements		
Terms of the arrangement		
Period of the arrangement		
Rights and obligations		
Existing assets reclassified to SCA in the period ending 30 June 2024		
Changes in the arrangements occurred in the period ended 30 June 2024		
Carrying amount as at 30 June 2024		

Recognition and measurement

AASB 1059.7

For arrangements within the scope of AASB 1059 *Service Concession Assets: Grantor*, the entity recognises a service concession asset when it controls the asset. Where the asset is provided by the operator, or is an upgrade to or a major component replacement of an existing asset of the entity, the asset is recognised at current replacement cost based on AASB 13 *Fair Value Measurement* principles. At the same time the Agency recognises a corresponding service concession liability.

AASB 1059.11

AASB 1059.8

Where the asset is an existing asset of the grantor, the asset is reclassified as a service concession asset and remeasured at current replacement cost at the date of reclassification. Any difference at the that date between the carrying amount of the asset and its current replacement cost is recognised as if it is a revaluation of the asset.

AASB 1059.9(a)

Subsequent to initial measurement, service concession assets are depreciated over the useful life in accordance with AASB 116 *Property, Plant and Equipment* or AASB 138 *Intangible Assets*, as appropriate, with any impairment recognised in accordance with AASB 136 *Impairment of Assets*.

AASB 1059.10

At the end of the term of the service concession arrangement, the Agency accounts for the asset in accordance with other Australian Accounting Standards and:

- (a) *reclassifies the asset based on its nature or function;*
- (b) *references to fair value in other Australian Accounting Standards shall no longer be read as references to current replacement cost; and*
- (c) *derecognises the asset in accordance with AASB 116 or AASB 138 when the Agency loses control of the asset.*

5. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Agency's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes
Receivables	5.1
Amounts receivable for services	5.2
Other assets	5.3
Payables	5.4
Capital grant liabilities	5.5
Other provisions	5.6
Other liabilities	5.7

Reference	5.1 Receivables	2024	2023
		(\$000)	(\$000)
AASB 1060.44(b)			
AASB 1060.113	Current		
	Trade receivables	9,215	9,264
AASB 1060.119(c)	Allowance for impairment of trade receivables	(118)	(18)
	Accrued revenue	-	-
	GST receivable	-	65
		9,097	9,311
	Loans and advances:		
	Other debtors	-	-
		-	-
	Total current	9,097	9,311
	Non-current		
	Accrued salaries account ^(a)	60	50
		60	50
	Loans and advances:		
	Other debtors	-	-
		-	-
	Total non-current	-	-
	Total receivables at end of the period	9,157	9,361

(a) Funds transferred to Treasury for the purpose of meeting the 27th pay in a reporting period that generally occurs every 11 year. This account is classified as non-current except for the year before the 27th pay year.

AASB 9.5.1.1, 5.1.3, 4.1.2, 5.4.1 Trade receivables are initially recognised at their transaction price or, for those receivables that contain a significant financing component, at fair value. The Agency holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

AASB 9.5.5.1, B3.2.16(r) The Agency recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit or loss. The ECLs based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. Individual receivables are written off when the Agency has no reasonable expectations of recovering the contractual cash flows.


AASB 9.5.5.15, B5.5.35 For trade receivables, the Agency recognises an allowance for ECLs measured at the lifetime expected credit losses at each reporting date. The Agency has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to [note 2.3](#) for the amount of ECLs expensed in this reporting period.



This note should be tailored to meet the requirements of your agency. There may be elements of the policy wording that can be omitted or summarised depending on your agency's circumstances.


Accrued salaries account contains amounts paid annually into the Treasurer's special purpose account. It is restricted for meeting the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

The account has been reclassified from 'Cash and cash equivalents' to 'Receivables' as it is considered that funds in the account are not cash but a right to receive the cash in future. Comparative amounts have also been reclassified.

	Guidance – Receivables
AASB 1060.116	<p>An agency shall disclose at each reporting date for each class of transferred financial assets that are not derecognised (including those that are not derecognised in their entirety):</p> <ul style="list-style-type: none"> (a) the nature of the transferred assets; (b) the nature of the risks and rewards of ownership to which the agency is exposed; and (c) the carrying amounts of the assets and of any associated liabilities that the entity continues to recognise.



The above is included for example purposes. Agencies should ensure they tailor this note to fit their circumstances. Where a receivable balance is not material, the agency should consider whether disclosure is necessary.

	Guidance – Expected credit losses
AASB 9.5.5.17	<p>An agency shall measure expected credit losses of a financial instrument in a way that reflects:</p> <ul style="list-style-type: none"> • an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; • the time value of money; and • reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.
AASB 9.B5.5.35	<p>An agency would use its historical credit loss experience (adjusted as appropriate) for trade receivables to estimate the lifetime expected credit losses. A provision matrix might, for example, specify fixed provision rates depending on the number of days that a trade receivable is past due (for example, 1 per cent if not past due, 2 per cent if less than 30 days past due, 3 per cent if more than 30 days but less than 90 days past due, 20 per cent if 90-180 days past due etc.). Depending on the diversity of its customer base, the agency would use appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. Examples of criteria that might be used to group assets include geographical region, product type, customer rating, collateral or trade credit insurance and type of customer (such as wholesale or retail).</p>

Reference

5.2 Amounts receivable for services (Holding Account)

	2024	2023
	(\$000)	(\$000)
Current	17,139	19,790
Non-current	55,725	45,060
Total Amounts receivable for services at end of period	75,864	64,810

AASB 1060.112

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

TI 1101
Guidelines

The amounts receivable for services are financial assets at amortised cost, and are not considered impaired. (i.e. there is no expected credit loss of the holding accounts).

5.3 Other assets

	2024 (\$000)	2023 (\$000)
Current		
Prepayments		-
Other [describe]	550	483
Total current	550	483
Non-current		
Other [describe]	-	60
Total non-current	-	60
Total other assets at end of period	550	620



Entities should be applying materiality to all note disclosures to determine if their disclosure is relevant for the understanding of the financial statements.

Reference

5.4 Payables

	2024 (\$000)	2023 (\$000)
Current		
Trade payables	1,028	1,350
Other payables	528	480
Accrued expenses	201	160
Accrued salaries	2,450	2,801
Other [describe]	-	-
Total payables at end of period	4,207	4,791

AASB 1060.112

Payables are recognised at the amounts payable when the Agency becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement for the Agency is generally within 15-20 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period. The Agency considers the carrying amount of accrued salaries to be equivalent to its fair value.



The above are included for example purposes. Agencies should ensure they tailor this note to fit their circumstances. Where a payable balance is not material, the agency should consider whether disclosure is necessary.

TI 323 *Timely Payment of Accounts* requires payments for goods, services and for works or construction of less than \$1 million and not subject to an exemption, to be paid within 20 days. Payments for invoices over \$1 million are required to be settled within 30 calendar days of the receipt of a correctly rendered invoice, or provision of goods or services.

5.5 Capital grant liabilities

AASB 1060.233

	2024 (\$000)	2023 (\$000)
Reconciliation of changes in capital grant liabilities		
Opening balance at the beginning of the period	3,590	-
Additions	-	4,640
Income recognised in the reporting period.	(718)	(1,050)
Closing balance at the end of period	2,872	3,590
Current	574	718
Non-current	2,298	2,872

AASB 1058.16 The Agency recognises a capital grant liability for the excess of the initial carrying amount of a financial asset received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity.

When (or as) the obligations of the capital grant liability are satisfied under the transfer, the Agency recognises income in profit or loss. Information on the Agency's obligations can be found in [note 3.4](#).



Guidance – Capital grant liabilities

AASB 1058.16 *The agency will need to determine if obligations attached to a capital grant require deferral of income until the obligations are satisfied.*

Reference

5.6 Other provisions

	Notes	2024 (\$000)	2023 (\$000)
Current			
Warranties	5.6.1	62	45
Restoration provision	5.6.2	-	-
Total current		62	45
Non-current			
Warranties	5.6.1	-	-
Restoration provision	5.6.2	550	525
Total non-current		550	525
Balance at end of period		612	570

AASB 1060.153(b)
-(d)

5.6.1 Provision for warranty claims

The provision for warranty claims represents the present value of the directors' best estimate of the future outflow of economic benefits that will be required under the Agency's obligations for warranties under local sale of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

Provision is made for the estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled within two reporting periods, but this may be extended if claims are made late in the warranty period and are subject to confirmation by suppliers that component parts are defective.

5.6.2 Restoration (make good) provision

Some leased premises are required to be restored to their original condition at the end of their respective lease terms. A provision needs to be recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs are capitalised as part of the cost of leasehold improvements or right-of-use assets and are amortised over the shorter of the lease term and the useful life of the assets.

Under [*detail circumstances*] the Agency has a legal or constructive obligation to dismantle [*detail the property*] and restore the site.

The estimated future obligations include the costs of [*removing facilities, abandoning sites/wells and restoring the affected areas*].

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date [*based on current legal and other requirements and technology*]. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.



Agencies should also detail expected timing of payments, any significant uncertainties regarding the timing and amounts of payments required to settle the obligations.

Reference **5.6.3 Movement in provisions**

AASB 1060.153(a)

2024
(\$000)**Movements in each class of provision during period****Warranty provisions**

Carrying amount at start of period	45
Additional/(reversals of) provisions recognised	42
Payments	(28)
Unwinding of the discount	3
Carrying amount at end of period	62

Restoration provisions

Carrying amount at start of period	525
Additional/(reversals of) provisions recognised	-
Payments	-
Unwinding of the discount	25
Carrying amount at end of period	550

**Guidance – Provisions (recognition)**

AASB 137.14

A provision shall be recognised when:

- (a) an agency has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.


If these conditions are not met, no provision shall be recognised.

AASB 137.15

In rare cases it is not clear whether there is a present obligation. In these cases, a past event is deemed to give rise to a present obligation if, taking account of all available evidence, it is more likely than not that a present obligation exists at the end of the reporting period.

AASB 1060.154

For a liability to qualify for recognition there must be not only a present obligation but also the probability of an outflow of resources embodying economic benefits to settle that obligation. For the purpose of AASB 137 Provisions, Contingent Liabilities and Contingent Assets, an outflow of resources or other event is regarded as probable if the event is more likely than not to occur, that is, the probability that the event will occur is greater than the probability that it will not. Where it is not probable that a present obligation exists, an agency discloses a contingent liability, unless the possibility of an outflow of resources embodying economic benefits is remote.

	Guidance – Provisions (disclosures)
AASB 1060.153(a)	<p>For each class of provision, an agency shall disclose:</p> <ul style="list-style-type: none"> (a) the carrying amount at the beginning and end of the period; (b) amounts used (that is, incurred and charged against the provision) during the period; (c) unused amounts reversed during the period; and <p>Comparative information is not required.</p>
AASB 1060.153(b) (c)	<p>An agency shall disclose the following for each class of provision:</p> <ul style="list-style-type: none"> (a) a brief description of the nature of the obligation and the expected timing of any resulting outflows of economic benefits; and (b) an indication of the uncertainties about the amount or timing of those outflows.
	Exemptions
AASB 1060.156	<p>In extremely rare cases, disclosure of some or all of the information required by AASB 137 Provisions, Contingent Liabilities and Contingent Assets can be expected to prejudice seriously the position of the agency in a dispute with other parties on the subject matter of the provision. In such cases, an agency need not disclose the information, but shall disclose the general nature of the dispute, together with the fact that, and reason why, the information has not been disclosed.</p> <p>Regardless of how sensitive certain information about provisions may be, this exemption from disclosure does not affect the requirement to recognise provisions that satisfy the criteria for recognition set out in AASB 137.</p>

Reference

5.7 Other liabilities

	2024 (\$000)	2023 (\$000)
Current		
Other [describe]	-	-
Total current	-	-
Non-current		
Other [describe]	1,160	1,160
Total non-current	1,160	1,160
Balance at end of period	1,160	1,160

AASB 1060.112
AASB 9.5.1.1

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost.



The above table is included for example purposes. Agencies should ensure they tailor this note to fit their circumstances. Where a balance is not material, the agency should consider whether disclosure is necessary.

6. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the Agency.

	Notes
Borrowings	6.1
Lease liabilities	6.2
Service concession liabilities	6.3
Assets pledged as security	6.4
Finance costs	6.5
Cash and cash equivalents	6.6
Capital commitments	6.7


Reference	6.1 Borrowings	2024	2023
		(\$000)	(\$000)
AASB 1060.113 TI 1103(9)	Current		
	Other [describe]	-	-
	Total current	-	-
	Non-current		
	Other [describe]	-	-
	Total non-current	-	-
	Balance at end of period	-	-

AASB 9.5.1.1 Borrowings refer to interest bearing liabilities mainly raised through Western Australian Treasury Corporation.

Interest bearing financial liabilities are classified at amortised cost are initially recognised at fair value of the consideration received less directly attributable transactions costs.

Subsequent to initial recognition the borrowings are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised or through the amortisation process.

The Agency has not designated any financial liabilities at fair value through profit or loss.

	Guidance – Borrowings
	<p>Classification of financial instruments</p> <p><i>When the Statement of financial position presentation of a financial instrument differs from the instrument's legal form, it is desirable for an agency to explain in the notes the nature of the financial instrument.</i></p> <p><i>Disclosure requirements of AASB 1060.113 require separate disclosures for specified classes of financial instruments, whilst paragraph 9 of TI 1103 Statements of Financial Position requires agencies to distinguish interest bearing and non-interest bearing borrowings.</i></p>
AASB 1060.117	<p>Collateral</p> <p><i>When an agency has pledged financial assets as collateral for liabilities or contingent liabilities, it shall disclose the following:</i></p> <ul style="list-style-type: none"> <i>(a) the carrying amount of the financial assets pledged as collateral; and</i> <i>(b) the terms and conditions relating to its pledge.</i>
AASB 1060.123, 135, 138(c)	<p>Assets pledged as security</p> <p><i>The Agency shall disclose the following for assets pledged as security:</i></p> <ul style="list-style-type: none"> <i>(a) the total carrying amount of inventories pledged as security for liabilities;</i> <i>(b) the existence and carrying amounts of infrastructure, property, plant and equipment which the entity has pledged as security for liabilities; and</i> <i>(c) the existence and carrying amounts of intangible assets which the entity has pledged as security for liabilities.</i>

Defaults and breaches on loans payable

AASB 1060.118

For loans payable recognised at the reporting date for which there is a breach of terms or a default of principal, interest, sinking fund or redemption terms that have not been remedied by the reporting date, an agency shall disclose the following:

- (i) details of that breach or default;
- (ii) the carrying amount of the related loans payable at the reporting date; and
- (iii) whether the breach or default was remedied, or the terms of the loans payable were renegotiated, before the financial statements were authorised for issue.

Reference**6.2 Lease liabilities**

AASB 1060.144(b)

	2024	2023
	(\$000)	(\$000)
Not later than one year	5,979	6,562
Later than one year and not later than five years	11,317	17,296
Later than five years	-	-
	17,296	23,858
Current	5,979	6,562
Non-current	11,317	17,296
	17,296	23,858

AASB 16.26

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Agency uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

AASB 16.27

Lease payments included by the Agency as part of the present value calculation of lease liability include:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options (where these are reasonably certain to be exercised);
- payments for penalties for terminating a lease, where the lease term reflects the agency exercising an option to terminate the lease; and
- periods covered by extension or termination options are only included in the lease term by the Agency if the lease is reasonably certain to be extended (or not terminated).

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

AASB 16.38(b)

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales, an index or a rate are recognised by the Agency in profit or loss in the period in which the condition that triggers those payment occurs.

Subsequent measurement

AASB 16.36

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

This section should be read in conjunction with [note 4.3](#).

	2024 (\$000)	2023 (\$000)
AASB 1060.146A	Lease expenses recognised in the Statement of comprehensive income	
	365	371
	232	237
AASB 1060.146(b)	-	-
AASB 1060.146(b)	118	122
AASB 1060.150	-	-

AASB 16.6
T1916(3)

Short-term leases with a lease term of 12 months or less are recognised on a straight-line basis unless the lessor is an agency within the Western Australian public sector.

Low-value leases with an underlying value of \$5,000 or less are recognised on a straight-line basis.

AASB 16.38(a)

Variable lease payments that are not included in the measurement of the lease liability are recognised in the period in which the event or condition that triggers those payments occurs.



Agencies should ensure they tailor this note to fit their circumstances and delete if not relevant to the facts and circumstances of the agency.

AASB 1060.146
(a)

If commitments for short-term leases are for a portfolio of leases different from the portfolio of short-term leases disclosed in the above table, the Agency is required to disclose prospective short-term lease payments in accordance with the periods at AASB 1060.144(b).



Did you have instances of licences that are in substance leases or contain leases?

These will be within the scope of AASB 16 Leases and paragraphs 151-152 of AASB 1060



Guidance – Leases

Recognition of lease contract

AASB 16.9 *At inception, an agency should assess whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.*



AASB 16.12, 15
TI 916(7) *When a lease contract contains a lease component and non-lease component, and if the non-lease component is material, agencies account for the amount of the non-lease component separately, where practicable from the lease amount by applying other applicable Standards. Immaterial non-lease component(s) may be included in the lease amount, and accounted for as a single lease, by the agency.*

Reassessment of lease liability

AASB 16.40-43 *Agencies are required to remeasure a lease liability where there has been a change in lease payments, change in the lease term or a change in the assessment of an option to purchase the underlying asset. These remeasurements are referred to as lease reassessments and the revised lease payments are discounted using a revised discount rate. In some situations, change in lease payments will require the use of an unchanged discount rate.*

Lease modifications

AASB 16.44-46 *Agencies may also encounter lease modifications. Lease modifications will either be accounted for as a separate lease or as part of the existing lease. A separate lease is distinguished where the scope of the lease is increased by adding the right to use one or more underlying assets, and the consideration for a lease increase by an amount commensurate with the stand-alone price of the increase in scope.*

	6.3 Service concession liabilities																								
AASB 1060.242	<p>The below illustrative disclosure is only intended to demonstrate how agencies could satisfy their disclosure obligations under AASB 1059 <i>Service Concession Arrangements: Grantors</i>.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%; text-align: right;">2024</th> <th style="width: 10%; text-align: right;">2023</th> </tr> <tr> <th></th> <th style="text-align: right;">(\$000)</th> <th style="text-align: right;">(\$000)</th> </tr> </thead> <tbody> <tr> <td colspan="3">Current</td> </tr> <tr> <td>Service concession financial liability</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td>Service concession liability - GORTO</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td colspan="3">Non-current</td> </tr> <tr> <td>Service concession financial liability</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td>Service concession liability - GORTO</td> <td></td> <td style="text-align: right;">-</td> </tr> </tbody> </table> <p>Service concession financial liability</p> <p>A financial liability, measured at amortized cost, is recognised where the State has a contractual obligation to pay the operator under the service concession arrangement for the provision of service concession assets and/or services. The liability is increased by interest charges (note 6.4), based on the interest rate implicit in the arrangement. The liability is reduced by any payments made by the State to the Operator as required under the contract.</p> <p>These payments take the form of Contributions (also referred to as capital contributions/capital payments) and other periodic payments (referred to as “Service Payments”). The capital payments are usually made during the construction phase of the asset and are associated with the design, construction, and financing of the service concession asset. The service payments compensate the operator for delivery of services such as ongoing operation, maintenance, replacement, and other costs.</p> <p>Grant of a right to the operator (GORTO) liability</p> <p>A grant of a right to the operator (GORTO) liability is recognised where the agency does not have a contractual obligation to pay cash or another financial asset but grants the right to the operator to earn revenue from the public use of the asset (note 4.4).</p>		2024	2023		(\$000)	(\$000)	Current			Service concession financial liability		-	Service concession liability - GORTO		-	Non-current			Service concession financial liability		-	Service concession liability - GORTO		-
	2024	2023																							
	(\$000)	(\$000)																							
Current																									
Service concession financial liability		-																							
Service concession liability - GORTO		-																							
Non-current																									
Service concession financial liability		-																							
Service concession liability - GORTO		-																							
 AASB 1059.11-12 AASB 1059.14, B51, B56	<p style="text-align: center;">Guidance – Service concession liabilities</p> <p>Where the grantor recognises a service concession asset in accordance with AASB 1059 <i>Service Concession Arrangements Grantors</i>, the grantor shall:</p> <ol style="list-style-type: none"> (a) recognise a liability for the amount initially recognised as the service concession asset (i.e. current replacement cost), adjusted by the amount of any other considerations; and (b) not recognise a liability when an existing asset of the grantor is reclassified as a service concession asset, except in circumstances where additional consideration is provided by the operator. <p>Depending on the nature of the service concession arrangement, the grantor recognises a liability based on the ‘financial liability’ model, ‘grant of right to the operator’ model or a combination of both.</p> <p>Types of consideration</p> <p>Depending on the terms of the service concession arrangement, the grantor may compensate the operator for the service concession asset and service provision by any combination of the following:</p> <ol style="list-style-type: none"> (a) making payments to the operator; and (b) compensating the operator through non-monetary exchange. 																								

Initial and subsequent measurement**Financial liability model**

AASB 1059.15 Where the grantor has a contractual obligation to compensate the operator for the construction, development, acquisition or upgrade of the service concession asset, through the delivery of cash or another financial asset, the grantor shall recognise a financial liability.

AASB 1059.17 The financial liability shall be recognised and disclosed in accordance with AASB 9 Financial Instruments, AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures, unless otherwise specified by the Standard.

AASB 1059.B64 For compensation in the form of predetermined payment or series of payments, the grantor shall determine the financial liability under such arrangement using the contractually specified interest rate in the arrangement to measure the financial liability. If this is not practical the grantor shall use the prevailing market rate(s) of interest.

Grant of a right to the operator model

AASB 1059.21 Where the operator is compensated through non-monetary means by the granting of the right to earn revenue from third-party users from the service concession asset or access to another revenue generating asset, the grantor shall recognise a liability.

AASB 1059.22 The liability is recognised as unearned revenue at the inception of the service concession arrangement and subsequently reduced as revenue is recognised according to the economic substance of the service concession arrangement. Usually the service concession asset is provided to the operator over the term of the service concession arrangement.

Hybrid arrangement

AASB 1059.24 A hybrid arrangement is a service concession arrangement consisting of a portion related to the financial liability model and a portion related to the grant of a right to the operator model. Under such an arrangement, each portion of the total liability related to the grantor's consideration must be accounted for separately.

AASB 1059.25 In apportioning the hybrid arrangement, the grantor will first measure and account for the financial liability portion under the hybrid arrangement, before allocating the remaining portion of the liability to the grant of a right to the operator model.

Example disclosure

The example disclosure below is only intended to demonstrate how agencies could satisfy their disclosure obligations under AASB 1059 Service Concession Arrangements: Grantors.

	2024 (\$000)	2023 (\$000)
Current		
Service concession financial liability	-	-
Service concession liability - GORTO	-	-
Non-current		
Service concession financial liability	-	-
Service concession liability - GORTO	-	-

Reference

AASB 7.14, 7.15

6.4 Assets pledged as security

	2024	2023
	(\$000)	(\$000)
Assets pledged as security		
The carrying amounts of non-current assets pledged as security are:		
Inventories	2,130	2,851
Total assets pledged as security	2,130	2,851

The Agency has secured the right-of-use assets against the related lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.



Agencies should ensure they tailor this note to fit their circumstances and delete if not relevant to the facts and circumstances of the agency.

**Guidance – Assets pledged as security**

The financial statements shall disclose the following for assets pledged as security:

- | | |
|-----------------|--|
| AASB 102.36(h) | (a) <i>the carrying amount of inventories pledged as security for liabilities;</i> |
| AASB 138.122(d) | (b) <i>the existence and carrying amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities;</i> |
| AASB 116.74(a) | (c) <i>the carrying amount of the infrastructure, property, plant and equipment pledged and the related existence and amounts of restrictions on title;</i> |
| AASB 140.75(g) | (d) <i>the existence and amounts of restrictions on the realisability of investment property or the remittance of income and proceeds of disposal; and</i> |
| AASB 7.14 | (e) <i>the carrying amount of financial assets pledged as collateral for liabilities or contingent liabilities and any material terms and conditions relating to assets pledged as collateral.</i> |

Reference

6.5 Finance costs

Reference	2024 (\$000)	2023 (\$000)
AASB 1060.161		
Interest expense		
	365	371
AASB 101.82(b)	-	-
	160	120
	525	491
Other finance costs		
AASB 1060.153(a)(ii)	88	77
	88	77
	613	568

Finance cost includes the interest component of lease liability repayments, interest component of service concession financial liabilities and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.



Agencies should ensure they tailor this note to fit their circumstances and delete if not relevant to the facts and circumstances of the agency.

AASB 1060.162, 163

The agency may elect to recognise borrowing costs as an expense, even where they are directly attributable to the acquisition, construction or production of a qualifying asset (AASB 123.Aus8.1). Where they do so the policy should reflect that this is the case.

**Guidance – Finance costs**

AASB 123.5

Finance costs are interest and other costs incurred by an agency in connection with the borrowing of funds and may include:

- (a) interest expense calculated using the effective interest method as described in AASB 9 Financial Instruments;*
- (b) lease interest expense in respect of lease liabilities recognised in accordance with AASB 16 Leases;*
- (c) interest expense from the financial liability component of service concession arrangements that are calculated using the effective interest method in accordance with AASB 9; and*
- (d) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.*

<i>Reference</i>	6.6 Cash and cash equivalents	2024	2023
		(\$000)	(\$000)
<i>AASB 1060.88</i>			
	Cash and cash equivalents	8,308	6,435
	Restricted cash and cash equivalents	3,590	970
	Balance at end of period	11,898	7,405
<i>AASB 1060.89</i> <i>TI 1103(7)</i>	Restricted cash and cash equivalents	2024	2023
		(\$000)	(\$000)
	Current		
	Grant ^(a)	3,590	970
	Non-current		
	Grant	-	-
	(a) Funds held for the research and development project on software development for public sector accounting.		

AASB 107.6-8 For the purpose of the Statement of cash flows, cash and cash equivalent assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

Reference **6.7 Capital commitments**

AASB 1060.135 (b)	2024	2023
	(\$000)	(\$000)
TI 1103 Guidelines	Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:	
	27,000	35,000
	41,000	53,000
	-	-
	68,000	88,000



Agencies with contractual commitments for the acquisition of intangible assets will need to disclose those in accordance with AASB 1060.138(d)



Guidance – Capital commitments

TI 1103
Guidelines

Contracted capital commitments

Capital commitments contracted for as at the end of the reporting period do not require disclosure where the commitments have been recognised as liabilities in the Statement of financial position.

GST

The purpose of the commitment note disclosure is to inform users of the commitments for payments from a cash flow perspective and consequently includes GST as appropriate.

7. Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the Agency.

	Notes
Financial instruments	7.1
Contingent assets and liabilities	7.2

Reference **7.1 Financial instruments**

AASB 1060.113 The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2024 (\$'000)	2023 (\$'000)
Financial assets		
Cash and cash equivalents	11,898	7,405
AASB 7.8(f) Financial assets at amortised cost ^(a)	82,021	72,955
Total financial assets	93,919	80,360
Financial liabilities		
Financial liabilities at amortised cost ^(b)	21,503	28,649
Total financial liability	21,503	28,649

(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

(b) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable)



Guidance – Categories of financial assets and financial liabilities

AASB 1060.113

An agency shall disclose the carrying amounts of each of the following categories of financial assets and financial liabilities at the reporting date, in total, either in the Statement of financial position or in the notes:

- (a) financial assets measured at fair value through profit or loss;
- (b) financial assets measured at amortised cost;
- (c) financial liabilities measured at fair value through profit or loss;
- (d) financial liabilities measured at amortised cost; and
- (e) financial assets measured at fair value through other comprehensive income, showing separately:
 - i. financial assets that are measured at fair value through other comprehensive income in accordance with paragraph 4.1.2A of AASB 9 Financial Instruments; and
 - ii. investments in equity instruments designated as such upon initial recognition in accordance with paragraph 5.7.5 of AASB 9.



Additional disclosures for financial Instruments

AASB 1060.114,

This model has simple financial instruments that aren't fair valued.

More complex fair-valued financial instruments would require:

AASB 1060.115

- disclosure of information enabling financial statements users to evaluate the significance of financial instruments for its financial performance and position (e.g. terms, repayment schedules, interest rates); and/or
- disclosure by class of instrument, assumptions concerning prepayment rates, rates of estimated credit losses, and interest rates or discount rates.

Reference

7.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

AASB 1060.155

7.2.1 Contingent assets

The following contingent assets are excluded from the assets included in the financial statements:

Litigation in progress

A negligence claim has been filed against a supplier for faulty materials. The potential financial effect of the success of the claim cannot be reliably measured at this time.

AASB 1060.154

7.2.2 Contingent liabilities

The following contingent liabilities are excluded from the liabilities included in the financial statements:

Litigation in progress

A plaintiff has made a claim for \$50,000 in relation to an alleged breach of copyright. Liability has been denied and any legal claim will be defended.


Native title claims

The Agency’s land is subject to a number of native title claims that have yet to be assessed by the National Native Title Tribunal. The financial effect should these claims be successful cannot be estimated at this time.

Contaminated sites

Under the *Contaminated Sites Act 2003*, the Agency is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the *Contaminated Sites Act 2003*, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as *contaminated – remediation required* or *possibly contaminated – investigation required*, the Agency may have a liability in respect of investigation or remediation expenses.

During the year the Agency reported three suspected contaminated sites to DWER. These have yet to be classified. The Agency is unable to assess the likely outcome of the classification process, and accordingly, it is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows. Whilst there is no possibility of reimbursement of any future expenses that may be incurred in the remediation of these sites, the Agency may apply for funding from the Contaminated Sites Management Account to undertake further investigative work or to meet remediation costs that may be required.

	<p>Guidance – Contingent assets and liabilities</p>
<p>AASB 137.34</p>	<p><i>A contingent asset is disclosed where an inflow of economic benefits is probable.</i></p>
<p>AASB 137.28, 30</p>	<p><i>A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required, a provision is recognised in the period in which the change in probability occurs.</i></p>
<p>AASB 137.2 AASB 9.4.2.1(c)</p>	<p><i>AASB 137 Provisions, Contingent Liabilities and Contingent Assets does not apply to financial instruments that are within the scope of AASB 9 Financial Instruments. This includes contracts or arrangements that agencies entered into as the issuer of ‘financial guarantee contracts’.</i></p>

8. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	8.1
Correction of period errors/changes in accounting policies	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies	8.5
Affiliated bodies	8.6
Special purpose accounts	8.7
Remuneration of auditors	8.8
Non-current assets held for sale	8.9
Supplementary financial information	8.10


Reference

8.1 Events occurring after the end of the reporting period

AASB 1060.185-188

The following table represents a summary of events occurring after the end of the reporting period:

- Provide details of the non-adjusting events that occurred after the end of the reporting period

	Guidance – events occurring after the end of the reporting period
AASB 110.3	<p><i>Events after the end of the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:</i></p> <ul style="list-style-type: none"> • <i>those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the end of the reporting period); and</i> • <i>those that are indicative of conditions that arose after the end of the reporting period (non-adjusting events after the end of the reporting period).</i>
AASB 1060.185 AASB 110.8-9	<p>Updating disclosure about conditions at the end of the reporting period</p> <p><i>Agencies applying Tier 2 simplified disclosure requirements are required to update their financial statements and related disclosures where the agency receives information after the end of the reporting period about conditions that existed at the end of the reporting period, in light of the new information.</i></p>
AASB 1060.187-188 AASB 110.10-11 AASB 110.21	<p>Non-adjusting Events After the End of the Reporting Period</p> <p><i>If non-adjusting events after the end of the reporting period are material, non-disclosure could influence the economic decisions of users taken on the basis of the financial report. Accordingly, an agency shall disclose the following for each material category of non-adjusting event after the end of the reporting period:</i></p> <ul style="list-style-type: none"> • <i>the nature of the event; and</i> • <i>an estimate of its financial effect, or a statement that such an estimate cannot be made.</i>


Reference



8.2 Changes in accounting policy

AASB 1060.106-110

The following table represents a summary of changes in accounting policy from initial application of accounting standards:

- Provide details of the prior period errors/changes in accounting policy.

	Guidance – Initial application of Australian Accounting Standards
	<p>The following standards are operative for reporting periods ended on or after 30 June 2024:</p> <ul style="list-style-type: none"> • AASB 2021-2 - Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates • AASB 2021-5 - Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction • AASB 2021-6 - Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards • AASB 2021-7b - Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections • AASB 2022-1 - Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information • AASB 2022-7 - Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards • AASB 2022-8 - Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments • AASB 2023-2 – Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules • AASB 2023-4 - Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules: Tier 2 Disclosures <p>Agencies should ensure they:</p> <ul style="list-style-type: none"> • review the list of pending standards at Accounting Standards (aasb.gov.au) • identify standards with potentially material impact on the reported results of the agency; • put in place appropriate procedures to consider and measure the potential impact; and • provide appropriate disclosures around the expected impact of the standard.

	Guidance – Changes in accounting policies
AASB 108.21 TI 1101 Guidelines	<p>Where an agency decides to make a voluntary change in accounting policy, this shall be accounted for under AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and is to be applied retrospectively. An example of a voluntary change in accounting policy is an increase in the asset capitalisation threshold.</p>
AASB 108.22 AASB 108.17	<p>Under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, voluntary changes in accounting policy are adjusted against the opening balances of each affected component of equity in the comparatives. Note that changes in accounting policy under AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets in respect of the revaluation of assets are not accounted for under AASB 108. Changes to the revaluation model under these Standards are not applied retrospectively.</p>
AASB 108.22-27	<p>A change in accounting policy is applied retrospectively, the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts disclosed for each prior period presented shall be adjusted as if the policy had always been applied, except to the extent it is impracticable to do so.</p>
	Guidance – Correction of prior period errors
AASB 108.42	<p>Where an agency has identified material prior period errors, they should be retrospectively corrected in the first complete set of financial statements authorised for issue after their discovery by:</p> <ul style="list-style-type: none"> • restating the comparative amounts for the prior period(s) presented in which the error occurred; or • if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented. <p>Corrections of prior period errors are adjusted against the opening balances of each affected component of equity in the comparatives.</p>
AASB 108.44, 45	<p>Exemptions to this arise when it is impracticable to measure the effect of the prior period error. In such circumstances appropriate disclosures need to be made to describe the event.</p>
AASB 1060.110 (d)	<p>Whether or not the impact is measured, agencies need to provide adequate narration to the financial statements to allow for users to understand the impact of the error on the financial results.</p>


Reference

8.3 Key management personnel

The Agency has determined key management personnel to include cabinet ministers and senior officers of the Agency. The Agency does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Agency for the reporting period are presented within the following bands:

TI 952(2)(i)(b)	Compensation band (\$)	2024	2023
	200,001 – 250,000	1	1
	150,001 – 200,000	1	-
	100,001 – 150,000	2	2
	50,001 – 100,000	1	2
	0 – 50,000	1	1
		2024	2023
		(\$000)	(\$000)
AASB 1060.194	Total compensation of senior officers	620	580

	Guidance – Key management personnel
TI 952(2)(i)(b)	<i>Departments and Statutory Authorities shall disclose the number of senior officers whose total compensation for the reporting period falls within each band of income of \$50,000.</i>
TI 952(2)(i)(c)	<i>Statutory Authorities shall additionally disclose the number of members of the accountable authority, whose total compensation for the reporting period falls within each band of income of \$10,000, separately from those for other senior officers.</i>
TI 952(2)(i)(d)	<i>Departments and Statutory Authorities should ensure they disclose the number of senior officers who are members of the Pension Scheme.</i>
	<i>Compensation should be determined by applying the relevant requirements under AASB 119 Employee Benefits as the basis for measuring the components of remuneration.</i>
	<i>AASB 119 distinguishes employee benefits on the basis of when the benefits are expected to be settled and the employment status at the time of that settlement.</i>

Reference

8.4 Related party transactions

AASB 1060.192

The Agency is a wholly owned public sector entity that is controlled by of the State of Western Australia.


APG 4

Related parties of the Agency include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with related parties

Outside of normal citizen type transactions with the Agency, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

	Example of specific related party disclosure note
AASB 1060.198	<p>During the year, a company controlled by a related party of a Minister, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm’s length transactions under the State’s procurement process. The transaction involved the provision of IT support services to support the migration of the agency’s financial management system and various databases to cloud-based platforms with a total value of \$45 million spread evenly over four years. The contract imposes no further commitments.</p> <p>All other transactions that have occurred with key management personnel and other related parties have been trivial or domestic in nature.</p>



Guidance – Related party transactions

APG 4

The Western Australian Government is the parent of almost all public sector entities. However, agencies should note that there are a number of entities that are not regarded as being controlled (for example: universities, local governments, Public Trustee and Legal Contribution Trust) by the State.

The Government Employee Superannuation Board is a related party as it benefits the majority of the agency's employees in accordance with paragraph 9(b)(v) of AASB 124 Related Party Disclosures, despite not being controlled by the Western Australian Government.

Refer to note 8 'Composition of Sectors' in Appendix 1 'Detailed Financial Projections' of the Budget Paper No. 3 'Economic and Fiscal Outlook' for a list of entities included in the State's consolidated financial statements.

AASB 124 only require the disclosure of material related party transactions, including outstanding balances and commitments.

Materiality is subject to professional judgement and goes beyond the dollar value of the transaction or balance.

Judgements should consider the objective of the Standard when determining whether quantitative or qualitative materiality justifies the disclosure, or non-disclosure, of transactions in the financial statements.

However, it is important to note that all key management personnel need to complete the mandated declaration form.

This information is necessary to enable agencies to prepare the financial statements and external auditors to conduct the necessary audit work according to Australian Auditing Standard ASA 550 Related Parties.

This provides evidence (subject to audit) that all relevant information has been made available for the assessment and also because a transaction that may appear immaterial on its own, may in combination with other like transactions have a material effect on the State's or agency's financial statements and therefore warrants disclosure.

Reference

8.5 Related bodies

TI 951(3), (4)

The Agency had two related bodies during the reporting period and meet all operating expenses of these bodies as follows:


	2024 (\$000)	2023 (\$000)
TNT Agency	6,290	6,540
ABN Agency	75	70
Total	6,365	6,610

The transactions and results of the related bodies have been included in the financial statements.

8.6 Affiliated bodies

TI 951(5), (6)

Excellent Board is a government affiliated body that received administrative support and a grant of \$2,300,000 (2023: \$1,200,000) from the Agency. The Excellent Board is not subject to operational control by the Agency.

	Guidance – Related and affiliated bodies
TI 951(3)	<i>A related body is a body that receives more than half of its funding and resources from an agency and is subject to operational control by that agency.</i>
TI 951(5)	<i>An affiliated body is a body that receives more than half its funding and resources from an agency but is not subject to operational control by that agency.</i>

Reference

8.7 Special purpose accounts

TI 1103(15)(iii)

The Prize Fund^(a)

The purpose of the account is to hold funds from donations and bequests in trust for the purpose of awarding prizes to schools and colleges in the information technology field.

	2024	2023
	(\$000)	(\$000)
Balance at start of period	-	560
Receipts	390	135
Payments	(305)	(695)
Balance at end of period	85	-

The Industry Fund^(b)

The purpose of the account is to hold funds appropriated by Parliament for the development of initiatives improving the competitiveness of the Western Australian technology industry.

	2024	2023
	(\$000)	(\$000)
Balance at start of period	-	-
Receipts	100	-
Payments	(50)	-
Balance at end of period	50	-


(a) Established under section 16(1)(c) of FMA.

(b) Established under section 16(1)(d) of FMA.

TI 802(6)



A copy of the approved special purpose statement or trust statement is required to be published in the annual report in the reporting period it is approved or amended. This requirement was moved from TI 950 to TI 802(6) in preparation for June 2023 financial reporting.

	Guidance – Special purpose accounts
TI 1103(15)(iii)	<p>Agencies are required to provide cash-based reporting for any special purpose accounts established under section 16(1)(b), (c) or (d) of the FMA. The relevant disclosure requirements are:</p> <ul style="list-style-type: none"> • the purpose of the special purpose account; • the balance of the account at the beginning of the reporting period; • total receipts; • total payments; and • the balance of the account at the end of the reporting period. <p>The above information can be presented in a table format.</p>

Reference

8.8 Remuneration of auditors

AASB 1060.98, 99 Remuneration paid or payable to the Auditor General in respect of the audit for the current reporting period is as follows:

	2024	2023
	(\$000)	(\$000)
Auditing the accounts, financial statements, controls, and key performance indicators	55	50

**Guidance – Remuneration of auditors**

AASB 1060.98,
99

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities requires agencies to disclose the amounts paid or payable to:

- (a) the auditor of the entity for an audit or a review of the financial statements of the entity; and
- (b) the auditor of the entity for non-audit services in relation to the entity, disclosing separately the nature and amount of each of the non-audit services provided by the auditor.

Reference

8.9 Non-current assets classified as assets held for sale

AASB 1060.47(a) The following table represents a summary of assets held for sale


	2024	2023
	(\$000)	(\$000)
Land	-	1,090
Plant, equipment and vehicles	3,370	2,038
Total assets classified as held for sale	3,370	3,028

AASB 1060.47(b)

Assets surplus to requirements were identified for orderly disposals by the Agency.



This note may be extended to include discontinued operations where relevant. However, discontinued operations does not refer to restructuring of administrative arrangements. Restructuring of administrative arrangements is out of scope of AASB 5.

	Guidance – Non-current assets held for sale
	<i>Discontinued operations are rare in the public sector and therefore are not addressed in this model.</i>
AASB 1060.47 (a)	<i>Describe asset(s) or classes of assets, with any associated liabilities on hand for disposal at year end.</i>
AASB 1060.47 (b)	<i>Describe the facts and circumstances of the disposal, and the expected manner and timing of that disposal.</i>

Reference

8.10 Supplementary financial information

TI 952(5)(i)

(a) Write-offs

During the reporting period, nil (2023: \$370,000) was written off the Agency's books under the authority of:

	2024 (\$000)	2023 (\$000)
The accountable authority	-	10
The Minister	-	105
The Treasurer	-	255
	-	370

TI 952(5)(ii)

(b) Losses through theft, defaults and other causes

	2024 (\$000)	2023 (\$000)
Losses of public money, other money and public and other property through theft or default	-	-
Amounts recovered	-	-
	-	-

TI 952(5)(iii)


(c) Forgiveness of debts

	2024 (\$000)	2023 (\$000)
Forgiveness (or waiver) of debts by the Agency	-	-
	-	-

TI 952(5)(iv)

(d) Gift of public property

	2024 (\$000)	2023 (\$000)
Gift of public property by the Agency	-	-
	-	-

	Forgiveness (or waiver) of debts by the Agency
TI 952(5)(iii)	<p>Forgiving or waiving debts occurs under other written law administered by the Agency. Where this occurs, TI 952 then requires disclosure of amounts forgiven or waived as a total. The authority for exercising the forgiveness or waiver should be disclosed (e.g. under authority of the relevant statute).</p> <p>Amounts written off under section 48 of the FMA should not be disclosed in this total.</p>

9. Explanatory statements

This section explains variations in the financial performance of the Agency.

	Note
Explanatory statement for controlled operations	9.1
Explanatory statement for administered items (Departments only)	9.2

Reference

9.1 Explanatory statement for controlled operations

TI 945(2)(ii)(c),
(3), (4)

This explanatory section explains variations in the financial performance of the Agency undertaking transactions under its own control, as represented by the primary financial statements.

AASB 1060.222

All variances between annual estimates (original budget) and actual results for 2024, and between the actual results for 2024 and 2023 are shown below. Narratives are provided for major variances which are more than 10% of the comparative and which are more than 1% of the following (as appropriate):

1) Estimate and actual results for the current year:

- Total Cost of Services of the annual estimates for the Statement of comprehensive income and Statement of cash flows (i.e. 1% of \$805,979,000 in the example below), and
- Total Assets of the annual estimates for the Statement of financial position (i.e. 1% of \$1,525,003,000 in the example below).

2) Actual results between the current year and the previous year:

- Total Cost of Services of the previous year for the Statements of comprehensive income and Statement of cash flows (i.e. 1% of \$724,085,000 in the example below); and
- Total Assets of the previous year for the Statement of financial position (i.e. 1% of \$1,369,761,000 in the example below).

9.1.1 Statement of comprehensive income variances

	Variance note	Estimate ⁽¹⁾ 2024 (\$000)	Actual 2024 (\$000)	Actual 2023 (\$000)	Variance between actual and estimate (\$000)	Variance between actual results for 2024 and 2023 (\$000)
Expenses						
Employee benefits expense	(a)	670,435	669,757	599,002	(678)	70,755
Supplies and services		65,487	60,980	56,345	(4,507)	4,635
Depreciation and amortisation expense		34,530	35,764	36,448	1,234	(684)
Finance costs		679	613	568	(66)	45
Accommodation expenses		6,843	6,963	6,330	120	633
Grants and subsidies		9,904	9,801	8,910	(103)	891
Cost of Sales		5,156	5,560	3,700	404	1,860
Other expenses		12,945	12,059	12,782	(886)	(723)
Total cost of services		805,979	801,497	724,085	(4,482)	77,412

Income						
User charges and fees		14,654	15,912	14,997	1,258	915
Sales		13,348	14,267	12,970	919	1,297
Commonwealth grants		1,050	1,100	1,000	50	100
Interest revenue		-	-	-	-	-
Other Income		2,015	2,170	6,300	155	(4,130)
Total income other than income from State Government		31,067	33,449	35,267	2,382	(1,818)
Net cost of services		774,912	768,048	688,818	(6,864)	79,230
Income from State Government						
Service appropriation	(b)	802,950	803,846	713,701	896	90,145
Income from other public sector entities		-	-	-	-	-
Liabilities assumed		-	-	-	-	-
Resources received		1,507	1,595	1,450	88	145
Royalties for Regions Fund		-	-	-	-	-
Total income from State Government		804,457	805,441	715,151	984	90,290
Surplus/(deficit) for the period		29,545	37,393	26,333	(7,848)	(11,060)
Other comprehensive income						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		95,000	100,000	25,500	5,000	74,500
Total other comprehensive income		95,000	100,000	25,500	5,000	74,500
Total comprehensive income for the period		124,545	137,393	51,833	(2,848)	63,440

1. These estimates are published in the State Budget 2023-24, Budget Papers No.2 'Budget Statements'.

Major estimate and actual (2024) variance narratives:

Nil

Major actual (2024) and comparative (2023) variance narratives:

(a) Employee benefits expense increased by \$70.7 million (11.8%) due to *[insert narrative]*.

(b) Service appropriations increased by \$90.1 million (12.6%) due to *[insert narrative]*.

9.1.2 Statement of financial position variances

	Variance notes	Estimate 2024 ¹	Actual 2024	Actual 2023	Variance between actual and estimate	Variance between actual results for 2024 and 2023
		(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Assets						
Current assets						
Cash and cash equivalents		8,154	8,308	6,435	154	1,873
Restricted cash and cash equivalents		3,210	3,590	970	380	2,620
Inventories		15,400	15,333	15,375	(67)	(42)
Receivables		8,564	9,097	9,311	533	(214)
Amounts receivable for services		17,960	17,139	19,750	(821)	(2,611)
Other current assets		590	550	483	(40)	67
Non-current assets classified as held for sale		2,900	2,900	2,628	-	272
Total current assets		56,778	56,917	54,952	139	1,965
Non-current assets						
Receivables		60	60	50	-	10
Amounts receivable for services		70,170	55,725	45,060	(14,445)	10,665
Infrastructure, property, plant and equipment		1,374,690	1,369,572	1,246,992	(5,118)	122,580
Intangible assets		505	1,008	1,402	503	(394)
Right-of-use assets		22,800	22,005	21,245	(795)	760
Service concession assets		-	-	-	-	-
Other non-current assets		-	-	60	-	(60)
Total non-current assets		1,468,225	1,448,370	1,314,809	(19,855)	133,561
Total assets		1,525,003	1,505,287	1,369,761	(19,716)	135,526

Liabilities					
Current liabilities					
Payables	4,106	4,207	4,791	101	(584)
Contract liabilities	908	638	895	(270)	(257)
Capital grant liabilities	980	574	718	(406)	(144)
Borrowings	-	-	-	-	-
Lease liabilities	6,826	5,979	6,562	(847)	(583)
Amounts due to the Treasurer	2,650	2,400	7,970	(250)	(5,570)
Employee related provisions	13,400	13,758	13,950	358	(192)
Other provisions	20	62	45	42	17
Other current liabilities	-	-	-	-	-
Total current liabilities	28,890	27,618	34,931	(1,272)	(7,313)
Non-current liabilities					
Capital grant liabilities	2,610	2,298	2,872	(312)	(574)
Lease liabilities	11,243	11,317	17,296	74	(5,979)
Service concession liabilities	-	-	-	-	-
Employee related provisions	865	989	1,015	124	(26)
Other provisions	600	550	525	(50)	25
Other non-current liabilities	-	1,160	1,160	1,160	-
Total non-current liabilities	15,318	16,314	22,868	966	(6,554)
Total liabilities	44,208	43,932	57,799	(276)	(13,867)
Net assets	1,480,795	1,461,355	1,311,962	(19,440)	149,393
Equity					
Contributed equity	100,300	99,800	87,800	(500)	12,000
Reserves	(a) 326,599	305,500	205,500	(21,099)	100,000
Accumulated surplus/(deficit)	1,053,896	1,056,055	1,018,662	2,159	37,393
Total equity	1,480,795	1,461,355	1,311,962	(19,440)	149,393

1. These estimates are published in the State Budget 2023-24, Budget Papers No.2 'Budget Statements'.

Major estimate and actual (2024) variance narratives:

Nil

Major actual (2024) and comparative (2023) variance narratives:

(a) Reserves increase by \$100 million (48.6%) due to *[insert narrative]*.

9.1.3 Statement of cash flows variances

	Variance notes	Estimate ⁽¹⁾ 2024 (\$000)	Actual 2024 (\$000)	Actual 2023 (\$000)	Variance between actual and estimate (\$000)	Variance between actual results for 2024 and 2023 (\$000)
Cash flows from State Government						
Service appropriation	(a)	763,234	768,082	677,253	4,848	90,829
Capital appropriations	(b)	11,125	12,000	65,000	875	(53,000)
Funds from other public sector entities		-	-	-	-	-
Holding account drawdown		19,650	19,750	17,951	100	1,799
Royalties for Regions Fund		-	-	-	-	-
Net cash provided by State Government		794,009	799,832	760,204	5,823	39,628
Cash flows from operating activities						
Payments						
Employee benefits	(d)	(661,930)	(670,326)	(599,543)	(8,396)	(70,783)
Supplies and services		(65,766)	(61,254)	(56,609)	4,512	(4,645)
Finance costs		(191)	(525)	(491)	(334)	(34)
Accommodation		(6,843)	(6,922)	(6,279)	(79)	(643)
Grants and subsidies		(9,904)	(9,801)	(8,910)	103	(891)
Purchases		(5,000)	(5,518)	(3,650)	(518)	(1,868)
GST payments on purchases		(7,648)	(7,336)	(6,829)	312	(507)
GST payments to taxation authority		-	-	-	-	-
Other payments		(10,973)	(11,447)	(10,986)	(474)	(461)
Receipts						
Sale of goods and services		13,626	14,316	13,069	690	1,247
User charges and fees		15,210	15,655	14,797	445	858
Commonwealth grants		640	382	500	(258)	(118)
Interest received		-	-	-	-	-
GST receipts on sales		2,777	2,345	1,730	(432)	615
GST receipts from taxation authority		4,506	5,056	5,034	550	22
Other receipts		1,000	2,000	1,610	1,000	390
Net cash provided by/(used in) operating activities		(730,496)	(733,375)	(656,557)	(2,879)	(76,818)

Cash flows from investing activities						
Payments						
Purchase of non-current assets	(d)	(55,783)	(58,727)	(96,992)	(2,944)	38,265
Receipts						
Proceeds from sale of non-current assets		2,800	2,798	10,100	(2)	(7,302)
Net cash provided by/(used in) investing activities		(52,983)	(55,929)	(86,892)	(2,946)	30,963
Cash flows from financing activities						
Payments						
Principal elements of lease payments		(6,025)	(6,025)	(1,090)	-	(4,935)
Non-retained revenue distributed to owner	(e)	-	-	(12,350)	-	12,350
Repayment of borrowings		-	-	-	-	-
Payment to accrued salaries account		(10)	(10)	(10)	-	-
Receipts						
Other proceeds		-	-	-	-	-
Net cash provided by/(used in) financing activities		(6,035)	(6,035)	(13,450)	-	7,415
Net increase/(decrease) in cash and cash equivalents		4,495	4,493	3,305	(2)	1,188
Cash and cash equivalents at the beginning of the period		7,405	7,405	4,100	-	3,305
Cash and cash equivalents at the end of the period		11,900	11,898	7,405	(2)	4,493

1. These estimates are published in the State Budget 2023-24, Budget Papers No.2 'Budget Statements'.

Major estimate and actual (2024) variance narratives:

Nil.

Major actual (2024) and Comparative (2023) variance narratives:

- (a) Service appropriation increased by \$90.8 million (13.4%) due to *[insert narrative]*.
- (b) Capital appropriation decrease by \$53.0 million (81.5%) due to *[insert narrative]*.
- (c) Employee benefits decreased by \$70.8 million (11.8%) due to *[insert narrative]*.
- (d) Purchase of non-current assets increase by \$38.3 million (39.5%) due to *[insert narrative]*.
- (e) Non-retained revenue distributed to owner increased by \$12.4 million (100.0%) due to *[insert narrative]*.



Guidance – Explanatory statement for controlled items

TI 945(2)(ii), (3),
(4)

Narratives are required for major variances between actuals versus comparatives and actuals versus annual estimates.

They include commentary on:

- *certain variances greater than a 10% movement in the comparative and greater than the dollar aggregate calculated in accordance with TI 945 Explanatory Statement;*
- *where qualitative evidence indicates omission of narrative information could potentially mislead readers of financial statements; or*
- *items requiring narrative disclosure under written laws.*

Agencies are also encouraged to incorporate variances lower than these thresholds where qualitative reasons exist.

Explanatory variance narratives are required to disclose details of, and the reasons for, all major variances in the elements comprising the total.

This includes variances that offset each other.



Guidance – Disclosure of source of annual estimates (original budget)

TI 945 Guidelines

Agencies should disclose whether the annual estimates (original budget) are sourced from:

- *estimates published in the budget papers; or*
- *estimates published in accordance with TI 953 Annual Estimates; or*
- *estimates published in the statement of corporate intent (or business/operational plan) of a statutory authority.*

Disclosure should indicate any further particulars of the source document where relevant.



This disclosure is based on an agency within scope of TI 945. Agencies within scope of TI 945P Explanatory Statement for Non-GGS Agencies have differing reporting obligations and this example is not always appropriate.

Reference

9.2 Explanatory statement for administered items (Departments only)

T1 945(2)(iii)(d),
(5)

This explanatory section explains variations in the financial performance of the Department undertaking transactions that it does not control but has responsibility to the government for, as detailed in the administered schedules.

AASB 1060.223

All variances between annual estimates and actual results for 2024, and between the actual results for 2024 and 2023 are shown below.

Narratives are provided for major variances which are more than 10% of the comparative and which are more than 1% of the Total Administered Income in the comparative (i.e. 1% of \$5,929,000 for the current year and 1% of \$5,130,000 for the previous year in the table below).

	Variance note	Estimate 2024 (\$000)	Actual 2024 (\$000)	Actual 2023 (\$000)	Variance between estimate and actual (\$000)	Variance between actual results for 2024 and 2023 (\$000)
Income from administered items						
Income						
For transfer:						
Regulatory fees and charges	(a)	4,750	4,855	4,050	105	805
Other revenue		1,179	1,140	1,080	(39)	60
[Other items as required]		-	-	-	-	-
Total administered income		5,929	5,995	5,130	66	865
Expenses						
Supplies and services		539	560	520	21	40
Grants and subsidies	(1),(b)	4,125	3,570	2,530	(555)	1,040
Transfer payments	(c)	1,460	1,505	250	45	1,255
[Other items as required]		-	-	-	-	-
Total administered expenses		6,124	5,635	3,300	(489)	2,335

1. These estimates are published in the State Budget 2023-24, Budget Papers No.2 'Budget Statements'.

Major estimate and actual (2024) variance narratives:


(1) Grants and subsidies decreased by \$0.6 million (13.5%) owing to lower than projected claims received in 2023-24 for eligible Information Technology grants.

Major actual (2024) and comparative (2023) variance narratives:

(a) Regulatory fees and charges increase by \$0.8 million (19.9%) due to more infringement notices issued than estimated.

(b) Grants and subsidies increased by \$1.0 million (41%) owing to new grant programs targeting Information Technology programs (65% of increase) and Training & Assisting seniors to build computing literacy skills (35% of increase).

(c) Transfer payments increased by \$1.3 million (502%) owing to increased non-retainable regulatory fees legally required to be remitted to the Consolidated Account.

	Guidance – Explanatory statement for administered items (Departments only)
TI 945(2)(ii)(d)	<p>Thresholds for providing narrative on major variances for items administered by departments in accordance with AASB 1055 Budgetary Reporting are stipulated in TI 945 Explanatory Statement. The monetary (quantitative) threshold is determined by reference to a 10% movement in the comparative and the dollar aggregate calculated in accordance with TI 945.</p> <p>Departments may also incorporate variances lower than these thresholds where:</p> <ul style="list-style-type: none"> • qualitative evidence indicates omission of narrative information could potentially mislead readers of financial statements; or • items requiring narrative disclosure under written laws.
TI 945(4)	<p>Explanatory variance narratives are required to disclose details of, and the reasons for, all major variances in the elements comprising the total. This includes variances that offset each other.</p>

Audited key performance indicators

Certification of key performance indicators

Reference

TI 905


I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Agency's performance, and fairly represent the performance of the Agency for the financial year ended 30 June 2024.


(Signature)

B. King

Accountable Authority

1 September 2024

	Guidance – Audited key performance indicators
TI 903(8)	<p>Agencies are required to include a discussion of actual results against budget targets for both financial and non-financial indicators in the agency performance section of the annual report.</p> <p>In addition to the summary information contained in the agency performance section, agencies should disclose additional information including long term trends, graphs and supporting explanatory notes, as part of this section.</p> <p>As the key performance indicators are audited, the Auditor General's opinion is usually inserted into this section.</p>
TI 905(2)(ii)	<p>Where the accountable authority is a body, the statement shall be signed by two members of that body.</p>

	Guidance – Changes to key performance indicators or OBM structure
TI 904(4)	<p>Agencies contemplating changes to their OBM structures for the Budget are encouraged to liaise with the relevant Treasury analyst as soon as possible to discuss the process and the proposed changes. Ideally, initial discussions with Treasury would occur before mid-November.</p> <p>Changes to government desired outcomes and key performance indicators require prior approval of the Under Treasurer.</p>

Detailed information in support of key performance indicators

Reference

TI 904(3)(iv)

Agency level desired outcome: sustainability of the provision of information technology

Outcome 1: Sustainability of the provision of information technology	2021	2022	2023	2024
---	-------------	-------------	-------------	-------------

Key effectiveness indicator

- | | | | | |
|--|-----|-----|-----|-----|
| • The proportion (%) of government agencies using sustainable information technology plans | 82% | 83% | 85% | 86% |
|--|-----|-----|-----|-----|

Service 1: Information Technology	2020	2021	2022	2023
--	-------------	-------------	-------------	-------------

Key efficiency indicator

- | | | | | |
|--------------------------------|----------|----------|----------|----------|
| • Cost per sustainable IT plan | \$24,000 | \$23,500 | \$22,700 | \$21,950 |
|--------------------------------|----------|----------|----------|----------|

Outcome 2: The improvement to the level of information technology for the public sector	2021	2022	2023	2024
--	-------------	-------------	-------------	-------------

Key effectiveness indicator

- | | | | | |
|--|-----|-----|-----|-----|
| • The proportion (%) of government agencies upgrading their information technology | 69% | 71% | 75% | 76% |
|--|-----|-----|-----|-----|

Service 2: Training and assistance	2021	2022	2023	2024
---	-------------	-------------	-------------	-------------

Key efficiency indicators

- | | | | | |
|--|---------|---------|---------|---------|
| • Clients assisted per staff member (client/staff ratio) | 0.45 | 0.41 | 0.36 | 0.39 |
| • Cost per hour of service delivered | \$5,577 | \$5,343 | \$5,200 | \$5,311 |

Outcome 3: Improvement to the competitiveness of the Western Australian technology industry	2021	2022	2023	2024
--	-------------	-------------	-------------	-------------

Key effectiveness indicators

- | | | | | |
|--|-------|-------|-------|-------|
| • Gross value of goods and services produced (\$m) | \$195 | \$200 | \$205 | \$206 |
| • Uptake of new technology (%) | 65% | 65% | 67% | 68% |

Service 3: Competition policy	2021	2022	2023	2024
--------------------------------------	-------------	-------------	-------------	-------------

Key efficiency indicators

- | | | | | |
|--------------------------------------|----------|----------|----------|----------|
| • Cost per advisory program | \$19,300 | \$19,210 | \$18,800 | \$18,900 |
| • Cost per hour of service delivered | \$5,531 | \$5,321 | \$5,059 | \$5,155 |



Guidance – Additional key performance indicator information

TI 903
Guidelines

An example of longer-term trend data is shown above. This is also an appropriate place to provide graphs and charts.

Insert a brief description of the services provided and a statement of how each service contributes to the identified agency level government desired outcome.

Key Performance Indicators are to be disclosed in the annual report in accordance with TI 904.

In addition to the information disclosed on outcomes and services in the report on operations, accountable authorities are required to disclose:

- the relationship between government goals (if applicable), agency level government desired outcomes and services;
- key performance indicators of effectiveness; and
- key performance indicators of efficiency and cost effectiveness (if applicable).

Key effectiveness indicators provide information on the extent to which agency level government desired outcomes have been achieved through the funding and production of agreed services. For statutory authorities that are the subject of a separate division of the Consolidated Account Expenditure Estimates, the agency level government desired outcomes are those specified in the Budget Statements. For off-budget agencies, the government agency level government desired outcomes will need to be either identified within the relevant enabling legislation or specified/endorsed by the Minister.

Agencies are encouraged to supplement their reporting of effectiveness with narrative. This narrative may include comment on the projected timing of outcomes to be achieved in the long term. It is also appropriate for agencies to identify and discuss influences on achievement of outcomes other than their own services. These influences may include services provided by other agencies, or factors such as social or demographic trends.

Key efficiency indicators generally relate services to the level of resource inputs required to deliver them. In some cases, 'per unit cost' information provided in the budget process may fulfil the key performance indicator reporting requirement. In other cases, cost per unit information may need to be aggregated, or productivity indicators used.

Key cost effectiveness indicators are a type of key effectiveness indicator. They relate outcomes directly to inputs. In addition to providing key cost effectiveness indicators where there are no suitable key efficiency indicators, agencies are encouraged to also report cost effectiveness indicators where doing so adds value to reporting information.

Further information on, and discussion of, agency level government desired outcomes, services and key performance indicators are available in the Treasury publication ['Outcome Based Management: Guidelines' for Use in the Western Australian Public Sector](#).

Other statutory information

Reference

Ministerial directions

No Ministerial directives were received during the financial year.

	<p>Guidance – Ministerial directions</p>
<p>TI 903(12)</p>	<p>Disclose any Ministerial directives relevant to the setting of desired outcomes or operational objectives, the achievement of desired outcomes or operational objectives, investment activities, and financing activities.</p>

Reference

Other financial disclosures

TI 903(13)(i)

Pricing policies of services provided

The Agency charges for goods and services rendered on a full or partial cost recovery basis. These fees and charges were determined in accordance with [Costing and Pricing Government Services: Guidelines for Use by Agencies in the Western Australian Public Sector](#) published by Treasury.

The current list of fees and charges were published in the Gazette on 31 December 2022 and introduced/payable from 7 January 2023. Details are available on the Agency's website at www.agency.wa.gov.au.

TI 903(13)(ii)

Capital works*Capital project incomplete*

The construction of a new building to accommodate the Agency's increasing demand for additional seminars and training sessions will be completed by January 2026. The building will also be used as a display centre for new computer equipment, which will be open to the public for viewing. The estimated total cost of the project is \$20,000,000 and the estimated remaining cost to complete the project at 30 June 2024 is \$13,000,000.

Capital projects completed

No capital projects were completed during 2024.

TI 903(13)(iii)

Employment and industrial relations

Staff Profile	2024	2023
Full-time permanent	260	255
Full-time contract	150	140
Part-time measured on a FTE basis	10	8
On secondment	3	2
	423	405

Staff development

The Agency has a commitment to the development of its employees. Our strategies are to build a highly skilled, professional and fair workforce with the ability to adapt to changing business technology and the environment.

During the financial year, our employees received training in excess of 3,000 hours of in-house and external training. As the result of our commitment to staff training and development, we are recognised as the industry leader in the information technology area in the public sector.

Workers compensation

Five compensation claims of a minor nature were recorded during the financial year. This compares with seven compensation claims of a minor nature recorded in 2023.


Governance disclosures


TI 903(14)

[populated by agencies in line with requirements]

Reference

Other legal requirements

	Act of grace payments
	This note header has been included as a placeholder for the disclosure of act of grace (and ex gratia) payments. Where an agency did not make the payments, this note should be omitted.

	Guidance – Act of grace payments
TI 319(3) TI 903(15)(i)	<p><i>An agency shall disclose all act of grace payments made by it during a reporting period in the annual report of the agency.</i></p> <p><i>The following information should be disclosed in relation to each act of grace (or ex gratia) payment:</i></p> <ul style="list-style-type: none"> • <i>the payment date;</i> • <i>the amount of the payment; and</i> • <i>the purpose of the payment.</i> <p><i>It may not be appropriate to disclose the recipient(s) of the payment. Legal advice should be sought before such a disclosure is made.</i></p>

TI 903(15)(ii)

Unauthorised use of credit cards

Officers of the Agency hold corporate credit cards where their functions warrant usage of this facility. Despite each cardholder being reminded of their obligations annually under the Agency's credit card policy, one employee inadvertently use the corporate credit card for parking at an event that they were not attending in an official capacity. The matter was not referred for disciplinary action as the Chief Finance Officer noted prompt advice and settlement of the personal use amount, and, that the nature of the expenditure was immaterial and characteristic of an honest mistake.

	2024
	\$
Number of instances the Western Australian Government Purchasing Cards have been used for personal purposes	-
Aggregate amount of personal use expenditure for the reporting period	27
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	27
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	-
Aggregate amount of personal use expenditure remaining unpaid at the end of the reporting period	-
Number of referrals for disciplinary action instigated by the notifiable authority during the reporting period	-



The above disclosure is an example and agencies should consider their own circumstances in addressing the requirements of TI 903(15).

	Guidance – Other legal requirements
	<p><i>A comprehensive list of Other Legal Requirements is available from the WA Government website:</i></p> <p>Annual report guidelines for 2023-24 (www.wa.gov.au)</p>

Reference

Government policy requirements

TI 903(16)

[populated by agencies in line with requirements]



Guidance – Government policy requirements


Public sector agencies must incorporate the above disclosures in their Annual Report as required. Information on this reporting requirement is available at:

[Annual report guidelines for 2023-24 \(www.wa.gov.au\)](http://www.wa.gov.au)

Contact information

Reference

Postal	Address	Electronic
PO Box 9999	Street Address,	Internet: www.agency.wa.gov.au
Suburb, Postcode	Suburb, Postcode	Email: customer.service@agency.wa.gov.au
		Telephone: 61 8 6551 0000

	Guidance – Identification of the financial statements
AASB 1060.32 (a)	<p>AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i> requires the following disclosures:</p> <ul style="list-style-type: none"> • <i>the domicile and legal form of the agency; and</i> • <i>its country of incorporation and the address of its registered office (or principal place of business, if different from the registered office).</i>