



# Annual Report on State Finances September 2024



**2023-24**

**Annual Report on  
State Finances**

SEPTEMBER 2024

**Acknowledgement of Country**

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal communities and their cultures; and to Elders past and present.

Enquiries related to this report should be directed by email to [info@treasury.wa.gov.au](mailto:info@treasury.wa.gov.au)

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ISSN 1834-1101 (print)  
ISSN 1834-111X (on-line)

# 2023-24

## Annual Report on State Finances

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# Foreword

This *Annual Report on State Finances* (ARSF) provides detail on the State's public sector financial results for 2023-24. It includes disclosure of material differences between these outcomes and estimated outcomes contained in the recent 2024-25 Budget, as well as the original 2023-24 Budget.

The *Government Financial Responsibility Act 2000* requires the release of audited whole-of-government financial results, consistent with external reporting requirements, within 90 days of the financial year-end.

For the purposes of this ARSF, 'external reporting requirements' are embodied in Australian Accounting Standards Board (AASB) 1049: *Whole of Government and General Government Sector Financial Reporting*.

All Australian State, Territory and Commonwealth governments publish financial disclosures consistent with AASB 1049, and with the requirements of the Uniform Presentation Framework (UPF). The UPF ensures consistent minimum levels of detail in whole-of-government disclosures. Western Australia's disclosures in this ARSF are consistent with the requirements of AASB 1049, other applicable accounting standards, Government Finance Statistics concepts, sources and methods, and exceed the minimum requirements specified in the UPF.

This ARSF contains information on the Western Australian whole-of-government (and its sub-sectors) for:

- the actual outturn for 2023-24, which is the focus of this report;
- movements relative to the 2023-24 estimated outturn contained in the 2024-25 Budget, released on 9 May 2024;
- movements relative to the 2023-24 Budget estimates, presented to the Legislative Assembly on 11 May 2023 (detailed in Appendix 4);
- material Special Purpose Accounts (Appendix 5);
- quarterly results for June 2024, completing the State's quarterly reporting series for 2023-24 (Appendix 6); and
- the Public Ledger outcomes for the year ending 30 June 2024, which includes the Consolidated Account, the Treasurer's Advance Account, and the Treasurer's Special Purpose Accounts (Appendix 7).

General government sector salary outcomes and expense limit outcomes under Resource Agreements for appropriation-funded agencies are also included in Appendices 8 and 9 respectively.

## **Statement of Responsibility**

This ARSF is a statutory requirement of the *Government Financial Responsibility Act 2000*. It contains whole-of-government financial information in the same format as the State's Budget presentations, reflecting applicable Australian Accounting Standards and the Australian Bureau of Statistics' (ABS') accrual Government Finance Statistics standards.

The consolidated financial statements included in this report have been prepared by the Department of Treasury from information provided by State public sector agencies.

In our opinion, the financial information presented in this report:

- fairly represents the operating results and cash flows of the Government of Western Australia for the year ended 30 June 2024, and the public sector's financial position at 30 June 2024; and
- has been prepared in accordance with Australian Accounting Standard AASB 1049: *Whole of Government and General Government Sector Financial Reporting*, other applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and complies with statistical standards promulgated by the ABS.

At the date of signing, we are not aware of any circumstances which would cause any information included in the financial disclosures in this report to be misleading or inaccurate.



MICHAEL BARNES PSM, FIPAAWA  
UNDER TREASURER



MAGDALENA WITTEK  
ASSISTANT DIRECTOR  
FINANCIAL REPORTING

26 September 2024

# Opinion of the Auditor General



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

2024

#### Annual Report on State Finances

To the Parliament of Western Australia

## Report on the audit of the financial statements

### Opinion

I have audited the financial statements of the Government of Western Australia for the year ended 30 June 2024 which comprise:

- the operating statement, balance sheet, statement of changes in equity and cash flow statement for general government, public non-financial corporations, total non-financial public sector, public financial corporations and total public sector (Appendix 1)
- notes comprising a summary of material accounting policies and other explanatory information (Appendix 1)
- the comparison of final outcomes to the original budget for the year ended 30 June 2024 for the general government sector and total public sector (Appendix 4)
- the public ledger (Appendix 7).

In my opinion, the financial statements are:

- properly drawn up so as to present fairly, in all material respects, the operating results and cash flows of the Government of Western Australia for the year ended 30 June 2024 and the financial position as at the end of that year; and
- prepared in accordance with Australian Accounting Standard AASB 1049 "Whole of Government and General Government Sector Financial Reporting", other applicable Australian Accounting Standards and the *Government Financial Responsibility Act 2000*.

### Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibility for the audit of the financial statements section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Other information

The Under Treasurer is responsible for the other information. The other information is the information in the Annual Report on State Finances for the year ended 30 June 2024, but not the financial statements as defined above and my auditor's report.

My opinion on the financial statements does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.



In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### Responsibilities for the Under Treasurer for the financial statements

The Under Treasurer is responsible for:

- preparation and fair presentation of the Annual Report on State Finances that includes the preparation of the financial statements in accordance with Australian Accounting Standard AASB 1049 Whole of Government and General Government Sector Financial Reporting, other applicable Australian Accounting Standards and the *Government Financial Responsibility Act 2000*
- such internal control as the Under Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error
- disclosing matters related to going concern, if applicable, and using the going concern basis of accounting, unless this is assessed as not appropriate.

### Auditor's responsibilities for the audit of the financial statements

As required by the *Government Financial Responsibility Act 2000*, my responsibility is to express an opinion on the financial statements based on my audit. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf)

### My independence and quality management relating to the report on financial statements

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Matters relating to the electronic publication of the audited financial statements**

This auditor's report relates to the financial statements of the Government of Western Australia for the year ended 30 June 2024 included on the Department of Treasury's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the Annual Report on State Finances. If users of the financial statements are concerned with the inherent risks arising from publication on a website, they are advised to contact the Department to confirm the information contained in the website version.



Caroline Spencer  
Auditor General for Western Australia  
Perth, Western Australia  
26 September 2024

**2023-24 Annual Report on State Finances**

# Financial Results

## HIGHLIGHTS

- A general government sector operating surplus of \$4.5 billion was recorded in 2023-24, up from the \$3.2 billion surplus estimated in the 2024-25 Budget.
  - Revenue was \$872 million (or 1.9%) higher than expected, mainly due to higher iron ore royalties, transfer duty and sales of goods and services, partly offset by delayed Commonwealth funding for transport infrastructure.
  - Expenses were \$456 million (or 1.1%) lower than expected, largely reflecting some timing delays that are expected to be caught up in 2024-25.
- The State Government's investment in infrastructure totalled a record \$11.4 billion in 2023-24 – \$2.2 billion or 23.5% more than the previous record in 2022-23. This unprecedented level of investment, combined with strong growth in business investment and resilient household consumption, has underpinned Western Australia having the strongest growing domestic economy and jobs market of all States in 2023-24.
- Total public sector net debt at 30 June 2024 was \$28.2 billion, \$463 million lower than estimated in the 2024-25 Budget and \$1.2 billion lower than forecast in the original 2023-24 Budget. As a share of the economy, net debt has almost halved from 12.4% of Gross State Product in 2018-19 to an estimated 6.4% in 2023-24.
- Western Australia remains the only State or Territory with a triple-A credit rating from both of the major international ratings agencies.

## Introduction<sup>1</sup>

Stronger outcomes were recorded for the State's finances in 2023-24 relative to the estimates in the 9 May 2024 Budget. This is reflected in a higher general government operating surplus and lower total public sector net debt. The following table summarises the key financial outcomes for 2023-24.

<b>KEY BUDGET AGGREGATES</b>				
Western Australia				
	2022-23	2023-24		
	Actual	Budget	Estimated Actual	Actual
<b>GENERAL GOVERNMENT SECTOR</b>				
<b>Net Operating Balance (\$m)</b>	<b>5,120</b>	<b>3,293</b>	<b>3,158</b>	<b>4,486</b>
Revenue (\$m)	43,601	43,218	45,075	45,947
Revenue Growth (%)	4.7	0.3	3.4	5.4
Expenses (\$m)	38,481	39,925	41,917	41,461
Expense Growth (%)	8.0	2.7	8.9	7.7
<b>TOTAL PUBLIC SECTOR</b>				
Net Debt at 30 June (\$m)	27,358	29,389	28,636	28,173
Asset Investment Program (\$m)	9,235	10,405	10,635	11,405
Cash Surplus/Deficit (\$m)	2,120	-1,155	-900	-49

Note: Columns/rows may not add due to rounding.

<sup>1</sup> This chapter mainly focuses on variations in outcomes between the estimated actual published in the State's 2024-25 Budget and the final outcomes for 2023-24. Comparisons to the original 2023-24 Budget projections (presented to the Legislative Assembly on 11 May 2023) are available in Appendix 4: *Comparison of Final Outcomes to Original Budget for the Year Ending 30 June 2024*.

Key economic parameters for 2023-24 are summarised in the following table.

Table 2				
<b>KEY ECONOMIC PARAMETERS</b>				
Western Australia				
	2022-23	2023-24		
	Actual	Budget	Estimated Actual	Actual
<b>Demand and Output (%) <sup>(a)(b)</sup></b>				
Household Consumption	4.6	1.5	2.0	2.7
Dwelling Investment	-2.6	6.5	6.75	6.0
Business Investment	4.3	6.75	13.25	11.8
Government Consumption	4.8	1.25	3.25	2.5
Government Investment	10.8	13.0	10.0	17.0
State Final Demand	4.4	3.0	5.25	5.3
Merchandise Exports	4.7	2.0	-0.5	-3.2
Merchandise Imports	7.8	2.75	10.0	8.6
Net Exports <sup>(c)</sup>	3.4	1.25	-2.25	-7.3
Gross State Product <sup>(d)</sup>	3.5	2.25	1.75	1.75
<b>Labour Market (%)</b>				
Population <sup>(e)(f)</sup>	3.3	1.7	2.8	2.8
Employment <sup>(a)</sup>	3.1	1.0	3.75	3.9
Unemployment Rate <sup>(g)</sup>	3.6	4.0	3.75	3.7
Participation Rate <sup>(g)</sup>	68.7	68.7	68.9	68.8
<b>Prices (%)</b>				
Consumer Price Index <sup>(f)(h)</sup>	5.0	3.5	4.0	4.7
Wage Price Index <sup>(f)</sup>	4.2	4.25	4.25	4.2
Perth Median House Price <sup>(a)</sup>	5.6	2.3	12.4	19.5
<b>Other Key Parameters <sup>(g)</sup></b>				
Exchange Rate \$US/\$A (cents)	67.3	67.7	65.5	65.6
Iron Ore Price (\$US/t) (CFR)	109.6	74.1	116.1	119.4
Iron Ore Volumes (million dry tonnes) <sup>(i)</sup>	862	865	862	866
Crude Oil Price (\$US/barrel)	86.5	79.6	84.4	83.6
<b>Interest Rate Assumptions (%) <sup>(g)</sup></b>				
Public Bank Account Earnings	2.6	3.0	4.0	4.0
Consolidated Account Borrowings	3.0	3.3	3.6	3.5

(a) Annual growth.

(b) Based on State Final Demand and Balance of Payments data published for the June quarter 2024. Actual data for 2023-24 for Gross State Product is not available until 20 November 2024.

(c) Net exports include international trade in both goods and services.

(d) Forecasts for ownership transfer costs, international trade in services and the balancing item are not separately reported.

(e) Actual population figure for 2023-24 is not available until 12 December 2024.

(f) Year-ended growth.

(g) Data expressed as annual average during the financial year.

(h) The CPI growth rates are based on the total index excluding the electricity sub-index as a result of the successive Household Electricity Credits provided across the State.

(i) 2023-24 actual is based on preliminary data and is subject to revision.

Note: Statistical outcomes sourced from the Australian Bureau of Statistics are subject to periodic revision by that organisation.

## Results Compared to Estimated Actual

### General Government Sector

#### Operating Statement

A general government sector operating surplus of \$4.5 billion was recorded in 2023-24 – the sixth consecutive operating surplus. The outturn for 2023-24 was \$1.3 billion higher than the estimated actual in the 2024-25 Budget, as a result of higher than expected revenue (up \$872 million) and lower than expected expenses (down \$456 million).

Table 3

### GENERAL GOVERNMENT Operating Statement

	2022-23	2023-24			Variation on EA \$m (3)=(2)-(1)
	Actual \$m	Budget \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>REVENUE</b>					
Taxation	12,427	11,915	13,508	13,631	123
Current grants and subsidies	12,817	13,389	12,674	12,780	106
Capital grants	2,081	3,353	2,306	1,884	-422
Sales of goods and services	3,296	3,149	3,139	3,460	321
Interest income	333	265	373	391	18
Revenue from public corporations					
Dividends	145	1,423	211	210	-1
Tax equivalent income	705	785	807	912	105
Royalty income	11,045	7,982	11,243	11,866	624
Other	752	957	815	813	-1
<b>Total</b>	<b>43,601</b>	<b>43,218</b>	<b>45,075</b>	<b>45,947</b>	<b>872</b>
<b>EXPENSES</b>					
Salaries	15,727	15,671	16,259	16,518	258
Superannuation					
Concurrent costs	1,759	1,776	1,910	1,781	-128
Superannuation interest cost	160	165	201	167	-34
Other employee costs	387	372	463	401	-62
Depreciation and amortisation	1,977	2,150	2,173	2,112	-60
Services and contracts	3,080	3,754	4,320	3,403	-917
Other gross operating expenses	6,620	6,350	6,519	7,330	811
Interest					
Interest on leases	146	133	141	175	34
Other interest	809	741	921	946	25
Current transfers	7,358	8,024	8,318	8,068	-251
Capital transfers	458	788	693	560	-133
<b>Total</b>	<b>38,481</b>	<b>39,925</b>	<b>41,917</b>	<b>41,461</b>	<b>-456</b>
<b>NET OPERATING BALANCE</b>	<b>5,120</b>	<b>3,293</b>	<b>3,158</b>	<b>4,486</b>	<b>1,329</b>

Note: Columns/rows may not add due to rounding.

The following table summarises key changes to the general government sector operating surplus relative to the estimated actual in the 2024-25 Budget. Detail of key movements between the original 2023-24 Budget and the final outcome is available in Appendix 4 of this report.

Table 4

**SUMMARY OF 2023-24 GENERAL GOVERNMENT REVENUE AND EXPENSE  
VARIATIONS SINCE THE 2024-25 BUDGET ESTIMATED ACTUAL**

	\$m
<b>NET OPERATING BALANCE - ESTIMATED ACTUAL (2024-25 BUDGET)</b>	<b>3,158</b>
<b>Revenue</b>	
Taxation, comprising:	
- Total duty on transfers	97
- Payroll tax	-70
- Gambling taxes	32
- Insurance duty	21
- Landfill levy	19
- All other taxes	24
<i>Sub-Total</i>	123
Commonwealth grants, comprising:	
- Transport grants	-512
- GST grants	148
- Housing Support Program	105
- Disaster Recovery Funding Arrangements	-73
- All other grants	16
<i>Sub-Total</i>	-316
Revenue from public corporations	104
Royalty income, comprising:	
- Iron ore royalties	515
- Lithium royalties	141
- All other royalty income	-32
<i>Sub-Total</i>	624
Sales of goods and services	321
All other revenue	16
<b>TOTAL REVENUE</b>	<b>872</b>
<b>Expenses</b>	
WA Health	195
Justice	83
Offset by:	
- Main Roads	-214
- State contribution to National Disability Insurance Scheme	-107
- Transport	-82
- Local Government, Sport and Cultural Industries	-77
- Jobs, Tourism, Science and Innovation	-61
- Fire and Emergency Services	-59
- Primary Industries and Regional Development	-53
All other expenses	-82
<b>TOTAL EXPENSES</b>	<b>-456</b>
<b>TOTAL VARIANCE</b>	<b>1,329</b>
<b>NET OPERATING BALANCE - 2023-24 ANNUAL REPORT ON STATE FINANCES</b>	<b>4,486</b>

Note: Column may not add due to rounding.



## **Revenue**

General government revenue totalled \$45.9 billion in 2023-24, \$872 million (or 1.9%) higher than the estimated actual in the 2024-25 Budget. The higher outcome mainly reflects the net impact of:

- higher royalty income (up \$624 million), primarily due to higher iron ore royalties (up \$515 million), with the iron ore price averaging \$US119.4 per tonne through the year compared to the \$US116.1 per tonne estimated in the 2024-25 Budget, and with iron ore volumes also being slightly higher than expected. Lithium royalties were also higher (up \$141 million), largely reflecting higher than expected production volumes;
- higher sales of goods and services (up \$321 million), including:
  - Communities (up \$72 million), primarily due to higher business and operational support services revenue from the Housing Authority<sup>2</sup>;
  - WA Health (up \$71 million), largely reflecting higher than expected private patient revenue;
  - Energy, Mines, Industry Regulation and Safety (up \$63 million), mainly due to higher than expected industry fees and levies as a result of continued high levels of resource sector activity;
  - Main Roads (up \$48 million), primarily due to higher revenue for additional works undertaken on local government roads, and higher collections through the concessional loading scheme for heavy vehicles and for the heavy vehicle escort service; and
  - the Western Australian Sports Centre Trust (up \$26 million), largely reflecting higher than expected venue usage, particularly at Optus Stadium and RAC Arena;
- lower Commonwealth grants revenue (down \$316 million), mainly reflecting the net impact of:
  - lower transport-related grants (down \$512 million), largely due to delays in the receipt of funding for various road projects, including Tonkin Highway Corridor Upgrades and Hodges Drive to Hepburn Avenue widening. These delays come on top of a \$1.4 billion delay in Commonwealth transport funding originally expected to be received in 2023-24 but deferred (to 2024-25 and beyond) in the 2024-25 Budget;
  - higher GST grants (up \$148 million), reflecting an increase in Western Australia's share of the national population for 2023-24, and a higher estimate of the national GST pool in the 2024-25 Commonwealth Budget;

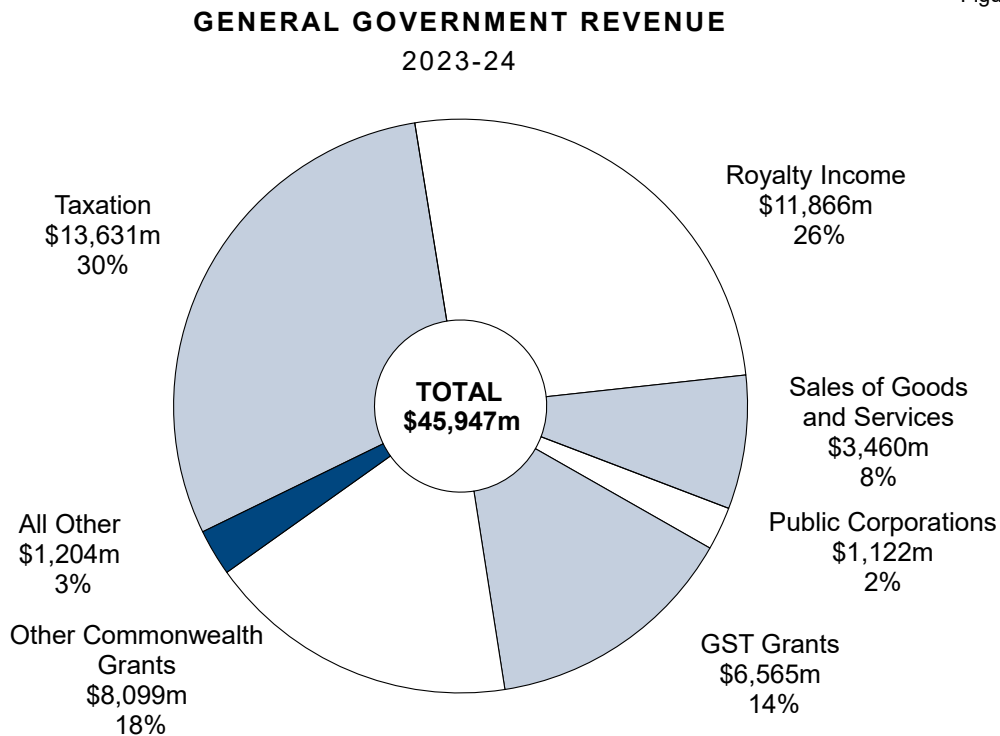
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<sup>2</sup> The Department of Communities includes general government activities and public housing functions delivered by the Housing Authority (a public non-financial corporation). A portion of shared corporate costs paid for by the general government segment of the Department is recovered as goods and services revenue from the Housing Authority.

- new Housing Support Program funding received in June 2024 (\$105 million), to assist the State with the cost of enabling infrastructure for housing development projects; and
- lower disaster recovery funding (down \$73 million), reflecting the reflow of yet-to-be processed claims into 2024-25;
- higher taxation revenue (up \$123 million), mainly reflecting:
  - higher collections from total duty on transfers (up \$97 million), underpinned by stronger than expected price rises for residential property (particularly in the June quarter), partially offset by fewer than expected high value commercial property transactions;
  - lower payroll tax (down \$70 million), due to slightly weaker than assumed payrolls in the final months of 2023-24;
  - higher gambling tax revenue (up \$32 million), mainly from the Lotteries Commission, reflecting higher than expected sales volumes, largely driven by record Lotto jackpot levels;
  - higher insurance duty (up \$21 million), due to sustained growth in insurance premiums (notably for motor vehicle and home and contents insurance); and
  - higher landfill levy collections (up \$19 million), mainly reflecting higher than anticipated landfill levy waste volumes from the delayed commencement of waste-to-energy facilities and waste received before the rise in the landfill levy rate in 2024-25; and
- higher revenue from public corporations (up \$104 million), mainly due to movements across:
  - the Insurance Commission of Western Australia (up \$89 million), reflecting the Commission's stronger than forecast investment and underwriting performance in 2023-24;
  - Western Power (down \$55 million), due to tax adjustments reflecting increased capitalisation of works in progress in 2023-24;
  - the Pilbara Ports Authority (up \$33 million), primarily driven by higher revenue from dredging contributions; and
  - DevelopmentWA (up \$24 million), largely due to higher sales revenue from residential and industrial programs.

General government revenue grew by 5.4% in 2023-24, up from estimated growth of 3.4% in the 2024-25 Budget, but broadly similar to the 4.7% growth recorded in 2022-23.

Figure 1



Note: Segments may not add due to rounding.

## Expenses

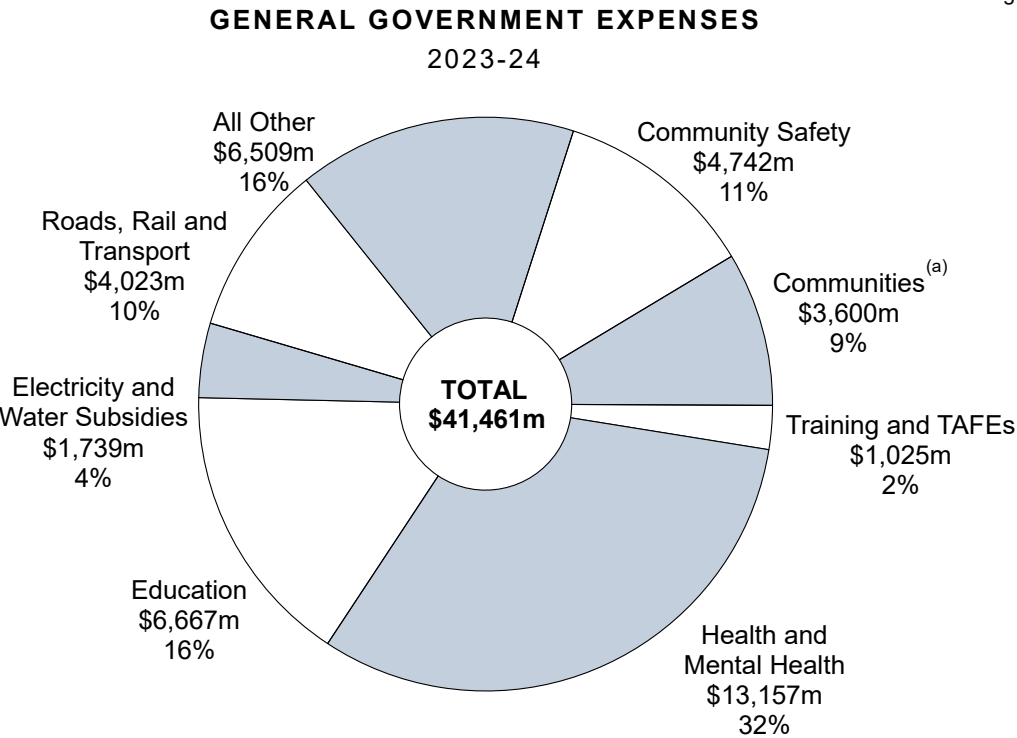
General government expenses totalled \$41.5 billion in 2023-24, \$456 million (or 1.1%) lower than the estimated actual in the 2024-25 Budget. Material changes in expenses since the Budget include the net impact of:

- higher expenses for:
  - WA Health (up \$195 million), mainly due to increased staffing costs in response to expanding service demand, higher than expected accrued leave expenses and higher grants expenses (primarily due to the return of Commonwealth funds related to the reconciliation adjustment for the National Partnership on COVID-19 Response); and
  - Justice (up \$83 million), mainly due to higher costs for prison supplies, leased accommodation, corrective services staffing (driven by the higher prison population) and building maintenance; and
- lower expenses for:
  - Main Roads (down \$214 million), mainly reflecting lower than expected expenditure on natural disaster and bridge-related works and on works undertaken for third parties, and lower depreciation expenses as a result of revised project schedules;

- a lower than expected State contribution to the National Disability Insurance Scheme (NDIS, down \$107 million), reflecting the accumulation of lower than anticipated NDIS participants from prior years;
- Transport (down \$82 million), mainly reflecting lower than expected employee costs, the timing of grant payments to local governments and changes in the classification and timing of payments for the Regional Airfare Zone Cap scheme;
- Local Government, Sport and Cultural Industries (down \$77 million), predominantly due to the timing of eligible grant payments;
- Jobs, Tourism, Science and Innovation (down \$61 million), largely due to revised timing of payments for grants to industry, tourism events, climate action initiatives, and marketing agreements;
- Fire and Emergency Services (down \$59 million), mainly due to lower than expected disaster recovery expenditure, resulting from slower than expected delivery of recovery packages by local governments and other parties following various natural disasters, partially offset by unforeseen costs for fire suppression and State Emergency Services response and recovery operations; and
- Primary Industries and Regional Development (down \$53 million), largely due to the retiming of delivery on a range of projects, including the Farm Business Program, the Buccaneer Archipelago Marine Park Industry Package, and projects associated with the Agriculture Climate Resilience Fund.

Expenses grew by 7.7% over the year to 30 June 2024, down from estimated growth of 8.9% in the 2024-25 Budget, but broadly similar to the 8% growth recorded in 2022-23.

Figure 2



(a) The \$3.6 billion for Communities in this chart represents the general government portion of the Department's recurrent spending (with some expenditure from the former Housing Authority remaining within the public non-financial corporations sector for the purpose of whole-of-government reporting).

Note: Segments may not add due to rounding.

**Balance Sheet**

At \$170.5 billion, the net worth of the general government sector (i.e. the value of total assets less total liabilities) increased by \$18.5 billion between 1 July 2023 and 30 June 2024. This is \$10.9 billion higher than estimated at the time of the 2024-25 Budget, mainly reflecting the net impact of:

- a significantly stronger net assets position for the general government sector's ownership interest in public corporations (up \$6.1 billion), primarily reflecting increases in the value of land, infrastructure and other non-financial assets held by the public non-financial corporations (based on year-end valuations, new infrastructure investments in that sector, and higher than expected operating surpluses for both public corporations sectors);
- an increase in the value of general government non-financial asset holdings, particularly:
  - property, plant and equipment (up \$2.9 billion), driven by new infrastructure spending in the general government sector and year-end valuations for existing assets; and
  - land holdings (up \$324 million), mainly related to year-end valuation of land under roads, and land associated with public schools and parks;

- higher receivables (up \$856 million), mainly reflecting the timing of mining royalty receipts and taxation assessments issued but not yet received;
- higher liquid cash assets (up \$231 million), mainly driven by higher Public Bank Account cash and investments as a result of the stronger than expected operating surplus; and
- lower total liabilities (down \$237 million), reflecting the net impact of:
  - lower than expected deposits held on behalf of other sectors (down \$1.3 billion), with the Budget-time assumption of an infrastructure underspend in the public non-financial corporations sector expected to be held as cash banked with the general government sector (the Asset Investment Program is discussed later in this Chapter);
  - higher borrowings (up \$440 million), mainly borrowings drawn by Main Roads due to the delayed receipt of Commonwealth funding discussed earlier;
  - increased employee-related liabilities (up \$145 million), with a decline in unfunded superannuation (down \$190 million) more than offset by increases in other employee benefits (up \$335 million), mainly reflecting leave balances accrued by WA Health and the Department of Education; and
  - a \$511 million increase in payables and other liabilities, largely due to timing of spending obligations that are yet to be paid.

Further information on the general government sector balance sheet position relative to the original 2023-24 Budget forecasts can be found in Appendix 4: *Comparison of Final Outcomes to Original Budget for the Year Ending 30 June 2024*.

### **Cash Flow Statement**

The general government sector recorded a fifth consecutive cash surplus (of \$2.8 billion) in 2023-24. This outcome is \$748 million higher than the estimated actual in the 2024-25 Budget, and reflects the combined impact of:

- higher net operating cash flows (up \$1.2 billion), mainly due to the net impact of higher receipts of goods and services (up \$593 million), higher royalty receipts (up \$333 million) and lower grant payments (down \$580 million), partly offset by lower net funding from the Commonwealth (down \$375 million, mainly transport grants); and
- higher infrastructure payments (up \$444 million, see *Asset Investment* section later in this Chapter), combined with lower proceeds from the disposal of non-financial assets (down \$48 million).

## Total Public Sector<sup>3</sup>

### Summary

The total public sector recorded a \$5.9 billion operating surplus for 2023-24, which is \$2.5 billion higher than the estimated actual in the 2024-25 Budget.

A cash deficit of just \$49 million was recorded for 2023-24, down from the \$900 million estimated deficit in the Budget. The lower cash deficit reflects the impact of the stronger operating surplus, partly offset by higher than expected infrastructure spending (up \$769 million).

At \$28.2 billion, net debt at 30 June 2024 was \$463 million lower than expected in the 2024-25 Budget, and \$1.2 billion lower than forecast in the original 2023-24 Budget. This represents just 6.4% of estimated Gross State Product.

The following table summarises the key financial aggregates for the total public sector.

Table 5

<b>TOTAL PUBLIC SECTOR</b>					
Summary Financial Aggregates					
	2022-23	2023-24			Variation on EA \$m (3)=(2)-(1)
	Actual \$m	Budget \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>OPERATING STATEMENT</b>					
Revenue	78,341	80,108	82,781	83,785	1,004
Expenses	73,604	77,585	79,376	77,859	-1,517
<b>Net Operating Balance</b>	<b>4,738</b>	<b>2,523</b>	<b>3,405</b>	<b>5,926</b>	<b>2,521</b>
<b>BALANCE SHEET</b>					
Assets	237,808	228,918	246,585	258,763	12,178
Liabilities	85,831	84,102	86,969	88,292	1,322
<b>Net Worth</b>	<b>151,977</b>	<b>144,817</b>	<b>159,615</b>	<b>170,471</b>	<b>10,856</b>
<b>CASH FLOW STATEMENT</b>					
Change in net cash held	-344	-2,332	-251	-194	57
Cash surplus/-deficit	2,120	-1,155	-900	-49	851
<b>Memorandum Item: Net Debt</b>	<b>27,358</b>	<b>29,389</b>	<b>28,636</b>	<b>28,173</b>	<b>-463</b>

Note: Columns may not add due to rounding.

<sup>3</sup> The total public sector consolidates the general government, public non-financial corporations and public financial corporations sectors. The total public sector is also known as the whole-of-government. Detailed financial disclosures for each of these sectors are contained in Appendix 1: *Financial Statements*.

## Operating Statement

A total public sector operating surplus of \$5.9 billion was recorded in 2023-24. This was \$2.5 billion higher than estimated in the recent Budget, and reflects the stronger general government operating surplus (up \$1.3 billion) discussed earlier, as well as higher operating surpluses for the public non-financial corporations (PNFC) sector (up \$949 million) and the public financial corporations (PFC) sector (up \$257 million).

### TOTAL PUBLIC SECTOR OPERATING BALANCE By Sector

Table 6

	2022-23	2023-24			Variation on EA \$m (3)=(2)-(1)
	Actual \$m	Budget \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>Net Operating Balance</b>					
General government sector	5,120	3,293	3,158	4,486	1,329
Public non-financial corporations sector	-596	608	375	1,325	949
Public financial corporations sector	437	82	100	357	257
<i>less</i>					
General government dividend revenue	145	1,423	211	210	-1
Public non-financial corporations dividend revenue <sup>(a)</sup>	81	39	19	35	16
Agency depreciation costs on right of use assets leased from other government sectors <sup>(b)</sup>	-3	-2	-2	-3	-1
<b>Total public sector net operating balance</b>	<b>4,738</b>	<b>2,523</b>	<b>3,405</b>	<b>5,926</b>	<b>2,521</b>

(a) Dividends received from Keystart (a PFC) by the Housing Authority (a PNFC).

(b) Depreciation costs incurred by agencies for right of use assets leased from other agencies within the same sub sector of government are eliminated directly on consolidation. Equivalent costs between internal sectors of government contribute to expenses (and the operating balance) in the sector in which the lessee is classified, but is not matched by a 'depreciation revenue' by the sector in which the lessor is classified. This gives rise to an adjustment against equity for this unmatched internal cost when consolidating the total public sector.

Note: Columns/rows may not add due to rounding.

## Public Non-Financial Corporations

The PNFC sector recorded a \$1.3 billion operating surplus in 2023-24, \$949 million higher than estimated in the 2024-25 Budget. Significant movements include:

- higher contributions from:
  - Synergy, largely due to favourable movements in the value of onerous gas and coal contracts<sup>4</sup>, which reverse some of the significant write-downs in value of these contracts in 2022-23 and prior years;

<sup>4</sup> Synergy's onerous contract provision reflects commodity purchases, fuel, electricity and other contracted costs that exceed the economic benefits expected to be received under these contracts. The reduction in the provision for these contracts recognised in 2023-24 is due to contract renegotiations and changes in underlying assumptions such as price and volume assumptions.



## **2023-24 Annual Report on State Finances**

- Water Corporation, largely due to higher than expected water consumption as a result of warmer weather and lower rainfall throughout 2023-24, and assets developed by third parties and transferred to the Corporation, partially offset by higher interest and staffing costs;
- the Housing Authority, with increased revenue from Government Regional Officer Housing rent collections and higher revenue from Keystart, and lower than forecast maintenance expenses;
- the Public Transport Authority, largely reflecting timing delays in expenditure;
- Western Power, mainly reflecting the combined impact of lower tax, depreciation and amortisation expenditure, higher equipment repairs and maintenance costs, and minor movements in revenue; and
- the Lotteries Commission, primarily due to higher than forecast sales volumes, largely driven by record Lotto jackpot levels; and
- lower contributions from:
  - the Gold Corporation, with lower sales and associated production costs for minted products, and higher expenses for the remediation of de-commissioned ore-crushing facilities; and
  - DevelopmentWA, mainly due to the operating subsidy revenue of slower than expected progress for a number of projects, a reclassification from operating revenue and costs to land sales revenue and costs, and higher income tax expenses.

### ***Public Financial Corporations***

An operating surplus of \$357 million was recorded for the PFC sector in 2023-24, \$257 million higher than estimated in the 2024-25 Budget. This mainly reflects the net impact of:

- higher profit for the Insurance Commission of Western Australia, mainly due to fewer catastrophic injury and lower 'other' claims expenses;
- higher operating profit for the Western Australian Treasury Corporation, mainly due to a stronger margin on interest transactions (i.e. the difference between interest revenue on client borrowings net of interest expense on the Corporation's borrowings); and
- lower profit for the RiskCover Fund, reflecting an increased number and higher costs of new claims, together with an increase in the actuarial valuation of estimated future claims costs.

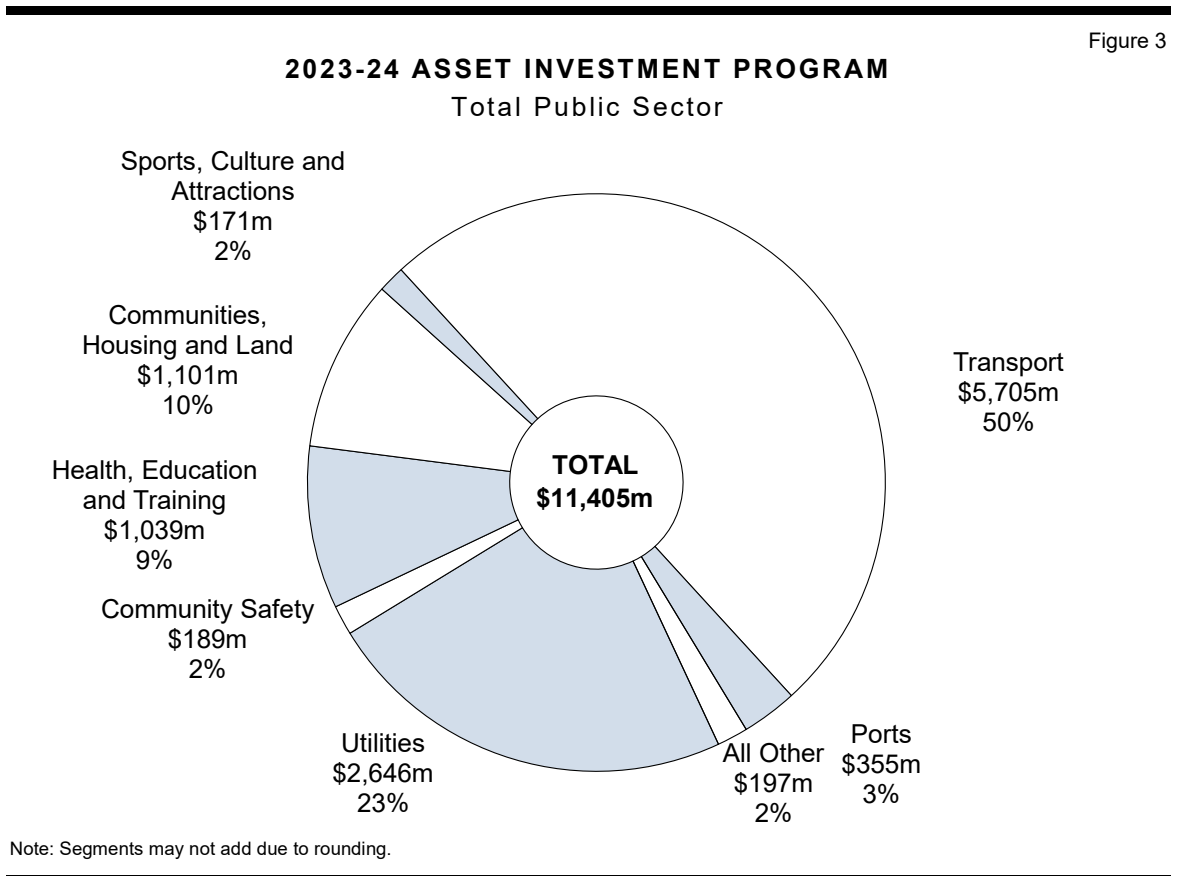
**Asset Investment**

Total public sector infrastructure spending (known as the Asset Investment Program or AIP) was a record \$11.4 billion in 2023-24. This outcome was \$769 million higher than estimated in the 2024-25 Budget, and is \$2.2 billion (or 23.5%) higher than the previous record spend in 2022-23.

The majority of investment in 2023-24 was for road, rail and transport infrastructure (\$5.7 billion), electricity and water infrastructure (\$2.6 billion), communities, housing and land (\$1.1 billion), and health, education and training projects (\$1 billion).

The 2024-25 Budget included a global underspend provision for the 2023-24 AIP of \$2.4 billion, resulting in an estimated AIP of \$10.6 billion. The actual underspend by agencies totalled \$1.6 billion, resulting in an AIP outcome of \$11.4 billion.

Figure 3



The following table summarises the material agency movements in AIP spending for 2023-24.

<b>INFRASTRUCTURE INVESTMENT</b>						Table 7
	2022-23	2023-24			Variation on EA \$m (3)=(2)-(1)	
	Actual \$m	Budget \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)		
<i>General Government</i>						
Commissioner of Main Roads	2,078	2,286	2,559	2,245	-314	
WA Health	464	766	444	339	-105	
Education	513	627	621	567	-54	
WA Planning Commission	70	103	105	58	-46	
Justice	55	138	89	55	-34	
Finance	97	178	164	134	-30	
Western Australia Police Force	94	147	103	83	-21	
All Other General Government Agencies	498	945	668	516	-151	
Provision for Asset Investment Program						
Underspending	-	-2,000	-1,200	-	1,200	
<b>Total General Government</b>	<b>3,870</b>	<b>3,189</b>	<b>3,553</b>	<b>3,997</b>	<b>444</b>	
<i>Public Corporations</i>						
Public Transport Authority	2,045	3,280	3,634	3,424	-210	
Port Authorities	239	602	524	355	-169	
Synergy (Electricity Generation and Retail Corporation)	498	57	838	691	-147	
DevelopmentWA	431	468	490	424	-65	
Western Power	901	1,106	1,027	967	-60	
Communities (Housing Services)	484	548	532	589	57	
Water Corporation	648	1,114	917	874	-43	
Horizon Power (Regional Power Corporation)	122	105	138	101	-37	
Gold Corporation	11	21	32	16	-16	
Racing and Wagering WA	26	9	24	13	-11	
Provision for Decarbonisation of the South West Interconnected System	-	1,732	163	-	-163	
All Other Public Corporations	60	351	125	120	-4	
Provision for Asset Investment Program						
Underspending	-	-2,000	-1,200	-	1,200	
<b>Total Public Corporations</b>	<b>5,467</b>	<b>7,395</b>	<b>7,243</b>	<b>7,576</b>	<b>332</b>	
Internal Purchases Between Sectors	-102	-180	-161	-168	-7	
<b>TOTAL PUBLIC SECTOR</b>	<b>9,235</b>	<b>10,405</b>	<b>10,635</b>	<b>11,405</b>	<b>769</b>	

## Balance Sheet

The net worth of the total public sector is identical to that of the general government sector (discussed earlier). This is because the net worth of public corporations is recorded as an asset on the general government sector balance sheet. Net debt is discussed later in this Chapter.

## Cash Flow Statement

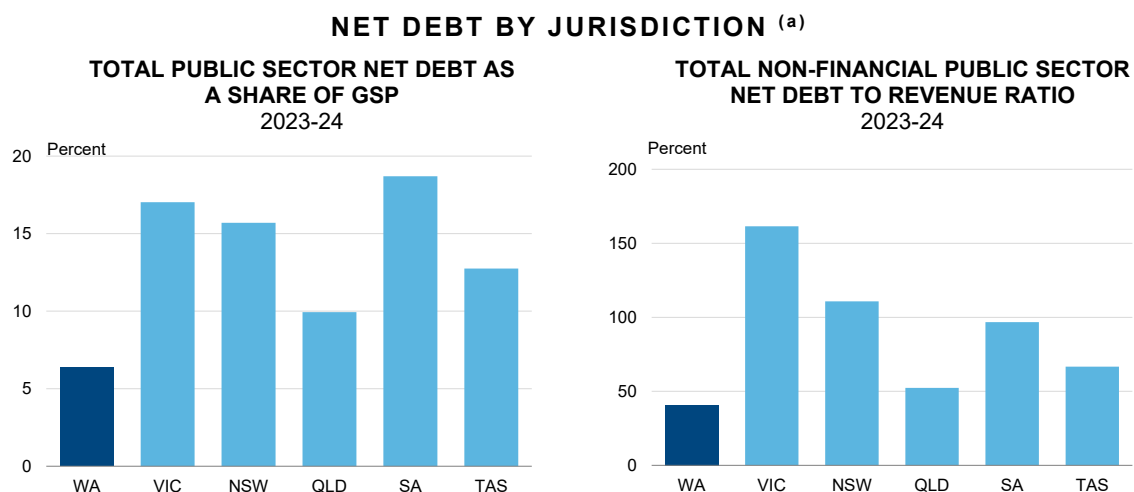
A total public sector cash deficit of just \$49 million was recorded in 2023-24, \$851 million lower than the \$900 million cash deficit forecast in the 2024-25 Budget. This reflects the net impact on cash of stronger operating surpluses across the general government and public corporations sectors, and higher asset investment (see earlier discussion).

## Net Debt<sup>5</sup>

Total public sector net debt at 30 June 2024 was \$28.2 billion. This is \$463 million lower than estimated in the 2024-25 Budget, and \$1.2 billion lower than the forecast level of net debt in the original 2023-24 Budget. This better than expected result reflects the net impact of the lower than estimated cash deficit discussed above, partly offset by non-cash increases in leases<sup>6</sup> and increased PFC investments in equity and other non-debt related assets.

As a share of the State's economy (Gross State Product), total public sector net debt has almost halved from 12.4% in 2018-19 to an estimated 6.4% in 2023-24, which is well below the level in other States. Western Australia's ratio of total non-financial public sector net debt to revenue also compares very favourably to other jurisdictions.

Figure 4



(a) Source: 2023-24 ARSF (Western Australia). 2024-25 Budgets (all other jurisdictions).

<sup>5</sup> Net debt consists of the State's gross debt liabilities (including borrowings, deposits held, leases, etc.), less cash and other liquid assets (cash holdings and investments, loans and advances to other sectors, etc.).

<sup>6</sup> Leases are recorded as a form of borrowing in accordance with AASB 16: *Leases* and are included as debt liabilities for the purposes of calculating net debt.

Notwithstanding that net debt at 30 June 2024 was lower than estimated, it was \$815 million higher than the level of net debt at 30 June 2023. As indicated in the table below, the largest increases in net debt over the year were for the Public Transport Authority (up \$990 million) and Main Roads (up \$557 million).

As discussed earlier, this reflects the delayed receipt of Commonwealth funding for transport projects – originally expected to be received in 2023-24, but now expected to be received in 2024-25 and beyond. Had this Commonwealth funding been received in 2023-24 as originally expected, net debt at 30 June 2024 would have fallen relative to 30 June 2023, continuing the Government’s record of a declining level of net debt in every year since 30 June 2019.

**TOTAL PUBLIC SECTOR NET DEBT**  
At 30 June

Table 8

	2023	2024	Change in Net Debt
	\$m	\$m	\$m
Leases and Service Concession Liabilities	3,737	3,736	-
Other Borrowings:			
Consolidated Account	22,887	22,887	-
Western Power	7,478	7,605	127
Water Corporation	5,040	4,402	-638
Western Australian Treasury Corporation <sup>(b)</sup>	4,574	5,005	431
Public Transport Authority	3,434	4,425	990
Housing Authority	3,276	2,654	-622
Horizon Power	850	883	33
Main Roads	130	687	557
Education	398	400	2
WA Sports Centre Trust	338	328	-10
All Other Agency Borrowings	980	1,090	110
Deposits Held and Advances	296	276	-20
Less: Liquid Financial Assets	26,058	26,205	-146
<b>Total Public Sector Net Debt at 30 June</b>	<b>27,358</b>	<b>28,173</b>	<b>815</b>

(a) Amount less than \$500,000.

(b) WATC borrowings excluding borrowings reported by agencies. Also includes forward lending creditors (financial instrument transactions undertaken prior to 30 June 2024 and due for settlement after 30 June 2024).

The following table reconciles movements in net debt at 30 June 2024 relative to the 2024-25 Budget.

<b>SUMMARY OF TOTAL PUBLIC SECTOR NET DEBT VARIATIONS SINCE 2024-25 BUDGET</b>		Table 9
	\$m	
<b>2024-25 Budget - Total Public Sector Net Debt</b>	<b>28,636</b>	
<i>Less</i> change in net cash flows from operating activities and dividends paid		
- General government	1,240	
- Public non-financial corporations	190	
- Public financial corporations	142	
- Internal transactions	9	
<i>Total Public Sector</i>	<i>1,581</i>	
<i>Plus</i> purchases of non-financial assets		
- Public Transport Authority	-210	
- Commissioner of Main Roads	-314	
- Provision for Synergy Decarbonisation	-163	
- Synergy	-147	
- WA Health	-105	
- Pilbara Ports Authority	-80	
- Development WA	-65	
- Western Power	-60	
- Education	-54	
- Western Australian Planning Commission	-46	
- Housing Authority	57	
- Underspend Provision	2,400	
- All other	-443	
<i>Total purchases of non-financial assets</i>	<i>769</i>	
<i>Less</i> proceeds from sale of non-financial assets	<i>39</i>	
<i>Plus</i> all other financing transactions <sup>(a)</sup>	<i>388</i>	
<i>Cumulative impact on net debt at 30 June</i>	<i>-463</i>	
<b>2023-24 Annual Report on State Finances - Total Public Sector Net Debt</b>	<b>28,173</b>	
(a) Includes changes in lease liabilities and other movements in net debt attributable to issues such as revaluations of investment assets and debt liabilities, net acquisitions of financial assets for liquidity purposes, etc. These transactions have no associated operating or infrastructure cash flows reflected in other items in this table. Lease movements are matched by changes in (non-debt) related right-of-use assets and have no associated operating or infrastructure cash flows reflected in other items in this table.		

## Financial Targets

The *Government Financial Responsibility Act 2000* requires that the Government report on performance against its medium-term financial targets each year in the *Annual Report on State Finances*.

The targets set out in the Government’s 2023-24 Budget were to:

- maintain a net operating surplus for the general government sector on average over the forward estimates period;
- maintain disciplined general government expense management by:
  - delivering public sector wage outcomes in line with the Government’s wages policy; and
  - ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits in Resource Agreements; and
- maintain or increase the net worth (i.e. net assets) of the total public sector.

Consistent with expectations at the time of the 2024-25 Budget, all but one of the Government’s financial targets were met in 2023-24 (see summary table below). Performance against each target is outlined more fully in the remainder of this section.

**2023-24 FINANCIAL TARGETS**

Table 10

	2023-24 Budget	2024-25 Budget Estimated Actual	Actual
Maintain a net operating surplus for the general government sector on average over the forward estimates period			
- General government net operating balance (\$m)	3,293	3,158	4,486
- <b>Target Met</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
Maintain disciplined general government expense management through:			
- delivering public sector wage outcomes in line with Government wages policy			
- <b>Target Met</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
- ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits			
- <b>Target Met</b>	<b>Yes</b>	<b>No</b>	<b>No</b>
Maintain or increase net worth of the total public sector			
- Total public sector net worth (\$b)	144.8	159.6	170.5
- <b>Target Met</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>

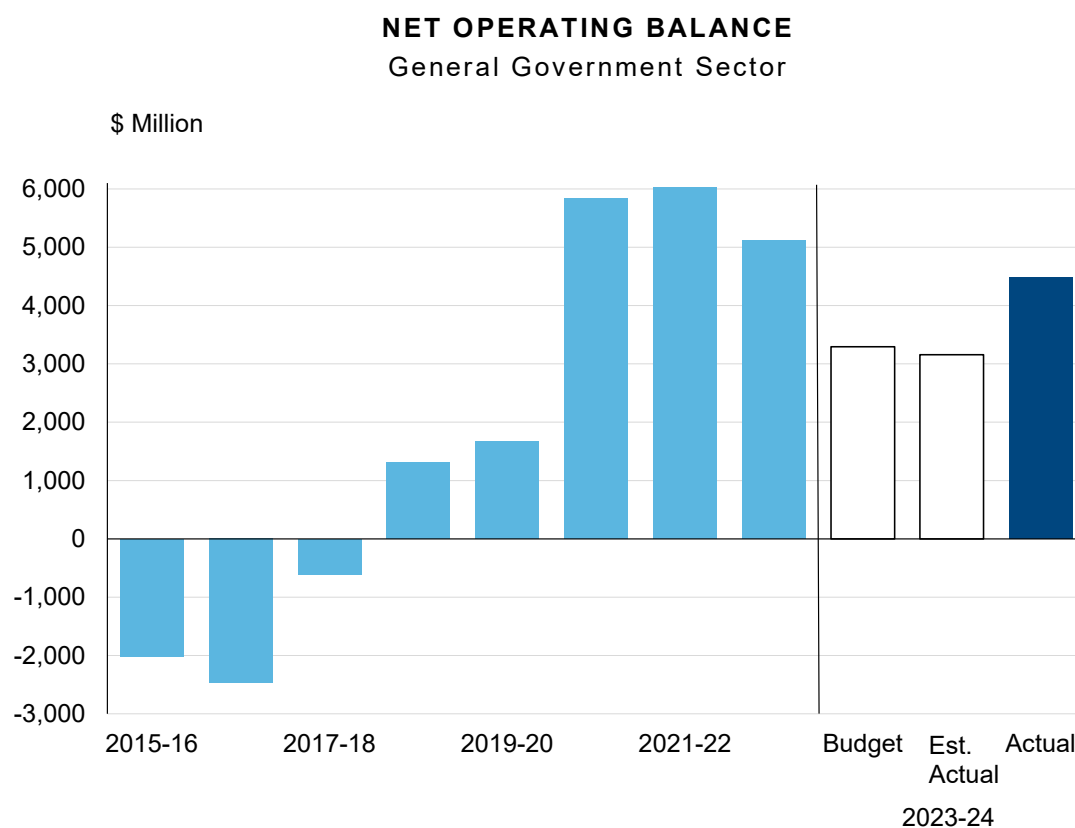
## Performance Against Financial Targets

### Maintain a Net Operating Surplus<sup>7</sup> for the General Government Sector on Average over the Forward Estimates Period

The general government sector recorded an operating surplus of \$4.5 billion in 2023-24, ensuring that this target was met for a sixth consecutive year.

The outcome for 2023-24 exceeds the \$3.2 billion estimate included in the 2024-25 Budget. This is due to higher revenue (up \$872 million) and lower expenses (down \$456 million), as detailed earlier in this Chapter.

Figure 5



Operating surpluses are an essential non-debt source of funding for the Government's record Asset Investment Program.

<sup>7</sup> The net operating balance is an accrual-based measure of the day-to-day operations of the general government sector (excluding capital spending on infrastructure). An operating surplus indicates that the Government can sustainably deliver day-to-day services, financing recurrent costs from revenue generated in that financial year.



## Maintain Disciplined General Government Expense Management

This target was partially met in 2023-24. Wage outcomes negotiated in 2023-24 were consistent with the Government's wages policy. However, two agencies exceeded their approved expense limits by more than 2%.

### *Deliver public sector wage outcomes in line with the Government's wages policy*

Salaries and concurrent superannuation costs are the single largest expense for the general government sector, together representing over 44% of recurrent spending in 2023-24.

The Government's current Public Sector Wages Policy was announced in December 2023 and applies to all agreements expiring from 1 October 2023. Total funding of \$3.9 billion has been allocated to 2027-28 to meet the costs of the new policy, which is a principles-based policy that allows flexibility in negotiating outcomes with individual public sector unions.

Agreements that have settled or have been agreed in-principle in the year to 30 June 2024 were in line with the Government's wages policy.

### INDUSTRIAL AGREEMENTS <sup>(a)</sup>

Table 11

Agreement	Employees	Expiry Date	Status in 2023-24
<b>2022-23 <sup>(b)</sup></b>			
Registered Nurses	18,566	11 Oct 2022	Registered
PTA Salaried Officers	1,326	26 Oct 2022	Registered
PTA Railcar Drivers	365	16 Mar 2023	Registered
Firefighters	1,250	9 Jun 2023	Registered
<b>2023-24</b>			
PTA Transit Officers	314	6 Oct 2023	Registered
School Teachers and Administrators	28,753	5 Dec 2023	Under Negotiation <sup>(c)</sup>
TAFE Lecturers	2,606	15 Dec 2023	Under Negotiation <sup>(c)</sup>
VenuesWest	518	31 Dec 2023	Under Negotiation <sup>(c)</sup>
Arts and Culture Trust Venues Management	349	31 Dec 2023	Under Negotiation
Main Roads (CSA)	1,081	31 Jan 2024	Under Negotiation
Prison Officers	2,915	10 June 2024	Under Negotiation
Public Servants and Government Officers	33,365	12 June 2024	Under Negotiation
School Support Officers	4,821	12 June 2024	Under Negotiation
Disability Services Social Trainers	454	12 June 2024	Under Negotiation
Insurance Commission (Government Officers)	473	12 June 2024	Under Negotiation
WA Health PACTS (Health Salaried Officers)	22,738	30 June 2024	Under Negotiation
WA Police	6,905	30 June 2024	Under Negotiation
AWU Miscellaneous Public Sector Employees	453	30 June 2024	Under Negotiation

(a) For materiality purposes, this table includes large key agreements only and excludes smaller agreements that cover less than 300 employees

(b) Registered in 2023-24.

(c) Agreed in-principle in 2024-25.

**Ensure key service delivery agency recurrent spending outcomes are in line with budgeted expense limits in Resource Agreements**

This target is met when the 15 largest appropriation-funded agencies remain within 2% of approved expense limits for the financial year. Two of the 15 largest centrally-funded agencies exceeded approved expense limits in 2023-24. These agencies were:

- Justice (up \$85 million or 4.1%), reflecting higher costs for prison supplies, leased accommodation, corrective services staffing and building maintenance; and
- Fire and Emergency Services (up \$29 million or 5%), largely reflecting additional bushfire suppression costs, natural hazard incidents and State Emergency Services response and recovery operations.

Notwithstanding the performance of individual agencies against approved expense limits, total recurrent spending by the general government sector in 2023-24 was \$456 million lower than estimated in the 2024-25 Budget.

**AGENCY RECURRENT SPENDING OUTCOMES** <sup>(a)</sup>  
2023-24

Table 12

	Resource Agreement <sup>(b)</sup>	Outcome for Target	Variance from Revised Limit	
	\$m (1)	\$m (2)	\$m (3)	% (4)=(3)/(1)
WA Health	12,617	12,844	226	1.8
Education	6,609	6,667	58	0.9
Communities	2,962	2,946	-16	-0.5
Commissioner of Main Roads	2,295	2,090	-205	-8.9
Public Transport Authority	2,226	2,093	-134	-6.0
Justice	2,071	2,156	85	4.1
Western Australia Police Force	1,928	1,961	33	1.7
Finance	1,688	1,653	-35	-2.1
Mental Health Commission	1,355	1,338	-17	-1.3
Training and Workforce Development	855	850	-5	-0.6
Transport	717	635	-82	-11.4
Primary Industries and Regional Development	640	606	-34	-5.3
Local Government, Sport and Cultural Industries	601	503	-98	-16.4
Fire and Emergency Services	595	625	29	5.0
Biodiversity, Conservation and Attractions	581	511	-71	-12.2

(a) The target is met when recurrent spending outcomes for the 15 largest appropriation-funded agencies are no more than 2% higher than the amount approved for Resource Agreements for the year.

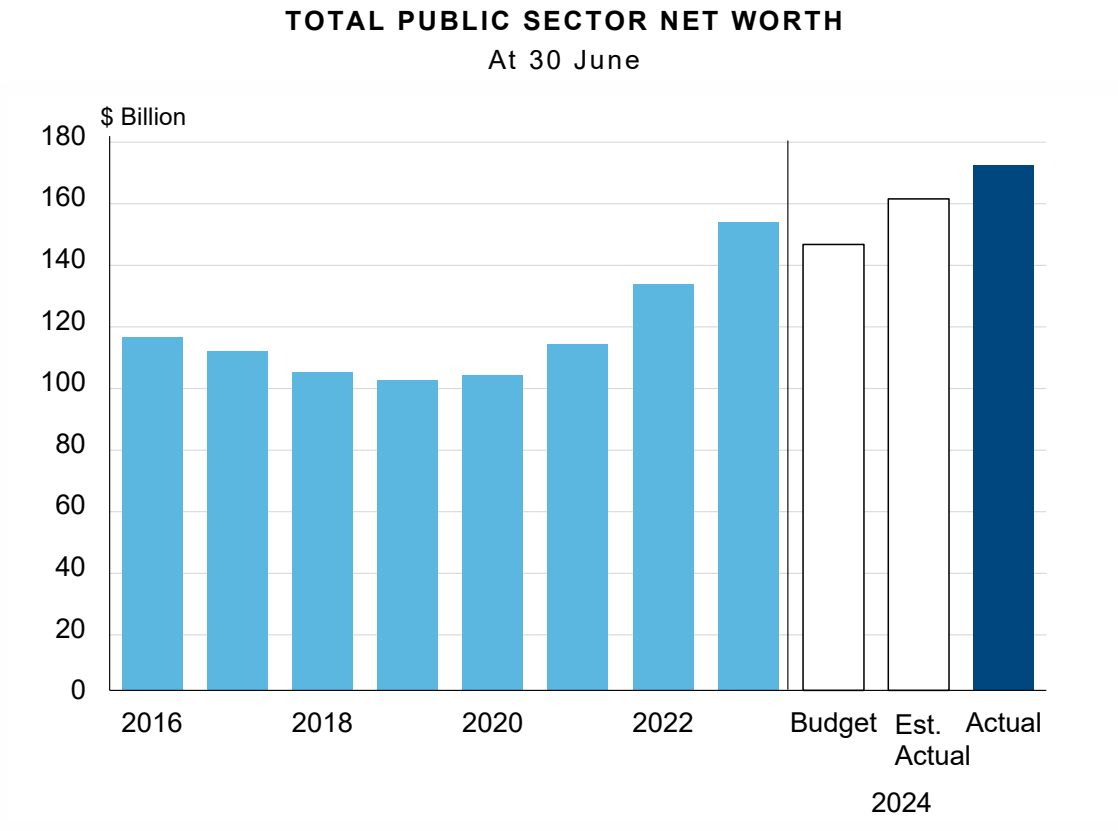
(b) Approved 2023-24 Total Cost of Services reflected in the 2024-25 Budget.

### Maintain or Increase the Net Worth (i.e. Net Assets) of the Total Public Sector

This target was met in 2023-24, with public sector net worth increasing from \$152 billion at 30 June 2023 to \$170.5 billion at 30 June 2024.

This increase largely reflects the impact of operating surpluses across the general government and public corporations sectors, and increases in the value of physical assets held by the general government and public corporations sectors (particularly land, building and other property, plant and equipment assets).

Figure 6



# Financial Statements

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## Introduction

Financial information presented in this Appendix has been prepared in accordance with Australian Accounting Standards and pronouncements, in particular AASB 1049: *Whole of Government and General Government Sector Financial Reporting*, and requirements under section 14A(3) of the *Government Financial Responsibility Act 2000*. The formats used in this report are the same as those used in 2023-24 Budget Papers presented to the Legislative Assembly on 11 May 2023, facilitating comparisons between estimates and outturns.

These financial statements (Operating Statement, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement) also comply with Uniform Presentation Framework (UPF) disclosure requirements by reporting the finances of all sub-sectors of government. These sub-sectors are:

- the general government sector;
- the public non-financial corporations sector;
- the total non-financial public sector, representing the consolidation of the general government sector and the public non-financial corporations sector;
- the public financial corporations sector; and
- the total public sector (or whole-of-government).

Other UPF disclosure requirements are included in the notes to the financial statements, and in Appendices 2 and 3 of this report.

**GENERAL GOVERNMENT (a)**  
**Operating Statement**

	Notes	2022-23		2023-24		Actual \$m (2)	Variation on EA \$m (2) - (1)
		Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>RESULTS FROM TRANSACTIONS</b>							
<b>REVENUE</b>							
Taxation		12,427	11,915	12,922	13,508	13,631	123
Current grants and subsidies		12,817	13,389	12,749	12,674	12,780	106
Capital grants		2,081	3,353	3,670	2,306	1,884	-422
Sales of goods and services		3,296	3,149	3,064	3,139	3,460	321
Interest income		333	265	348	373	391	18
Revenue from public corporations							
Dividends from other sectors		145	1,423	205	211	210	-1
Tax equivalent income		705	785	769	807	912	105
Royalty income		11,045	7,982	10,701	11,243	11,866	624
Other		752	957	1,050	815	813	-1
<b>Total</b>	<b>6</b>	<b>43,601</b>	<b>43,218</b>	<b>45,478</b>	<b>45,075</b>	<b>45,947</b>	<b>872</b>
<b>EXPENSES</b>							
Salaries		15,727	15,671	15,931	16,259	16,518	258
Superannuation							
Concurrent costs		1,759	1,776	1,871	1,910	1,781	-128
Superannuation interest cost		160	165	215	201	167	-34
Other employee costs		387	372	472	463	401	-62
Depreciation and amortisation	7	1,977	2,150	2,185	2,173	2,112	-60
Services and contracts		3,080	3,754	4,367	4,320	3,403	-917
Other gross operating expenses	8	6,620	6,350	6,421	6,519	7,330	811
Interest	9						
Interest on leases		146	133	135	141	175	34
Other interest		809	741	900	921	946	25
Current transfers	10	7,358	8,024	8,455	8,318	8,068	-251
Capital transfers	10	458	788	808	693	560	-133
<b>Total</b>		<b>38,481</b>	<b>39,925</b>	<b>41,760</b>	<b>41,917</b>	<b>41,461</b>	<b>-456</b>
<b>NET OPERATING BALANCE (b)</b>		<b>5,120</b>	<b>3,293</b>	<b>3,719</b>	<b>3,158</b>	<b>4,486</b>	<b>1,329</b>
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		-302	-194	-264	-228	-121	107
Provision for doubtful debts		-41	-14	-14	-14	-20	-6
Changes in accounting policy/adjustment of prior periods		63	-	-	-	-168	-168
<b>Total other economic flows</b>		<b>-280</b>	<b>-208</b>	<b>-279</b>	<b>-242</b>	<b>-310</b>	<b>-68</b>
<b>OPERATING RESULT</b>		<b>4,841</b>	<b>3,085</b>	<b>3,440</b>	<b>2,915</b>	<b>4,176</b>	<b>1,261</b>
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		9,712	2,379	2,161	2,309	5,718	3,410
Net actuarial gains/loss - superannuation		100	-191	127	53	188	136
Gains recognised directly in equity		-	-44	-45	-41	-	41
Change in net worth of the public corporations sectors		5,340	840	2,047	2,402	8,411	6,009
All other		-	-	-	-	-	-
<b>Total all other movements in equity</b>		<b>15,153</b>	<b>2,984</b>	<b>4,290</b>	<b>4,723</b>	<b>14,318</b>	<b>9,595</b>
<b>TOTAL CHANGE IN NET WORTH (c)</b>		<b>19,993</b>	<b>6,068</b>	<b>7,730</b>	<b>7,638</b>	<b>18,494</b>	<b>10,856</b>
<b>KEY FISCAL AGGREGATES</b>							
<b>NET OPERATING BALANCE</b>		<b>5,120</b>	<b>3,293</b>	<b>3,719</b>	<b>3,158</b>	<b>4,486</b>	<b>1,329</b>
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		3,870	3,189	3,497	3,553	3,997	444
Changes in inventories		-349	-113	-20	-20	-9	11
Other movement in non-financial assets		10	246	249	-	22	22
<i>less:</i>							
Sales of non-financial assets		86	119	119	108	60	-48
Depreciation		1,977	2,150	2,185	2,173	2,112	-60
<b>Total net acquisition of non-financial assets</b>		<b>1,468</b>	<b>1,052</b>	<b>1,422</b>	<b>1,253</b>	<b>1,838</b>	<b>585</b>
<b>NET LENDING/BORROWING</b>		<b>3,652</b>	<b>2,241</b>	<b>2,297</b>	<b>1,905</b>	<b>2,648</b>	<b>743</b>

(a) The accompanying notes form part of these financial statements.

(b) Also known as the 'Net Result from Transactions'.

(c) Also known as the 'Comprehensive Result'.

Note: Columns/rows may not add due to rounding.

Table 1.2

**GENERAL GOVERNMENT (a)**  
Balance Sheet at 30 June

	Notes	2023		2024		Actual \$m (2)	Variation on EA \$m (2) - (1)
		Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>ASSETS</b>							
<i>Financial assets</i>							
Cash and deposits		3,734	2,632	2,109	2,120	2,510	390
Advances paid		697	763	758	763	665	-98
Investments, loans and placements		5,776	3,983	6,174	7,393	7,331	-62
Receivables	11	5,080	4,064	4,353	4,779	5,635	856
<i>Shares and other equity</i>							
Investments in other public sector entities - equity method		54,693	52,206	56,740	57,095	63,104	6,009
Investments in other public sector entities - direct injections		15,482	20,939	20,478	19,174	19,267	94
Investments in other entities		49	39	49	49	57	8
Other financial assets		9	9	9	9	9	-
<b>Total financial assets</b>		<b>85,520</b>	<b>84,635</b>	<b>90,670</b>	<b>91,382</b>	<b>98,580</b>	<b>7,198</b>
<i>Non-financial assets</i>							
Land	12	43,904	42,938	45,976	46,200	46,524	324
Property, plant and equipment	13,14	60,872	57,130	62,980	62,716	65,653	2,937
Right of use assets	16,17	2,365	2,287	2,373	2,397	2,384	-13
Service concession assets	18	1,006	849	985	984	1,067	83
Biological assets	19	9	14	9	9	6	-3
Inventories	20						
Land inventories		-	-	-	-	-	-
Other inventories		251	261	231	231	243	11
Intangibles	21	646	612	682	663	726	63
Assets classified as held for sale	22	32	21	20	20	22	2
Investment property	23	-	-	-	-	-	-
Other		347	403	403	395	412	17
<b>Total non-financial assets</b>		<b>109,431</b>	<b>104,515</b>	<b>113,660</b>	<b>113,615</b>	<b>117,036</b>	<b>3,421</b>
<b>TOTAL ASSETS</b>		<b>194,950</b>	<b>189,149</b>	<b>204,330</b>	<b>204,998</b>	<b>215,616</b>	<b>10,619</b>
<b>LIABILITIES</b>							
Deposits held		1,538	2,667	3,294	4,007	2,728	-1,278
Advances received		273	332	332	311	256	-55
Borrowings	24						
Lease liabilities		2,734	2,681	2,758	2,779	2,738	-41
Service concession liabilities		-	-	-	-	-	-
Other borrowings		23,883	23,757	23,768	23,955	24,436	482
Superannuation	25	4,408	4,863	4,255	4,327	4,137	-190
Other employee benefits	26	4,354	4,229	4,442	4,440	4,775	335
Payables		2,677	2,814	2,757	2,652	2,977	325
Other liabilities	27	3,104	2,989	3,016	2,912	3,098	187
<b>TOTAL LIABILITIES</b>		<b>42,973</b>	<b>44,333</b>	<b>44,623</b>	<b>45,382</b>	<b>45,145</b>	<b>-237</b>
<b>NET ASSETS</b>		<b>151,977</b>	<b>144,817</b>	<b>159,707</b>	<b>159,615</b>	<b>170,471</b>	<b>10,856</b>
<i>Of which:</i>							
Contributed equity		-	-	-	-	-	-
Accumulated surplus		25,498	28,049	30,232	29,625	29,848	223
Other reserves		126,479	116,768	129,476	129,990	140,623	10,633
<b>NET WORTH</b>		<b>151,977</b>	<b>144,817</b>	<b>159,707</b>	<b>159,615</b>	<b>170,471</b>	<b>10,856</b>
<b>MEMORANDUM ITEMS</b>							
<i>Net financial worth</i>		42,546	40,302	46,047	46,000	53,435	7,435
<i>Net financial liabilities</i>		27,628	32,842	31,170	30,269	28,936	-1,332
<i>Net debt</i>							
Gross debt liabilities		28,429	29,438	30,153	31,051	30,158	-893
less: liquid financial assets		10,207	7,377	9,041	10,276	10,507	231
<b>Net debt</b>		<b>18,223</b>	<b>22,060</b>	<b>21,112</b>	<b>20,775</b>	<b>19,651</b>	<b>-1,124</b>

(a) The accompanying notes form part of these financial statements.

Note: Columns/rows may not add due to rounding.



**GENERAL GOVERNMENT**  
Statement of Changes in Equity

	Asset Revaluation Surplus \$m	Accumulated net gain on equity investments in other sector entities \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2022</i>	62,075	49,353	20,557	131,984
Operating result	-	-	4,841	4,841
All other movements in equity	9,712	5,340	100	15,153
<i>Total change in net worth</i>	9,712	5,340	4,941	19,993
<b>Balance at 30 June 2023</b>	<b>71,786</b>	<b>54,693</b>	<b>25,498</b>	<b>151,977</b>
<i>Balance at 1 July 2023</i>	71,786	54,693	25,498	151,977
Operating result	-	-	4,176	4,176
All other movements in equity	5,733	8,411	174	14,318
<i>Total change in net worth</i>	5,733	8,411	4,350	18,494
<b>Balance at 30 June 2024</b>	<b>77,519</b>	<b>63,104</b>	<b>29,848</b>	<b>170,471</b>

Note: Columns/rows may not add due to rounding.

Table 1.4

**GENERAL GOVERNMENT (a)**  
**Cash Flow Statement**

	2022-23		2023-24		Actual \$m (2)	Variation on EA \$m (2) - (1)	
	Notes	Actual \$m	Budget Year \$m	MYR Revision \$m			Estimated Actual (EA) \$m (1)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<i>Cash received</i>							
Taxes received		12,622	11,931	12,938	13,525	13,444	-80
Grants and subsidies received		17,235	19,127	18,841	17,399	17,024	-375
Receipts from sales of goods and services		3,338	3,133	3,055	3,111	3,704	593
Interest receipts		287	265	348	372	354	-18
Dividends and tax equivalents		1,023	2,203	957	966	1,034	67
Other		13,797	11,186	13,494	13,715	14,802	1,087
<b>Total cash received</b>		<b>48,303</b>	<b>47,846</b>	<b>49,634</b>	<b>49,088</b>	<b>50,362</b>	<b>1,274</b>
<i>Cash Paid</i>							
Wages, salaries and supplements, and superannuation		-17,339	-17,732	-18,036	-18,392	-18,259	133
Payments for goods and services		-10,066	-10,499	-11,207	-11,348	-11,251	97
Interest paid		-885	-855	-989	-1,019	-1,044	-25
Grants and subsidies paid		-9,837	-10,815	-11,380	-11,004	-10,424	580
Dividends and tax equivalents		-	-	-	-	-	-
Other payments		-2,350	-1,672	-1,709	-1,841	-2,659	-818
<b>Total cash paid</b>		<b>-40,476</b>	<b>-41,574</b>	<b>-43,320</b>	<b>-43,604</b>	<b>-43,638</b>	<b>-34</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	28	<b>7,827</b>	<b>6,272</b>	<b>6,314</b>	<b>5,484</b>	<b>6,724</b>	<b>1,240</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<i>Cash flows from investments in non-financial assets</i>							
Purchase of non-financial assets		-3,870	-3,189	-3,497	-3,553	-3,997	-444
Sales of non-financial assets		86	119	119	108	60	-48
<b>Total cash flows from investments in non-financial assets</b>		<b>-3,784</b>	<b>-3,070</b>	<b>-3,378</b>	<b>-3,446</b>	<b>-3,938</b>	<b>-492</b>
<i>Cash flows from investments in financial assets</i>							
<i>Cash received</i>							
For policy purposes		114	10	10	10	71	61
For liquidity purposes		48	16	17	21	64	43
<i>Cash paid</i>							
For policy purposes		-2,738	-5,777	-5,420	-4,099	-3,746	353
For liquidity purposes		-75	-	-5	-36	-97	-61
<b>Total cash flows from investments in financial assets</b>		<b>-2,651</b>	<b>-5,751</b>	<b>-5,399</b>	<b>-4,104</b>	<b>-3,708</b>	<b>395</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>-6,435</b>	<b>-8,821</b>	<b>-8,776</b>	<b>-7,550</b>	<b>-7,646</b>	<b>-96</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<i>Cash received</i>							
Advances received		18	18	18	18	18	-
Borrowings		188	116	123	323	619	296
Deposits received		-	-	-	2,469	936	-1,533
Other financing receipts		316	37	42	46	286	240
<b>Total cash receipts from financing activities</b>		<b>522</b>	<b>172</b>	<b>183</b>	<b>2,856</b>	<b>1,858</b>	<b>-998</b>
<i>Cash paid</i>							
Advances paid		-18	-18	-18	-18	-18	-
Borrowings repaid		-2,151	-112	-243	-247	-50	198
Deposits paid		-	-	-	-	-1	-1
Other financing payments		-689	-458	-457	-458	-765	-307
<b>Total payments for financing activities</b>		<b>-2,858</b>	<b>-588</b>	<b>-718</b>	<b>-723</b>	<b>-833</b>	<b>-111</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-2,336</b>	<b>-417</b>	<b>-535</b>	<b>2,133</b>	<b>1,025</b>	<b>-1,108</b>
<b>Net increase in cash and cash equivalents</b>		<b>-944</b>	<b>-2,966</b>	<b>-2,998</b>	<b>67</b>	<b>103</b>	<b>36</b>
Cash and cash equivalents at the beginning of the year		10,037	7,994	9,093	9,093	9,093	-
Cash and cash equivalents at the end of the year	29	9,093	5,028	6,095	9,160	9,196	36
<b>KEY FISCAL AGGREGATES</b>							
Net cash flows from operating activities		7,827	6,272	6,314	5,484	6,724	1,240
Net cash flows from investing in non-financial assets		-3,784	-3,070	-3,378	-3,446	-3,938	-492
<b>Cash surplus/deficit</b>		<b>4,043</b>	<b>3,202</b>	<b>2,936</b>	<b>2,038</b>	<b>2,787</b>	<b>748</b>

(a) The accompanying notes form part of these financial statements.

Note: Columns/rows may not add due to rounding.

**PUBLIC NON-FINANCIAL CORPORATIONS**  
Operating Statement

	2022-23	2023-24			Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>RESULTS FROM TRANSACTIONS</b>						
<b>REVENUE</b>						
Current grants and subsidies	3,436	3,654	3,848	3,978	4,020	42
Capital grants	209	374	350	349	314	-35
Sales of goods and services	34,990	38,252	38,260	37,855	38,101	246
Interest Income	255	219	256	320	343	22
Other	549	445	427	459	606	148
<b>Total</b>	<b>39,438</b>	<b>42,944</b>	<b>43,141</b>	<b>42,961</b>	<b>43,384</b>	<b>423</b>
<b>EXPENSES</b>						
Salaries	1,371	1,485	1,522	1,580	1,524	-57
Superannuation						
Concurrent costs	153	168	179	186	168	-17
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	62	34	35	37	68	31
Depreciation and amortisation	3,138	3,126	3,368	3,360	3,270	-90
Services and contracts	1,059	881	1,018	1,065	994	-70
Other gross operating expenses	31,071	33,303	33,293	32,787	32,433	-354
Interest						
Interest on leases	74	74	73	77	72	-4
Other interest	656	654	815	846	845	-
Tax equivalents	670	754	731	744	756	12
Current transfers	1,756	1,839	1,860	1,873	1,896	23
Capital transfers	24	18	23	31	32	-
<b>Total</b>	<b>40,034</b>	<b>42,336</b>	<b>42,917</b>	<b>42,586</b>	<b>42,059</b>	<b>-526</b>
<b>NET OPERATING BALANCE (a)</b>	<b>-596</b>	<b>608</b>	<b>224</b>	<b>375</b>	<b>1,325</b>	<b>949</b>
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	7	-240	-277	-152	-98	54
Provision for doubtful debts	-17	-42	-35	-35	-14	21
Changes in accounting policy/adjustment of prior periods	75	-	-	-	44	44
<b>Total other economic flows</b>	<b>65</b>	<b>-282</b>	<b>-311</b>	<b>-187</b>	<b>-68</b>	<b>119</b>
<b>OPERATING RESULT</b>	<b>-531</b>	<b>326</b>	<b>-87</b>	<b>189</b>	<b>1,257</b>	<b>1,068</b>
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	5,404	1,695	2,097	2,298	7,007	4,708
Net actuarial gains/loss - superannuation	-21	2	5	2	-27	-29
Gains recognised directly in equity	-30	-1	17	-1	-	1
All other	-	-	-	-	-	-
<b>Total other non-owner movements in equity</b>	<b>5,353</b>	<b>1,696</b>	<b>2,118</b>	<b>2,299</b>	<b>6,980</b>	<b>4,680</b>
<i>Movements in owner equity</i>						
Dividends	-81	-1,348	-	-6	-5	-
Capital injections	2,549	5,733	5,047	3,743	3,787	44
<b>Total movements in owner equity</b>	<b>2,468</b>	<b>4,385</b>	<b>5,047</b>	<b>3,737</b>	<b>3,781</b>	<b>44</b>
<b>TOTAL CHANGE IN NET WORTH (b)</b>	<b>7,290</b>	<b>6,407</b>	<b>7,078</b>	<b>6,225</b>	<b>12,018</b>	<b>5,793</b>
<b>KEY FISCAL AGGREGATES</b>						
<b>NET OPERATING BALANCE</b>	<b>-596</b>	<b>608</b>	<b>224</b>	<b>375</b>	<b>1,325</b>	<b>949</b>
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	5,405	7,304	6,417	7,171	7,475	303
Changes in inventories	660	133	139	-657	993	1,650
Other movement in non-financial assets	187	124	121	155	169	14
<i>less:</i>						
Sales of non-financial assets	447	437	426	426	494	67
Depreciation	3,138	3,126	3,368	3,360	3,270	-90
<b>Total net acquisition of non-financial assets</b>	<b>2,667</b>	<b>3,998</b>	<b>2,884</b>	<b>2,884</b>	<b>4,873</b>	<b>1,989</b>
<b>NET LENDING/-BORROWING</b>	<b>-3,263</b>	<b>-3,390</b>	<b>-2,660</b>	<b>-2,508</b>	<b>-3,549</b>	<b>-1,040</b>

(a) Also known as the 'Net Result from Transactions'.

(b) Also known as the 'Comprehensive Result'.

Note: Columns/rows may not add due to rounding.

Table 1.6

**PUBLIC NON-FINANCIAL CORPORATIONS**  
Balance Sheet at 30 June

	2023		2024		Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>ASSETS</b>						
<i>Financial assets</i>						
Cash and deposits	3,511	4,766	4,682	5,779	4,337	-1,442
Advances paid	-	-	-	-	-	-
Investments, loans and placements	4,038	3,921	3,504	3,483	3,546	63
Receivables	1,931	1,375	1,469	1,482	2,097	615
Shares and other equity						
Investments in other public sector entities - equity method	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	26	33	26	26	23	-3
Other financial assets	287	162	162	181	181	-
<b>Total financial assets</b>	<b>9,793</b>	<b>10,257</b>	<b>9,843</b>	<b>10,952</b>	<b>10,185</b>	<b>-767</b>
<i>Non-financial assets</i>						
Land	8,975	9,901	9,606	9,583	10,135	552
Property, plant and equipment	70,645	70,655	74,734	75,759	80,351	4,592
Right of use assets	395	357	356	357	411	54
Service concession assets	2,393	2,195	2,374	2,374	2,549	175
Biological assets	221	209	225	225	224	-1
Inventories						
Land inventories	1,471	1,795	1,513	1,550	1,440	-110
Other inventories	7,466	6,510	7,605	6,809	8,459	1,650
Intangibles	370	454	415	422	389	-33
Assets classified as held for sale	8	13	8	8	96	88
Investment property	16	14	16	16	23	6
Other	602	222	319	294	615	321
<b>Total non-financial assets</b>	<b>92,561</b>	<b>92,325</b>	<b>97,171</b>	<b>97,399</b>	<b>104,693</b>	<b>7,294</b>
<b>TOTAL ASSETS</b>	<b>102,355</b>	<b>102,582</b>	<b>107,014</b>	<b>108,350</b>	<b>114,878</b>	<b>6,527</b>
<b>LIABILITIES</b>						
Deposits held	-	-	-	-	-	-
Advances received	273	332	332	311	256	-55
Borrowings						
Lease liabilities	786	685	704	726	803	77
Service concession liabilities	309	329	303	302	298	-4
Other borrowings	20,636	20,209	18,448	21,346	20,506	-840
Superannuation	74	97	85	74	68	-6
Other employee benefits	501	434	481	480	546	66
Payables	9,271	7,773	9,231	8,510	10,343	1,833
Other liabilities	3,145	2,179	2,992	3,017	2,681	-336
<b>TOTAL LIABILITIES</b>	<b>34,996</b>	<b>32,038</b>	<b>32,577</b>	<b>34,766</b>	<b>35,501</b>	<b>735</b>
<b>NET ASSETS</b>	<b>67,359</b>	<b>70,544</b>	<b>74,437</b>	<b>73,584</b>	<b>79,377</b>	<b>5,793</b>
<i>Of which:</i>						
Contributed equity	15,735	21,243	20,782	19,478	19,522	44
Accumulated surplus	16,627	17,851	17,032	17,316	17,892	575
Other reserves	34,997	31,450	36,623	36,790	41,963	5,173
<b>NET WORTH</b>	<b>67,359</b>	<b>70,544</b>	<b>74,437</b>	<b>73,584</b>	<b>79,377</b>	<b>5,793</b>
<b>MEMORANDUM ITEMS</b>						
<i>Net financial worth</i>	-25,203	-21,781	-22,734	-23,815	-25,316	-1,502
<i>Net debt</i>						
Gross debt liabilities	22,005	21,555	19,788	22,685	21,863	-822
less: liquid financial assets	7,549	8,687	8,186	9,263	7,884	-1,379
<b>Net debt</b>	<b>14,456</b>	<b>12,868</b>	<b>11,602</b>	<b>13,423</b>	<b>13,979</b>	<b>557</b>

Note: Columns/rows may not add due to rounding.

**PUBLIC NON-FINANCIAL CORPORATIONS**  
Statement of Changes in Equity

	Contributed Equity \$m	Asset Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2022</i>	13,186	29,565	17,318	60,069
Operating result	-	-	-531	-531
All other movements in equity	-	5,431	-79	5,353
<i>Total change in net worth</i>	-	5,431	-610	4,823
<i>Transactions with owners in their capacity as owners</i>				
Contributed Capital	2,549	-	-	2,549
Dividends	-	-	-81	-81
<i>Total</i>	2,549	-	-81	2,468
<b>Balance at 30 June 2023</b>	<b>15,735</b>	<b>34,997</b>	<b>16,627</b>	<b>67,359</b>
<i>Balance at 1 July 2023</i>	15,735	34,997	16,627	67,359
Operating result	-	-	1,257	1,257
All other movements in equity	-	6,966	13	6,980
<i>Total change in net worth</i>	-	6,966	1,270	8,236
<i>Transactions with owners in their capacity as owners</i>				
Contributed Capital	3,787	-	-	3,787
Dividends	-	-	-5	-5
<i>Total</i>	3,787	-	-5	3,781
<b>Balance at 30 June 2024</b>	<b>19,522</b>	<b>41,963</b>	<b>17,892</b>	<b>79,377</b>

Note: Columns/rows may not add due to rounding.

Table 1.8

**PUBLIC NON-FINANCIAL CORPORATIONS**  
**Cash Flow Statement**

	2022-23	2023-24				Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash received</i>						
Grants and subsidies received	3,645	4,013	4,281	4,427	4,319	-108
Receipts from sales of goods and services	26,931	27,909	28,018	25,451	28,091	2,640
Interest receipts	232	218	255	319	318	-1
Dividends and tax equivalents	142	56	81	81	81	-
Other	1,715	1,578	1,614	1,700	2,046	345
<b>Total cash received</b>	<b>32,664</b>	<b>33,774</b>	<b>34,249</b>	<b>31,978</b>	<b>34,855</b>	<b>2,877</b>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-1,506	-1,643	-1,708	-1,782	-1,688	94
Payments for goods and services	-21,555	-21,816	-22,009	-19,171	-21,563	-2,392
Interest paid	-704	-682	-794	-829	-856	-27
Grants and subsidies paid	-853	-875	-888	-925	-919	6
Tax equivalents	-741	-700	-707	-710	-769	-58
Other payments	-4,384	-4,444	-4,649	-4,867	-5,176	-309
<b>Total cash paid</b>	<b>-29,742</b>	<b>-30,160</b>	<b>-30,756</b>	<b>-28,285</b>	<b>-30,972</b>	<b>-2,687</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2,922</b>	<b>3,614</b>	<b>3,493</b>	<b>3,693</b>	<b>3,883</b>	<b>190</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-5,405	-7,304	-6,417	-7,171	-7,475	-303
Sales of non-financial assets	447	437	426	426	494	67
<b>Total cash flows from investments in non-financial assets</b>	<b>-4,959</b>	<b>-6,867</b>	<b>-5,992</b>	<b>-6,745</b>	<b>-6,981</b>	<b>-236</b>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	11	63	100	138	54	-84
<i>Cash paid</i>						
For policy purposes	-34	-29	-34	-7	-10	-4
For liquidity purposes	-218	-54	-10	-114	-67	48
<b>Total cash flows from investments in financial assets</b>	<b>-241</b>	<b>-20</b>	<b>56</b>	<b>17</b>	<b>-23</b>	<b>-40</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-5,200</b>	<b>-6,886</b>	<b>-5,935</b>	<b>-6,728</b>	<b>-7,004</b>	<b>-276</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash received</i>						
Advances received	-	77	77	55	-	-55
Borrowings	3,254	5,042	2,466	6,673	5,667	-1,005
Deposits received	-	-	-	-	-	-
Other financing receipts	2,725	5,892	5,535	4,195	3,791	-404
<b>Total cash received</b>	<b>5,979</b>	<b>11,011</b>	<b>8,078</b>	<b>10,923</b>	<b>9,458</b>	<b>-1,465</b>
<i>Cash paid</i>						
Advances paid	-18	-18	-18	-18	-18	-
Borrowings repaid	-3,262	-5,486	-4,282	-5,462	-5,300	163
Deposits paid	-	-	-	-	-	-
Other financing payments	-265	-286	-235	-2,697	-1,213	1,484
Dividends paid	-81	-1,348	-	-6	-5	-
<b>Total cash paid</b>	<b>-3,626</b>	<b>-7,138</b>	<b>-4,535</b>	<b>-8,183</b>	<b>-6,536</b>	<b>1,647</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>2,352</b>	<b>3,874</b>	<b>3,544</b>	<b>2,740</b>	<b>2,922</b>	<b>182</b>
<b>Net increase in cash and cash equivalents</b>	<b>75</b>	<b>601</b>	<b>1,102</b>	<b>-295</b>	<b>-199</b>	<b>96</b>
Cash and cash equivalents at the beginning of the year	3,725	4,378	3,800	3,800	3,800	-
Cash and cash equivalents at the end of the year	3,800	4,980	4,902	3,505	3,601	96
<b>KEY FISCAL AGGREGATES</b>						
Net cash flows from operating activities	2,922	3,614	3,493	3,693	3,883	190
Net cash flows from investing in non-financial assets	-4,959	-6,867	-5,992	-6,745	-6,981	-236
Dividends paid	-81	-1,348	-	-6	-5	-
<b>Cash surplus/deficit</b>	<b>-2,118</b>	<b>-4,601</b>	<b>-2,498</b>	<b>-3,058</b>	<b>-3,103</b>	<b>-46</b>

Note: Columns/rows may not add due to rounding.

**TOTAL NON-FINANCIAL PUBLIC SECTOR**  
Operating Statement

	2022-23	2023-24			Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>RESULTS FROM TRANSACTIONS</b>						
<b>REVENUE</b>						
Taxation	11,848	11,365	12,371	12,923	13,011	88
Current grants and subsidies	12,817	13,389	12,749	12,674	12,780	106
Capital grants	2,081	3,353	3,670	2,306	1,884	-422
Sales of goods and services	37,434	40,672	40,647	40,303	40,796	493
Interest income	548	436	533	621	647	27
Royalty income	11,045	7,982	10,701	11,243	11,866	624
Dividends and tax equivalents	181	144	264	287	395	108
Other	1,158	1,321	1,400	1,185	1,303	118
<b>Total</b>	<b>77,112</b>	<b>78,663</b>	<b>82,335</b>	<b>81,543</b>	<b>82,684</b>	<b>1,141</b>
<b>EXPENSES</b>						
Salaries	17,098	17,156	17,454	17,840	18,041	202
Superannuation						
Concurrent costs	1,912	1,944	2,050	2,095	1,950	-145
Superannuation interest cost	160	165	215	201	167	-34
Other employee costs	363	315	416	408	369	-40
Depreciation and amortisation	5,112	5,273	5,550	5,531	5,380	-151
Services and contracts	4,133	4,645	5,394	5,394	4,397	-997
Other gross operating expenses	36,632	38,763	38,876	38,414	38,781	367
Interest						
Interest on leases	217	203	205	212	242	30
Other interest	1,428	1,351	1,647	1,699	1,711	11
Other property expenses	-	-	-	-	-	-
Current transfers	5,337	5,851	6,106	5,856	5,561	-295
Capital transfers	273	442	477	363	278	-85
<b>Total</b>	<b>72,666</b>	<b>76,108</b>	<b>78,390</b>	<b>78,013</b>	<b>76,875</b>	<b>-1,138</b>
<b>NET OPERATING BALANCE (a)</b>	<b>4,446</b>	<b>2,555</b>	<b>3,945</b>	<b>3,529</b>	<b>5,808</b>	<b>2,279</b>
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-295	-434	-541	-380	-219	161
Provision for doubtful debts	-57	-57	-49	-49	-34	15
Changes in accounting policy/adjustment of prior periods	140	-	-	-	-122	-122
<b>Total other economic flows</b>	<b>-211</b>	<b>-490</b>	<b>-590</b>	<b>-429</b>	<b>-375</b>	<b>54</b>
<b>OPERATING RESULT</b>	<b>4,234</b>	<b>2,065</b>	<b>3,355</b>	<b>3,100</b>	<b>5,433</b>	<b>2,333</b>
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	15,116	4,076	4,359	4,709	12,725	8,016
Net actuarial gains/-loss - superannuation	79	-189	132	55	162	107
Gains recognised directly in equity	-32	-47	-30	-44	-3	40
Change in net worth of the public corporations sectors	596	164	-86	-183	177	360
All other	-	-	-	-	-	-
<b>Total all other movements in equity</b>	<b>15,759</b>	<b>4,004</b>	<b>4,375</b>	<b>4,537</b>	<b>13,061</b>	<b>8,523</b>
<b>TOTAL CHANGE IN NET WORTH (b)</b>	<b>19,993</b>	<b>6,068</b>	<b>7,730</b>	<b>7,638</b>	<b>18,494</b>	<b>10,856</b>
<b>KEY FISCAL AGGREGATES</b>						
<b>NET OPERATING BALANCE</b>	<b>4,446</b>	<b>2,555</b>	<b>3,945</b>	<b>3,529</b>	<b>5,808</b>	<b>2,279</b>
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	9,225	10,398	9,818	10,629	11,396	767
Changes in inventories	311	19	119	-677	985	1,661
Other movement in non-financial assets	196	370	370	155	191	35
<i>less:</i>						
Sales of non-financial assets	483	461	448	438	477	39
Depreciation	5,112	5,273	5,550	5,531	5,380	-151
<b>Total net acquisition of non-financial assets</b>	<b>4,137</b>	<b>5,052</b>	<b>4,308</b>	<b>4,139</b>	<b>6,714</b>	<b>2,576</b>
<b>NET LENDING/-BORROWING</b>	<b>308</b>	<b>-2,497</b>	<b>-362</b>	<b>-609</b>	<b>-906</b>	<b>-297</b>
(a) Also known as the 'Net Result from Transactions'.						
(b) Also known as the 'Comprehensive Result'.						
Note: Columns/rows may not add due to rounding.						

Table 1.10

**TOTAL NON-FINANCIAL PUBLIC SECTOR**  
Balance Sheet at 30 June

	2023			2024		Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>ASSETS</b>						
<i>Financial assets</i>						
Cash and deposits	5,740	4,755	3,530	3,925	4,152	227
Advances paid	423	430	426	452	410	-42
Investments, loans and placements	9,700	7,814	9,563	10,762	10,722	-41
Receivables	6,934	5,353	5,780	6,210	7,568	1,359
Shares and other equity						
Investments in other public sector entities - equity method	2,816	2,601	2,781	2,684	2,994	310
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	75	72	75	75	80	5
Other financial assets	9	9	9	9	9	-
<b>Total financial assets</b>	<b>25,697</b>	<b>21,034</b>	<b>22,164</b>	<b>24,118</b>	<b>25,936</b>	<b>1,818</b>
<i>Non-financial assets</i>						
Land	52,879	52,839	55,582	55,783	56,659	875
Property, plant and equipment	131,517	127,785	137,714	138,475	146,004	7,529
Right of use assets	2,760	2,638	2,730	2,742	2,795	53
Service concession assets	3,398	3,044	3,359	3,357	3,616	259
Biological assets	229	223	234	234	230	-4
Inventories						
Land inventories	1,471	1,795	1,513	1,550	1,440	-110
Other inventories	7,717	6,771	7,836	7,040	8,702	1,661
Intangibles	1,016	1,066	1,097	1,085	1,115	30
Assets classified as held for sale	40	33	29	29	118	89
Investment property	16	14	16	16	23	6
Other	947	625	721	689	1,027	338
<b>Total non-financial assets</b>	<b>201,992</b>	<b>196,834</b>	<b>210,832</b>	<b>211,001</b>	<b>221,729</b>	<b>10,728</b>
<b>TOTAL ASSETS</b>	<b>227,689</b>	<b>217,868</b>	<b>232,996</b>	<b>235,119</b>	<b>247,665</b>	<b>12,546</b>
<b>LIABILITIES</b>						
Deposits held	28	22	28	27	26	-1
Advances received	273	332	332	311	256	-55
Borrowings						
Lease liabilities	3,411	3,272	3,353	3,383	3,391	8
Service concession liabilities	309	329	303	302	298	-4
Other borrowings	44,519	43,966	42,217	45,301	44,943	-359
Superannuation	4,483	4,961	4,340	4,401	4,206	-195
Other employee benefits	4,856	4,663	4,922	4,920	5,321	401
Payables	11,878	10,502	11,954	11,119	13,176	2,057
Other liabilities	5,953	5,004	5,838	5,739	5,577	-162
<b>TOTAL LIABILITIES</b>	<b>75,711</b>	<b>73,051</b>	<b>73,289</b>	<b>75,503</b>	<b>77,193</b>	<b>1,690</b>
<b>NET ASSETS</b>	<b>151,977</b>	<b>144,817</b>	<b>159,707</b>	<b>159,615</b>	<b>170,471</b>	<b>10,856</b>
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	42,132	45,900	47,271	46,949	47,747	798
Other reserves	109,845	98,917	112,437	112,667	122,724	10,058
<b>NET WORTH</b>	<b>151,977</b>	<b>144,817</b>	<b>159,707</b>	<b>159,615</b>	<b>170,471</b>	<b>10,856</b>
<b>MEMORANDUM ITEMS</b>						
<i>Net financial worth</i>	<i>-50,014</i>	<i>-52,017</i>	<i>-51,124</i>	<i>-51,386</i>	<i>-51,258</i>	<i>128</i>
<i>Net financial liabilities</i>	<i>52,830</i>	<i>54,617</i>	<i>53,905</i>	<i>54,070</i>	<i>54,252</i>	<i>182</i>
<i>Net debt</i>						
Gross debt liabilities	48,541	47,922	46,234	49,324	48,914	-411
less: liquid financial assets	15,863	13,000	13,519	15,139	15,284	144
<b>Net debt</b>	<b>32,679</b>	<b>34,922</b>	<b>32,715</b>	<b>34,185</b>	<b>33,630</b>	<b>-555</b>

Note: Columns/rows may not add due to rounding.



**TOTAL NON-FINANCIAL PUBLIC SECTOR**  
Statement of Changes in Equity

	Asset Revaluation Surplus \$m	Accumulated net gain on equity investments in other sector entities \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2022</i>	91,883	2,218	37,882	131,984
Operating result	-	-	4,234	4,234
All other movements in equity	15,146	598	16	15,759
<i>Total change in net worth</i>	<i>15,146</i>	<i>598</i>	<i>4,250</i>	<i>19,993</i>
<b>Balance at 30 June 2023</b>	<b>107,029</b>	<b>2,816</b>	<b>42,132</b>	<b>151,977</b>
<i>Balance at 1 July 2023</i>	107,029	2,816	42,132	151,977
Operating result	-	-	5,433	5,433
All other movements in equity	12,701	179	182	13,061
<i>Total change in net worth</i>	<i>12,701</i>	<i>179</i>	<i>5,615</i>	<i>18,494</i>
<b>Balance at 30 June 2024</b>	<b>119,730</b>	<b>2,994</b>	<b>47,747</b>	<b>170,471</b>

Note: Columns/rows may not add due to rounding.

Table 1.12

**TOTAL NON-FINANCIAL PUBLIC SECTOR**  
**Cash Flow Statement**

	2022-23		2023-24		Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash received</i>						
Taxes received	12,039	11,383	12,388	12,941	12,807	-133
Grants and subsidies received	17,235	19,127	18,841	17,399	17,024	-375
Receipts from sales of goods and services	29,366	30,231	30,314	27,776	30,877	3,101
Interest receipts	485	435	532	618	602	-16
Dividends and tax equivalents	343	212	331	331	341	9
Other	15,101	12,332	14,666	14,962	16,379	1,417
<i>Total cash received</i>	<i>74,570</i>	<i>73,720</i>	<i>77,073</i>	<i>74,027</i>	<i>78,030</i>	<i>4,003</i>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-18,845	-19,376	-19,744	-20,174	-19,947	227
Payments for goods and services	-30,429	-31,194	-32,147	-29,436	-31,583	-2,147
Interest paid	-1,555	-1,489	-1,711	-1,775	-1,830	-55
Grants and subsidies paid	-7,013	-7,648	-7,948	-7,452	-6,967	485
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-6,146	-5,567	-5,807	-6,124	-7,198	-1,074
<i>Total cash paid</i>	<i>-63,987</i>	<i>-65,273</i>	<i>-67,357</i>	<i>-64,961</i>	<i>-67,525</i>	<i>-2,564</i>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>10,583</b>	<b>8,447</b>	<b>9,716</b>	<b>9,066</b>	<b>10,505</b>	<b>1,439</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-9,225	-10,398	-9,818	-10,629	-11,396	-767
Sales of non-financial assets	483	461	448	438	477	39
<i>Total cash flows from investments in non-financial assets</i>	<i>-8,742</i>	<i>-9,937</i>	<i>-9,369</i>	<i>-10,191</i>	<i>-10,919</i>	<i>-728</i>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	114	10	10	10	71	61
For liquidity purposes	59	80	117	159	118	-41
<i>Cash paid</i>						
For policy purposes	-110	-10	-10	-10	-67	-57
For liquidity purposes	-294	-54	-16	-150	-163	-14
<i>Total cash flows from investments in financial assets</i>	<i>-231</i>	<i>26</i>	<i>102</i>	<i>9</i>	<i>-42</i>	<i>-51</i>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-8,973</b>	<b>-9,911</b>	<b>-9,268</b>	<b>-10,182</b>	<b>-10,960</b>	<b>-779</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash received</i>						
Advances received	-	77	77	55	-	-55
Borrowings	3,442	5,159	2,590	6,996	6,286	-710
Deposits received	-	-	-	-	-	-
Other financing receipts	290	8	8	8	283	275
<i>Total cash received</i>	<i>3,732</i>	<i>5,243</i>	<i>2,674</i>	<i>7,059</i>	<i>6,569</i>	<i>-490</i>
<i>Cash paid</i>						
Advances paid	-18	-18	-18	-18	-18	-
Borrowings repaid	-5,413	-5,598	-4,525	-5,710	-5,349	361
Deposits paid	-	-	-	-	-1	-1
Other financing payments	-780	-528	-475	-444	-842	-398
<i>Total cash paid</i>	<i>-6,211</i>	<i>-6,144</i>	<i>-5,018</i>	<i>-6,172</i>	<i>-6,210</i>	<i>-38</i>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-2,479</b>	<b>-901</b>	<b>-2,344</b>	<b>888</b>	<b>359</b>	<b>-528</b>
<b>Net increase in cash and cash equivalents</b>	<b>-870</b>	<b>-2,364</b>	<b>-1,896</b>	<b>-228</b>	<b>-96</b>	<b>132</b>
Cash and cash equivalents at the beginning of the year	13,762	12,371	12,892	12,892	12,892	-
Cash and cash equivalents at the end of the year	12,892	10,007	10,996	12,664	12,796	132
<b>KEY FISCAL AGGREGATES</b>						
Net cash flows from operating activities	10,583	8,447	9,716	9,066	10,505	1,439
Net cash flows from investing in non-financial assets	-8,742	-9,937	-9,369	-10,191	-10,919	-728
<b>Cash surplus/-deficit</b>	<b>1,840</b>	<b>-1,490</b>	<b>347</b>	<b>-1,125</b>	<b>-413</b>	<b>711</b>

Note: Columns/rows may not add due to rounding.

**PUBLIC FINANCIAL CORPORATIONS**  
Operating Statement

	2022-23		2023-24		Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>RESULTS FROM TRANSACTIONS</b>						
<b>REVENUE</b>						
Current grants and subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Sales of goods and services	1,445	1,495	1,522	1,533	1,737	204
Interest Income	1,772	2,064	2,165	2,160	2,038	-123
Other	132	161	161	150	171	21
<b>Total</b>	<b>3,349</b>	<b>3,720</b>	<b>3,848</b>	<b>3,843</b>	<b>3,945</b>	<b>102</b>
<b>EXPENSES</b>						
Salaries	71	78	78	80	77	-3
Superannuation						
Concurrent costs	8	9	9	9	9	-1
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	274	285	285	302	415	113
Depreciation and amortisation	8	9	9	9	11	2
Services and contracts	11	13	13	13	9	-4
Other gross operating expenses	984	1,336	1,337	1,275	1,103	-172
Interest						
Interest on leases	-	-	-	-	2	1
Other interest	1,515	1,870	1,988	1,985	1,800	-185
Tax equivalents	36	30	38	63	156	93
Current transfers	5	5	5	5	5	-
Capital transfers	1	1	1	1	1	-
<b>Total</b>	<b>2,912</b>	<b>3,638</b>	<b>3,765</b>	<b>3,743</b>	<b>3,588</b>	<b>-155</b>
<b>NET OPERATING BALANCE (a)</b>	<b>437</b>	<b>82</b>	<b>82</b>	<b>100</b>	<b>357</b>	<b>257</b>
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	307	240	240	124	61	-63
Provision for doubtful debts	-	-	-	-	-	-
Changes in accounting policy/adjustment of prior periods	-	-	-	-	-	-
<b>Total other economic flows</b>	<b>307</b>	<b>240</b>	<b>240</b>	<b>124</b>	<b>61</b>	<b>-63</b>
<b>OPERATING RESULT</b>	<b>744</b>	<b>322</b>	<b>323</b>	<b>224</b>	<b>419</b>	<b>194</b>
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	2	-42	-81	-81	2	83
Net actuarial gains/-loss - superannuation	1	-	-	-	-	-
Gains recognised directly in equity	-2	-	-	-	-2	-2
All other	-	-	-	-	-	-
<b>Total other non-owner movements in equity</b>	<b>1</b>	<b>-42</b>	<b>-81</b>	<b>-81</b>	<b>1</b>	<b>81</b>
<i>Movements in owner equity</i>						
Dividends	-145	-114	-226	-225	-239	-15
Capital injections	-2	-1	-51	-51	-1	50
<b>Total movements in owner equity</b>	<b>-146</b>	<b>-115</b>	<b>-277</b>	<b>-275</b>	<b>-241</b>	<b>35</b>
<b>TOTAL CHANGE IN NET WORTH (b)</b>	<b>598</b>	<b>165</b>	<b>-35</b>	<b>-132</b>	<b>179</b>	<b>310</b>
<b>KEY FISCAL AGGREGATES</b>						
<b>NET OPERATING BALANCE</b>	<b>437</b>	<b>82</b>	<b>82</b>	<b>100</b>	<b>357</b>	<b>257</b>
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	9	7	7	7	9	3
Changes in inventories	-	-	-	-	-	-
Other movement in non-financial assets	-	-	-	-	-	-
<i>less:</i>						
Sales of non-financial assets	-	-	-	-	-	-
Depreciation	8	9	9	9	11	2
<b>Total net acquisition of non-financial assets</b>	<b>1</b>	<b>-3</b>	<b>-2</b>	<b>-3</b>	<b>-2</b>	<b>-</b>
<b>NET LENDING/-BORROWING</b>	<b>435</b>	<b>85</b>	<b>85</b>	<b>103</b>	<b>359</b>	<b>257</b>

(a) Also known as the 'Net Result from Transactions'.

(b) Also known as the 'Comprehensive Result'.

Note: Columns/rows may not add due to rounding.

Table 1.14

**PUBLIC FINANCIAL CORPORATIONS**  
Balance Sheet at 30 June

	2023	2024				Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>ASSETS</b>						
<i>Financial assets</i>						
Cash and deposits	671	444	603	686	627	-58
Advances paid	2,735	3,072	2,338	2,130	2,071	-59
Investments, loans and placements	53,889	53,933	53,069	55,807	55,195	-611
Receivables	969	912	981	864	1,028	165
Shares and other equity						
Investments in other public sector entities - equity method	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	2,478	2,550	2,701	2,703	2,856	153
Other financial assets	8	7	8	8	8	-
<b>Total financial assets</b>	<b>60,749</b>	<b>60,918</b>	<b>59,700</b>	<b>62,197</b>	<b>61,786</b>	<b>-411</b>
<i>Non-financial assets</i>						
Land	-	-	-	-	-	-
Property, plant and equipment	4	5	5	5	4	-
Right of use assets	13	9	9	9	41	32
Service concession assets	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-
Inventories						
Land inventories	-	-	-	-	-	-
Other inventories	-	-	-	-	-	-
Intangibles	16	14	17	17	20	3
Assets classified as held for sale	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
Other	5	3	5	5	5	-
<b>Total non-financial assets</b>	<b>38</b>	<b>32</b>	<b>35</b>	<b>35</b>	<b>70</b>	<b>34</b>
<b>TOTAL ASSETS</b>	<b>60,787</b>	<b>60,950</b>	<b>59,735</b>	<b>62,232</b>	<b>61,856</b>	<b>-376</b>
<b>LIABILITIES</b>						
Deposits held	-	-	-	-	-	-
Advances received	3	3	3	3	-	-3
Borrowings						
Lease liabilities	16	12	12	12	47	35
Service concession liabilities	-	-	-	-	-	-
Other borrowings	51,956	51,902	50,448	53,059	52,390	-669
Superannuation	4	5	4	4	3	-
Other employee benefits	17	17	18	18	17	-
Payables	111	109	218	244	232	-12
Other liabilities	5,864	6,302	6,253	6,210	6,172	-38
<b>TOTAL LIABILITIES</b>	<b>57,971</b>	<b>58,349</b>	<b>56,954</b>	<b>59,548</b>	<b>58,861</b>	<b>-687</b>
<b>NET ASSETS</b>	<b>2,816</b>	<b>2,601</b>	<b>2,781</b>	<b>2,684</b>	<b>2,994</b>	<b>310</b>
<i>Of which:</i>						
Contributed equity	-254	-304	-304	-304	-255	50
Accumulated surplus	3,045	2,815	3,140	3,043	3,222	179
Other reserves	25	90	-55	-55	27	82
<b>NET WORTH</b>	<b>2,816</b>	<b>2,601</b>	<b>2,781</b>	<b>2,684</b>	<b>2,994</b>	<b>310</b>
<b>MEMORANDUM ITEMS</b>						
<i>Net financial worth</i>	2,778	2,569	2,745	2,649	2,925	276
<i>Net debt</i>						
Gross debt liabilities	51,975	51,916	50,462	53,073	52,437	-636
less: liquid financial assets	57,295	57,449	56,010	58,622	57,894	-728
<b>Net debt</b>	<b>-5,320</b>	<b>-5,533</b>	<b>-5,548</b>	<b>-5,549</b>	<b>-5,457</b>	<b>92</b>

Note: Columns/rows may not add due to rounding.

Table 1.15

**PUBLIC FINANCIAL CORPORATIONS**  
Statement of Changes in Equity

	Contributed Equity \$m	Asset Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2022</i>	-252	23	2,448	2,218
Operating result	-	-	743	743
Movements in equity	-	2	-2	1
<i>Total change in net worth</i>	-	2	742	743
<i>Transactions with owners in their capacity as owners</i>				
Contributed Capital	-2	-	-	-2
Dividends	-	-	-145	-145
<i>Total</i>	-2	-	-145	-146
<b>Balance at 30 June 2023</b>	<b>-254</b>	<b>25</b>	<b>3,045</b>	<b>2,816</b>
<i>Balance at 1 July 2023</i>	-254	25	3,045	2,816
Operating result	-	-	419	419
Movements in equity	-	2	-1	1
<i>Total change in net worth</i>	-	2	417	419
<i>Transactions with owners in their capacity as owners</i>				
Contributed Capital	-1	-	-	-1
Dividends	-	-	-239	-239
<i>Total</i>	-1	-	-239	-241
<b>Balance at 30 June 2024</b>	<b>-255</b>	<b>27</b>	<b>3,222</b>	<b>2,994</b>

Note: Columns/rows may not add due to rounding.

Table 1.16

**PUBLIC FINANCIAL CORPORATIONS**  
**Cash Flow Statement**

	2022-23		2023-24			Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash received</i>						
Grants and subsidies received	-	5	5	5	-	-5
Receipts from sales of goods and services	1,533	1,663	1,689	1,692	1,759	67
Interest receipts	1,710	2,064	2,165	2,160	1,987	-173
Dividends and tax equivalents	-	-	-	-	-	-
Other	191	203	206	212	218	6
<b>Total cash received</b>	<b>3,433</b>	<b>3,935</b>	<b>4,065</b>	<b>4,068</b>	<b>3,964</b>	<b>-104</b>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-78	-86	-86	-88	-85	3
Payments for goods and services	-1,015	-1,214	-1,215	-1,218	-1,188	31
Interest paid	-1,511	-1,871	-1,989	-1,985	-1,758	227
Grants and subsidies paid	-	-	-	-	-	-
Tax equivalents	-138	-80	-58	-58	-55	3
Other payments	-196	-212	-214	-214	-219	-5
<b>Total cash paid</b>	<b>-2,939</b>	<b>-3,462</b>	<b>-3,562</b>	<b>-3,564</b>	<b>-3,305</b>	<b>259</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>494</b>	<b>473</b>	<b>503</b>	<b>505</b>	<b>659</b>	<b>154</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-9	-7	-7	-7	-9	-3
Sales of non-financial assets	-	-	-	-	-	-
<b>Total cash flows from investments in non-financial assets</b>	<b>-9</b>	<b>-7</b>	<b>-7</b>	<b>-7</b>	<b>-9</b>	<b>-2</b>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	9,098	8,636	8,902	9,081	10,365	1,284
<i>Cash paid</i>						
For policy purposes	-	-1	-1	-1	-	1
For liquidity purposes	-8,558	-8,951	-8,851	-8,826	-10,111	-1,285
<b>Total cash flows from investments in financial assets</b>	<b>541</b>	<b>-317</b>	<b>50</b>	<b>254</b>	<b>254</b>	<b>1</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>531</b>	<b>-323</b>	<b>43</b>	<b>247</b>	<b>245</b>	<b>-2</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash received</i>						
Advances received	-	-	-	-	-	-
Borrowings	27,462	26,638	24,075	27,261	28,185	925
Deposits received	-	-	-	-	-	-
Other financing receipts	-	-	-	-	-	-
<b>Total cash received</b>	<b>27,462</b>	<b>26,638</b>	<b>24,075</b>	<b>27,261</b>	<b>28,185</b>	<b>925</b>
<i>Cash paid</i>						
Advances paid	-	-	-	-	-	-
Borrowings repaid	-27,752	-26,620	-24,446	-27,758	-28,899	-1,142
Deposits paid	-	-	-	-	-	-
Other financing payments	-4	-5	-5	-5	-2	2
Dividends paid	-205	-131	-274	-274	-286	-12
<b>Total cash paid</b>	<b>-27,962</b>	<b>-26,756</b>	<b>-24,724</b>	<b>-28,036</b>	<b>-29,188</b>	<b>-1,152</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-500</b>	<b>-118</b>	<b>-650</b>	<b>-775</b>	<b>-1,002</b>	<b>-227</b>
<b>Net increase in cash and cash equivalents</b>	<b>526</b>	<b>32</b>	<b>-103</b>	<b>-23</b>	<b>-98</b>	<b>-75</b>
Cash and cash equivalents at the beginning of the year	1,591	1,569	2,116	2,116	2,116	-
Cash and cash equivalents at the end of the year	2,116	1,601	2,013	2,093	2,018	-75
<b>KEY FISCAL AGGREGATES</b>						
Net cash flows from operating activities	494	473	503	505	659	154
Net cash flows from investing in non-financial assets	-9	-7	-7	-7	-9	-2
Dividends paid	-205	-131	-274	-274	-286	-12
<b>Cash surplus/-deficit</b>	<b>280</b>	<b>335</b>	<b>223</b>	<b>225</b>	<b>364</b>	<b>140</b>

Note: Columns/rows may not add due to rounding.

**TOTAL PUBLIC SECTOR (a)**  
**Operating Statement**

	2022-23		2023-24		Actual \$m (2)	Variation on EA \$m (2) - (1)	
	Notes	Actual \$m	Budget Year \$m	MYR Revision \$m			Estimated Actual (EA) \$m (1)
<b>RESULTS FROM TRANSACTIONS</b>							
<b>REVENUE</b>							
Taxation		11,843	11,360	12,365	12,918	13,007	88
Current grants and subsidies		12,817	13,389	12,749	12,674	12,780	106
Capital grants		2,081	3,353	3,670	2,306	1,884	-422
Sales of goods and services		38,400	41,622	41,623	41,241	41,789	549
Interest income		868	917	983	1,066	986	-80
Royalty income		11,045	7,982	10,701	11,243	11,866	624
Other		1,288	1,485	1,563	1,333	1,473	140
<b>Total</b>	<b>6</b>	<b>78,341</b>	<b>80,108</b>	<b>83,654</b>	<b>82,781</b>	<b>83,785</b>	<b>1,004</b>
<b>EXPENSES</b>							
Salaries		17,169	17,234	17,532	17,919	18,118	199
Superannuation							
Concurrent costs		1,920	1,953	2,059	2,104	1,958	-146
Superannuation interest cost		160	165	215	201	167	-34
Other employee costs		637	600	701	711	784	73
Depreciation and amortisation	7	5,120	5,283	5,559	5,540	5,391	-149
Services and contracts		4,144	4,645	5,394	5,394	4,406	-987
Other gross operating expenses	8	37,135	39,569	39,683	39,104	39,140	36
Interest	9						
Interest on leases		217	203	206	212	243	31
Other interest		1,490	1,638	1,921	1,970	1,812	-157
Other property expenses		-	-	-	-	-	-
Current transfers	10	5,337	5,851	6,106	5,856	5,561	-295
Capital transfers	10	274	443	478	364	278	-86
<b>Total</b>		<b>73,604</b>	<b>77,585</b>	<b>79,853</b>	<b>79,376</b>	<b>77,859</b>	<b>-1,517</b>
<b>NET OPERATING BALANCE (b)</b>		<b>4,738</b>	<b>2,523</b>	<b>3,801</b>	<b>3,405</b>	<b>5,926</b>	<b>2,521</b>
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		12	-193	-301	-256	-158	98
Provision for doubtful debts		-57	-57	-49	-49	-34	15
Changes in accounting policy/adjustment of prior periods		137	-	-	-	-125	-125
<b>Total other economic flows</b>		<b>92</b>	<b>-250</b>	<b>-349</b>	<b>-304</b>	<b>-317</b>	<b>-12</b>
<b>OPERATING RESULT</b>		<b>4,830</b>	<b>2,273</b>	<b>3,452</b>	<b>3,100</b>	<b>5,610</b>	<b>2,509</b>
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		15,118	4,032	4,177	4,526	12,727	8,201
Net actuarial gains/-loss - superannuation		80	-189	132	55	162	107
Gains recognised directly in equity		-35	-47	-30	-44	-5	39
All other		-	-	-	-	-	-
<b>Total all other movements in equity</b>		<b>15,164</b>	<b>3,795</b>	<b>4,278</b>	<b>4,538</b>	<b>12,884</b>	<b>8,347</b>
<b>TOTAL CHANGE IN NET WORTH (c)</b>		<b>19,993</b>	<b>6,068</b>	<b>7,730</b>	<b>7,638</b>	<b>18,494</b>	<b>10,856</b>
<b>KEY FISCAL AGGREGATES</b>							
<b>NET OPERATING BALANCE</b>		<b>4,738</b>	<b>2,523</b>	<b>3,801</b>	<b>3,405</b>	<b>5,926</b>	<b>2,521</b>
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		9,235	10,405	9,825	10,635	11,405	769
Changes in inventories		311	19	119	-677	985	1,661
Other movement in non-financial assets		196	370	370	155	191	35
<i>less:</i>							
Sales of non-financial assets		483	462	449	438	477	39
Depreciation		5,120	5,283	5,559	5,540	5,391	-149
<b>Total net acquisition of non-financial assets</b>		<b>4,139</b>	<b>5,049</b>	<b>4,305</b>	<b>4,136</b>	<b>6,712</b>	<b>2,576</b>
<b>NET LENDING/-BORROWING</b>		<b>599</b>	<b>-2,526</b>	<b>-504</b>	<b>-731</b>	<b>-786</b>	<b>-55</b>

(a) The accompanying notes form part of these financial statements.

(b) Also known as the 'Net Result from Transactions'.

(c) Also known as the 'Comprehensive Result'.

Note: Columns/rows may not add due to rounding.

Table 1.18

**TOTAL PUBLIC SECTOR (a)**  
Balance Sheet at 30 June

	Notes	2023		2024		Actual \$m (2)	Variation on EA \$m (2) - (1)
		Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>ASSETS</b>							
<i>Financial assets</i>							
Cash and deposits		6,404	5,196	4,126	4,605	4,774	169
Advances paid		3,156	3,500	2,761	2,579	2,481	-98
Investments, loans and placements		16,498	15,078	18,219	19,185	18,950	-235
Receivables	11	7,151	5,671	5,973	6,384	7,807	1,422
Equity - Investments in other entities		2,553	2,621	2,776	2,778	2,936	158
Other financial assets		17	16	17	17	17	-
<b>Total financial assets</b>		<b>35,779</b>	<b>32,083</b>	<b>33,872</b>	<b>35,548</b>	<b>36,964</b>	<b>1,416</b>
<i>Non-financial assets</i>							
Land	12	52,879	52,839	55,582	55,783	56,659	875
Property, plant and equipment	13,14	131,521	127,791	137,719	138,480	146,009	7,529
Right of use assets	16,17	2,773	2,647	2,739	2,750	2,836	85
Service concession assets	18	3,398	3,044	3,359	3,357	3,616	259
Biological assets	19	229	223	234	234	230	-4
Inventories	20						
Land inventories		1,471	1,795	1,513	1,550	1,440	-110
Other inventories		7,717	6,771	7,836	7,040	8,702	1,661
Intangibles	21	1,032	1,080	1,115	1,102	1,135	33
Assets classified as held for sale	22	40	33	29	29	118	89
Investment property	23	16	14	16	16	23	6
Other		952	598	726	693	1,031	338
<b>Total non-financial assets</b>		<b>202,029</b>	<b>196,835</b>	<b>210,867</b>	<b>211,036</b>	<b>221,798</b>	<b>10,762</b>
<b>TOTAL ASSETS</b>		<b>237,808</b>	<b>228,918</b>	<b>244,739</b>	<b>246,585</b>	<b>258,763</b>	<b>12,178</b>
<b>LIABILITIES</b>							
Deposits held		23	19	22	21	20	-
Advances received		273	332	332	311	256	-55
Borrowings	24						
Lease liabilities		3,427	3,284	3,365	3,395	3,438	43
Service concession liabilities		309	329	303	302	298	-4
Other borrowings		49,384	49,200	48,252	50,976	50,366	-610
Superannuation	25	4,486	4,965	4,344	4,405	4,209	-196
Other employee benefits	26	4,873	4,680	4,940	4,938	5,338	400
Payables		11,810	10,453	11,916	11,075	13,032	1,957
Other liabilities	27	11,245	10,839	11,558	11,547	11,335	-212
<b>TOTAL LIABILITIES</b>		<b>85,831</b>	<b>84,102</b>	<b>85,032</b>	<b>86,969</b>	<b>88,292</b>	<b>1,322</b>
<b>NET ASSETS</b>		<b>151,977</b>	<b>144,817</b>	<b>159,707</b>	<b>159,615</b>	<b>170,471</b>	<b>10,856</b>
<i>Of which:</i>							
Contributed equity		-	-	-	-	-	-
Accumulated surplus		45,177	48,715	50,411	49,992	50,969	977
Other reserves		106,801	96,102	109,297	109,623	119,502	9,879
<b>NET WORTH</b>		<b>151,977</b>	<b>144,817</b>	<b>159,707</b>	<b>159,615</b>	<b>170,471</b>	<b>10,856</b>
<b>MEMORANDUM ITEMS</b>							
<i>Net financial worth</i>		-50,052	-52,018	-51,160	-51,421	-51,327	94
<i>Net financial liabilities</i>		50,052	52,018	51,160	51,421	51,327	-94
<i>Net debt</i>							
Gross debt liabilities		53,417	53,164	52,273	55,005	54,378	-627
less: liquid financial assets		26,058	23,774	25,107	26,369	26,205	-164
<b>Net debt</b>		<b>27,358</b>	<b>29,389</b>	<b>27,167</b>	<b>28,636</b>	<b>28,173</b>	<b>-463</b>

(a) The accompanying notes form part of these financial statements.

Note: Columns/rows may not add due to rounding.



**TOTAL PUBLIC SECTOR**  
Statement of Changes in Equity

	Asset Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2022</i>	91,654	40,329	131,984
Operating result	-	4,830	4,830
All other movements in equity	15,146	17	15,164
<i>Total change in net worth</i>	<i>15,146</i>	<i>4,847</i>	<i>19,993</i>
<b>Balance at 30 June 2023</b>	<b>106,801</b>	<b>45,177</b>	<b>151,977</b>
<i>Balance at 1 July 2023</i>	106,801	45,177	151,977
Operating result	-	5,610	5,610
All other movements in equity	12,701	183	12,884
<i>Total change in net worth</i>	<i>12,701</i>	<i>5,792</i>	<i>18,494</i>
<b>Balance at 30 June 2024</b>	<b>119,502</b>	<b>50,969</b>	<b>170,471</b>

Note: Columns/rows may not add due to rounding.

Table 1.20

**TOTAL PUBLIC SECTOR (a)**  
**Cash Flow Statement**

	Notes	2022-23		2023-24		Variation on EA \$m (2) - (1)	
		Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		Actual \$m (2)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<i>Cash received</i>							
Taxes received		12,035	11,373	12,378	12,931	12,803	-128
Grants and subsidies received		17,235	19,127	18,841	17,399	17,024	-375
Receipts from sales of goods and services		30,454	31,348	31,457	28,880	31,976	3,096
Interest receipts		786	919	1,012	1,089	909	-180
Dividends and tax equivalents		-	-	-	-	-	-
Other		15,288	12,533	14,870	15,171	16,594	1,424
<b>Total cash received</b>		<b>75,798</b>	<b>75,299</b>	<b>78,558</b>	<b>75,468</b>	<b>79,305</b>	<b>3,837</b>
<i>Cash paid</i>							
Wages, salaries and supplements, and superannuation		-18,922	-19,462	-19,830	-20,262	-20,032	229
Payments for goods and services		-30,998	-31,859	-32,813	-30,064	-32,109	-2,045
Interest paid		-1,658	-1,779	-2,016	-2,071	-1,908	163
Grants and subsidies paid		-7,013	-7,643	-7,943	-7,447	-6,967	480
Dividends and tax equivalents		-	-	-	-	-	-
Other payments		-6,336	-5,768	-6,010	-6,327	-7,411	-1,084
<b>Total cash paid</b>		<b>-64,926</b>	<b>-66,510</b>	<b>-68,612</b>	<b>-66,171</b>	<b>-68,427</b>	<b>-2,256</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	28	<b>10,872</b>	<b>8,789</b>	<b>9,946</b>	<b>9,298</b>	<b>10,879</b>	<b>1,581</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<i>Cash flows from investments in non-financial assets</i>							
Purchase of non-financial assets		-9,235	-10,405	-9,825	-10,635	-11,405	-769
Sales of non-financial assets		483	462	449	438	477	39
<b>Total cash flows from investments in non-financial assets</b>		<b>-8,752</b>	<b>-9,943</b>	<b>-9,376</b>	<b>-10,198</b>	<b>-10,928</b>	<b>-730</b>
<i>Cash flows from investments in financial assets</i>							
<i>Cash received</i>							
For policy purposes		114	10	10	10	68	58
For liquidity purposes		9,157	8,716	9,019	9,240	10,483	1,243
<i>Cash paid</i>							
For policy purposes		-110	-10	-10	-10	-67	-57
For liquidity purposes		-8,851	-9,005	-8,867	-8,976	-10,274	-1,298
<b>Total cash flows from investments in financial assets</b>		<b>310</b>	<b>-289</b>	<b>153</b>	<b>264</b>	<b>210</b>	<b>-54</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>-8,442</b>	<b>-10,233</b>	<b>-9,223</b>	<b>-9,934</b>	<b>-10,718</b>	<b>-784</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<i>Cash received</i>							
Advances received		-	77	77	55	-	-55
Borrowings		22,051	21,042	19,552	21,553	22,839	1,285
Deposits received		-	-	-	-	-	-
Other financing receipts		290	7	7	7	283	276
<b>Total cash received</b>		<b>22,341</b>	<b>21,126</b>	<b>19,636</b>	<b>21,616</b>	<b>23,122</b>	<b>1,506</b>
<i>Cash paid</i>							
Advances paid		-18	-18	-18	-18	-18	-
Borrowings repaid		-24,313	-21,464	-21,859	-20,764	-22,613	-1,849
Deposits paid		-	-	-	-	-	-
Other financing payments		-785	-532	-480	-449	-846	-397
<b>Total cash paid</b>		<b>-25,115</b>	<b>-22,014</b>	<b>-22,357</b>	<b>-21,231</b>	<b>-23,476</b>	<b>-2,246</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-2,774</b>	<b>-888</b>	<b>-2,721</b>	<b>385</b>	<b>-354</b>	<b>-739</b>
<b>Net increase in cash and cash equivalents</b>		<b>-344</b>	<b>-2,332</b>	<b>-1,999</b>	<b>-251</b>	<b>-194</b>	<b>57</b>
Cash and cash equivalents at the beginning of the period		15,351	13,939	15,007	15,007	15,007	-
Cash and cash equivalents at the end of the period	29	15,007	11,606	13,008	14,756	14,813	57
<b>KEY FISCAL AGGREGATES</b>							
Net cash flows from operating activities		10,872	8,789	9,946	9,298	10,879	1,581
Net cash flows from investing in non-financial assets		-8,752	-9,943	-9,376	-10,198	-10,928	-730
<b>Cash surplus/-deficit</b>		<b>2,120</b>	<b>-1,155</b>	<b>570</b>	<b>-900</b>	<b>-49</b>	<b>851</b>

(a) The accompanying notes form part of these financial statements.

Note: Columns/rows may not add due to rounding.

## Notes to the Financial Statements

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### NOTE 1: MISSION STATEMENT THE GOVERNMENT OF WESTERN AUSTRALIA

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The Government of Western Australia (the reporting entity hereafter referred to as 'the public sector') is created by the *Western Australian Constitution Act 1889*.

The Executive Council is the governing body responsible for the control and management of the operations, affairs, concerns and property of the public sector. The Executive Council consists of the Governor, the Premier, and Ministers of the Crown, and is hereafter referred to as 'the Government'.

The principal office of the Government is situated at Parliament House, Harvest Terrace, West Perth, Western Australia.

The Government's mission is summarised in the following key goals:

- achievement of strong and sustainable finances;
- implementation of its WA Jobs Plan, creating Western Australian jobs, and training for the jobs of the future, by promoting local manufacturing and production;
- creating safe, strong and fair communities; and
- protecting our environment and supporting thriving suburbs and regions.

The *Government Financial Responsibility Act 2000* (GFRA) requires that the Treasurer releases a Government Financial Strategy Statement at least once each year. This statement appears each year in Budget Paper No.3 *Economic and Fiscal Outlook*. The Government Financial Strategy Statement is supported by the Government's medium-term financial targets.

The financial targets for 2023-24 were detailed in the 2023-24 Budget and remain unchanged from the previous year. In line with section 14A (3)(bb) of the GFRA, performance against the 2023-24 Budget financial targets for the year ending 30 June 2024 is discussed in the *Financial Results* chapter of this report.

The public sector is a not-for-profit entity funded primarily through Commonwealth grants, State taxation, and other own-source revenue (i.e. mining royalties, user charges and other own-source revenue).

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## NOTE 2: STATEMENT OF COMPLIANCE

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### Compliance Framework

The financial statements of the general government sector and the total public sector for the year ended 30 June 2024 have been prepared in accordance with applicable Australian Accounting Standards (AASs) and Interpretations, in particular AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

The Standard under which the general government sector financial statements are prepared does not require full application of AASB 127: *Separate Financial Statements* and AASB 139: *Financial Instruments: Recognition and Measurement*. Assets, liabilities, income, expenses and cash flows of government-controlled entities that are in the public non-financial corporations sector and the public financial corporations sector are not separately recognised in the general government sector financial statements. Instead, the general government sector financial statements recognise an asset, being the controlling equity investment in those entities, and recognise a gain or loss relating to changes in the carrying amount of that asset, measured in accordance with AASB 1049.

In compliance with AASB 1049, where consistent with accounting standards, Government Financial Statistics (GFS) concepts, sources and methods are used. In Australia, GFS standards are promulgated by the Australian Bureau of Statistics (ABS).

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## NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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### (a) General Statement

The whole-of-government financial statements of the Government of Western Australia constitute general purpose financial statements.

The financial statements and other information presented in this *Annual Report on State Finances* are required under section 14A(3) of the *Government Financial Responsibility Act 2000* and the regulations supporting that Act.

### (b) Reporting Entity

The reporting entities are the Government of Western Australia (also referred to as the total public sector and/or whole-of-government) and the general government sector, and include entities under their control.

The general government sector is a component of the total public sector reporting entity. The purpose of the general government sector financial statements is to provide users with information about the Government's stewardship of central government, and accountability for the resources entrusted to it. The statements also provide information about the financial position, changes in net assets/liabilities, performance and cash flows of the general government sector.

The statistical framework classifies the sub-sectors of the public sector (including the general government sector, the public corporations sectors and consolidated non-financial public sector and total public sector) in accordance with the principles and rules contained in the ABS' *Australian System of Government Finance Statistics: Concepts, Sources and Methods, Australia 2015* (ABS GFS Manual). The entities forming part of each sector are referred to as agencies in these financial statements and Note 38: *Composition of sectors* contains a full list of agencies forming each of the sectors listed below.

### **General government sector**

The general government sector comprises public sector agencies that are engaged mainly in the provision of services outside the normal market mechanism, or that provide for the transfer of income for public policy purposes. Costs are financed predominantly from centrally-collected revenue such as taxes, Commonwealth grants and mining royalties.

### **Public non-financial corporation sector**

The public non-financial corporation sector comprises those non-financial public sector agencies engaged mainly in the production of goods and services for sale in the market, with a key objective to recover at least a significant proportion of operating costs through charges for goods and services.

### **Public financial corporation sector**

The public financial corporation sector comprises those public sector agencies engaged primarily in financial activities, such as providing central borrowing authority and public sector insurance services.

### **Control**

The control of an agency by the Government is taken to exist where the:

- agency is accountable to the Government;
- the Government, through the public sector, has a residual financial interest in the net assets of that agency; and
- the Government has the power to control the financial and operating policies of an agency so as to obtain benefits for the State from its activities.

Where control of an agency is obtained during a financial year, results are included in the Operating Statement from the date on which control commenced. Where control of an agency ceased during a financial year, results are included for that part of the year for which control existed.

Specific details of agencies controlled by the Government and consolidated in the public sector are shown in Note 38: *Composition of sectors*. A detailed list of other entities nominally referred to as public sector agencies that are not included in the consolidated financial statements, is also shown in Note 38. Exclusion of these agencies is based on the criteria of control noted above, and ABS classifications in the GFS manual.

Most agencies have 30 June reporting dates. Where agencies have reporting dates other than 30 June, the data incorporated in this appendix are based on either:

- management accounts to 30 June; or
- the latest financial statements.

The use of management financial data or the latest financial statements in these cases does not have a material effect on these consolidated financial statements.

### **(c) Basis of Preparation**

The financial statements of the total public sector and the general government sector have been prepared in accordance with applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) in particular, AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

AASB 1049 harmonises Government Finance Statistics (GFS) with Generally Accepted Accounting Principles (GAAP) to the extent that GFS does not conflict with GAAP. This requires the selection of options within the Australian Accounting Standards that harmonise with the ABS GFS Manual. Further details are contained in Note 4: *Convergence differences*.

The Balance Sheet and Operating Statement have been prepared on an accrual basis of accounting, and assets and liabilities are shown at fair value unless otherwise stated.

The accounting policies applied in the preparation of the financial statements have been consistently applied throughout all periods presented.

Assets and liabilities are recognised in the Balance Sheet, when and only when, it is probable that future economic benefits or financial obligations will flow to or from the reporting entity and the amounts of the assets or liabilities can be reliably measured.

Accounting policies are selected and applied in a manner that ensures the resulting financial information satisfies the concepts of relevance and reliability. The judgements made in the process of applying accounting policies consistent with AASs that had the most significant effect on the amounts recognised in the financial statements are disclosed, where applicable, in the relevant notes to the financial statements.

#### **(d) Accounting Judgements, Estimates and Assumptions**

In the preparation of the consolidated financial statements, public sector entities are required to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at reporting date and the reported revenue and expenses during the reporting period.

On an ongoing basis, the public sector and its controlled entities evaluate estimates and judgements in relation to assets, liabilities, contingent assets and liabilities, revenue and expenses, based on historical experience and various other factors (such as discount rates used in estimating provisions and estimating the useful life of key assets) that are believed to be reasonable under the circumstance, the results of which form the basis of making judgements about the carrying values of assets and liabilities. Actual results may differ from these estimates.

Contingent assets and liabilities are not recognised in the Balance Sheet but are discussed in a note to the consolidated financial statements. They may arise through uncertainty as to the existence, settlement or measurement of an asset or liability and are recognised once this uncertainty is removed.

Judgements, estimates and assumptions that have significant effects on the financial statements are disclosed in the notes to the financial statements. These judgements and assumptions relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 15: *Fair value measurements*);
- identifying leases within contracts, estimation of the lease term, determination of the appropriate discount rate to discount the lease payments and assessing whether the right-of-use assets need to be impaired (refer to Note 16: *Right-of-use assets*);
- superannuation expense and liability (refer to Note 25: *Unfunded superannuation*);
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 26: *Other employee benefits*); and
- provisions for outstanding insurance claims (refer Note: 27 *Other liabilities*).

#### **(e) Presentation and Rounding of Amounts**

The consolidated financial statements are presented in Australian dollars and all amounts are rounded to the nearest million dollars (\$m). As a consequence, totals for columns and rows shown in tables may not always add due to rounding.

#### **(f) Foreign Currency**

Transactions in currencies other than Australian dollars are recorded at the rates of exchange prevailing on the settlement date of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the exchange rates prevailing at that date.

In order to hedge its exposure to certain foreign exchange risks, the public sector enters into forward contracts and options (see Note 34: *Financial Instruments* for details of the public sector accounting policies in respect of such derivative financial instruments).

### **(g) Basis of Consolidation**

The consolidated financial statements of the reporting entity include the assets and the liabilities of the public sector and its controlled agencies at the end of the financial year and the revenue and expenses of the public sector and its controlled agencies for the year.

The consolidated financial statements include the information and results of each controlled agency from the date on which the State Government obtained control and until such time as the Government ceased to control the agency.

For the purposes of reporting the public sector as a single economic entity, all material transactions and balances and unrealised gains between agencies under the Government's control are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, the accounting policies and reporting periods of controlled agencies have been aligned with those adopted by the public sector as a whole, to achieve consistency. This approach has not materially affected the revenue and expenses or the assets and liabilities at the reporting date.

### **(h) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable net of the amount of goods and services tax payable and net of discounts, rebates, concessions and allowances.

The policies adopted for the recognition of significant categories of revenue are as follows.

#### **Taxation revenue**

Revenue and income recognition are determined by the State based on the substance of the relevant arrangement in accordance with the requirements of AASB 15: *Revenue from Contracts with Customers* and AASB 1058: *Income of Not-for-Profit Entities*.

Revenue is recognised when the underlying event that results in a right to receive income has occurred and assessments have been issued, or when the amount can be reliably measured.

#### **Grants and subsidies income**

Revenue from the Commonwealth, including GST grants, Specific Purpose, National Partnership and other grants is recognised when payment is received unless a contract (that creates enforceable rights and obligations) exists. Capital grants are recognised as income when agencies achieve the milestones specified in the grant agreements in line with AASB 15: *Revenue from Contracts with Customers*.



### **Sale of goods and services**

Revenue from the sale of goods and services, including regulatory fees, is recognised (net of returns, discounts, rebates, concessions and allowances) when performance obligations are satisfied through transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of significant risks and benefits. The performance obligations may be satisfied over time or at a point in time.

### **Interest income**

Interest revenue is accrued on a time proportion basis, by reference to the principal outstanding and taking into account the effective yield on the financial asset.

### **Revenue from public corporations**

Dividends, income tax equivalent revenue and local government rate equivalent revenue for the general government sector represent income from other sectors of government. Dividends are recognised as revenue when the right to receive payment is established. Tax and rate equivalent revenue is recognised when assessment notices are issued.

### **Royalty income**

Mineral and petroleum royalties from companies operating under Western Australian legislation are recognised when the taxable event occurs and the receivables arising from the taxable event can be measured reliably. Royalties are calculated in accordance with the substance of the relative agreements considering the base on which the royalty is calculated. Under current systems, the base can be production, royalty value, net cash flows or profit.

## **(i) Expense Recognition**

Expenses are recognised when incurred and are reported in the financial year to which they relate. The policies adopted for the recognition of significant categories of expenses are as follows.

### **Salaries**

Salaries include wages and salaries, leave entitlements, redundancy payments and district allowances.

### **Superannuation concurrent costs**

The superannuation expense (concurrent cost) of the defined benefit plans relates to current service cost which is the cost of employer financed benefits that are expected to accrue for defined benefit members during the reporting period.

The superannuation expense (concurrent cost) of the defined contribution plans is recognised as and when the contributions fall due.

Actuarial gains or losses relating to remeasurement adjustments and changes in actuarial assumptions of the defined benefit plans are reported separately as 'other movements in equity'.

### **Superannuation interest cost**

The carrying cost of superannuation liabilities is recognised as an interest cost. This cost is estimated by an actuary based on the value of the gross superannuation liability, less the expected return on plan assets' incorporating a range of demographic and financial assumptions.

### **Depreciation and amortisation**

Depreciation of non-financial physical assets (excluding inventories) is generally provided on a straight-line basis at rates based on the expected useful lives of those assets. The expected useful life for each class of depreciable asset is provided at Note 3(k).

Amortisation is provided on leasehold improvements and intangible assets, and is calculated on a straight-line basis, generally over the expected useful lives of the underlying assets.

### **Other interest**

Interest costs include interest charges and borrowing costs. Interest costs are expensed in the period in which they are incurred. Interest expense is recognised as it accrues and includes items of a similar nature realised in managing portfolios. Borrowing costs are recognised immediately as an expense, even when they are directly attributable to the acquisition, construction or production of a qualifying asset.

### **Current and capital transfers**

Current and capital transfers include grants and subsidies and other payments made to other sectors of government and to non-government organisations for the delivery of services. They are recognised as an expense to the extent when the grantee meets conditions such as grant eligibility criteria, or has provided the service or facilities required under the grant agreement.

## **(j) Other Economic Flows**

Other economic flows are changes in volume or value of an asset or liability that do not result from revenue or expense transactions.

### **Net gains on assets/liabilities**

#### ***Realised gains (or losses) on disposal of non-financial assets***

Net gains (or losses) arising on the disposal or retirement of a non-current asset are recognised when control of the asset and the significant risks and benefits incidental to ownership have passed to the buyer.

### **Impairment – non-financial assets**

Impairment losses are recognised as a non-transaction cost when an asset’s carrying amount exceeds its recoverable amount.

### **Net actuarial gains (or losses) – superannuation**

Actuarial gains (or losses) on superannuation defined benefit plans are recognised in the period in which they occur.

## **(k) Land, and Other Property, Plant and Equipment**

### **Initial recognition and measurement**

All items of land and other property, plant and equipment are initially recognised at cost.

### **Subsequent recognition and measurement**

After initial recognition, the public sector has adopted the following measurement models.

<b>Class of Asset</b>	<b>Subsequent Measurement</b>
Land (including land under roads)	Fair value
Buildings	Fair value less accumulated depreciation and accumulated impairment losses
Infrastructure – road network	Fair value less accumulated depreciation and accumulated impairment losses
Infrastructure – water storage and distribution	Fair value less accumulated depreciation and accumulated impairment losses
– electricity generation and transmission	
– other	
Plant, equipment and other	Fair value less accumulated depreciation and accumulated impairment losses

### **Revaluations**

Non-financial physical assets are revalued with sufficient regularity to ensure that the carrying amount of an asset does not differ materially from its fair value at the end of the reporting period. Revaluation increases or decreases arise from differences between carrying value and fair value of an asset.

Net revaluation movements are recognised in ‘all other movements in equity’ and accumulated in equity under ‘Other Reserves’.

### **Land**

The fair value attributed to the land component of government-owned non-current real estate assets (excluding land under roads) for financial reporting purposes is determined on the basis of highest and best use taking into consideration the legal, physical and economic restrictions affecting the sites ability to realise that potential.

Fair value is defined in AASB 116: *Property, Plant and Equipment* as the amount for which an asset could be exchanged, between knowledgeable parties in an ‘arm’s length’ transaction. There is a going concern presumption and it is assumed that an asset is exchanged after an adequate period of marketing.

The fair value of land under roads (i.e. land within road reserves) is based on the market value of the land adjoining the road reserve. The land values are provided by geographic location on an annual basis by the Western Australian Land Information Authority (Valuation Services) as follows:

- metropolitan area – median value for single residential land for each Local Government Area. Land parcels up to 899 m<sup>2</sup> are assumed to have a single residential zoning;
- South West region – nominal unimproved valuation rates covering the south west of the State from Geraldton to Esperance; and
- balance of State – nominal unimproved valuation rates based on leasehold rates for Crown land.

### **Buildings**

The fair value of buildings is based on current market values determined by reference to recent market transactions. Where market evidence is not available, the fair value of buildings is determined on the basis of existing use where buildings are specialised. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset (i.e. the current replacement cost).

Building valuations are provided by the Western Australian Land Information Authority (Valuation Services), or by other independent professional valuers, with sufficient regularity, such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Buildings in the course of construction are carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the asset is ready for its intended use.

### **Infrastructure**

Road infrastructure is independently valued every three years by reference to the cost of a new asset and adjusted in the intervening years by reference to a cost index (ABS Road and Bridge Construction Cost Index or rates obtained from professional estimators specialising in road infrastructure works) to ensure the carrying values do not materially differ from fair value. The value of bridges at 30 June 2024 is based on the current replacement cost determined at 30 June 2024 calculated using construction unit rates provided by professional estimators and multiplying these by the units of relevant categories that form the infrastructure asset. The ABS Road and Bridge Construction Cost Index has been applied to roads and principal shared paths (earthworks, drainage, pavement and seals), bridges and road furniture assets to ensure asset values do not materially differ from fair value.

Fair value for other infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset (i.e. the current replacement cost). Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence and optimisation (where applicable). Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

### **Plant, equipment and other assets**

Plant, equipment and other assets are stated at fair value which approximates carrying value (cost less accumulated depreciation and accumulated impairment losses).

Art collections and artefacts classified as heritage assets are stated at fair value. The revaluation of art works and artefacts is an independent valuation, provided by independent professional valuers, by reference to the current replacement cost as the assets are specialised and no market evidence of value is available.

### **Depreciation**

All property, plant and equipment assets including service concession assets having a limited useful life are systematically depreciated over the asset's estimated useful life in a manner that reflects the consumption of its future economic benefits.

Land, the majority of earthworks, art collections and artifacts are not depreciated as they are deemed to have an indefinite life.

Depreciation is generally calculated using the straight-line method (as adjusted for any impairment), over the estimated useful lives of the assets. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

The following table summarises the expected useful lives for each class of depreciable asset in both the current and prior years used in compiling these financial statements.

<b>Class of Asset</b>	<b>Depreciation Period</b>
<i>Buildings</i>	20 - 80 years
<i>Infrastructure – Road network</i>	
Seals	7 - 19 years
Pavements	12 - 50 years
Drainage	50 – 80 years
Road furniture	5 - 50 years
Bridges	50 - 100 years
Earthworks(a)	Up to 100 years
<i>Infrastructure – Water, storage and distribution</i>	
Pipelines and fittings	30 - 110 years
Drains and channels	20 - 150 years
Dams and reservoirs	40 - 120 years
<i>Infrastructure – Electricity generation and transmission</i>	2 - 50 years
<i>Infrastructure – Other</i>	
Public transport	5 - 120 years
Harbour and ports	5 - 100 years
<i>Plant, equipment and other(b)</i>	3 - 100 years

(a) While road earthworks are generally assumed to have an infinite life, a small percentage of earthworks are depreciated in accordance with UIG Interpretation 1055: *Accounting for Road Earthworks*.

(b) Heritage collections, works of art, and museum collections are anticipated to have an infinite life, their service potential has not, on any material sense, been consumed during the reporting period. State Library Collections are depreciated by expensing the value of the tenth oldest year's acquisitions.

## Disposal

The gain or loss arising on disposal or retirement of an asset (calculated as the difference between the carrying amount of the asset at the time of disposal and the net disposal proceeds), is included in the Operating Statement in the period the item is disposed.

Where an asset that has been previously revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is retained in 'Other Reserves'.

## (I) Right-of-use Assets

### Initial recognition

Right-of-use assets are measured at cost including the following:

- 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.

This includes all leased assets other than investment property right-of-use assets, which are measured in accordance with AASB 140: *Investment Property*.

In line with AASB 16: *Leases*, Western Australia's public sector agencies do not 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**

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 remeasurement of lease liability.

### **Depreciation and impairment of right-of-use assets**

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.

If ownership of the leased asset transfers to an 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.

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 3(r): *Impairment of assets*.

## **(m) Service Concession Assets**

### **Initial recognition and measurement**

A service concession asset is recognised initially measured at current replacement cost in accordance with the cost approach to fair value in AASB 13: *Fair Value Measurement*.

### **Subsequent recognition and measurement**

Subsequent to initial recognition, a service concession asset is depreciated or amortised in accordance with AASB 116: *Property, Plant and Equipment* or AASB 136: *Intangible Assets*, as appropriate, with any impairment recognised in accordance with AASB 136: *Impairment of Assets*.

## **(n) Biological Assets**

Biological assets in the form of plantation timber are stated at fair value less estimated point-of-sale costs and costs necessary to get the assets to market.

The fair value of the biological asset is based on its present location and condition. As a result, fair value is determined based on historical volume increases and historical cash flows, adjusted for known variances.

Gains or losses arising from changes in the fair value of biological assets trees, are taken to account as 'net gains on assets/liabilities' in the Operating Statement.

## **(o) Investment Properties**

### **Initial recognition and measurement**

Investment properties are held for rental yield and capital appreciation and are initially recognised at cost.

### **Subsequent recognition and measurement**

After initial recognition, the public sector has adopted the fair value model. Investment properties are carried at fair value and no depreciation is provided in respect of buildings.

The fair value of investment properties is determined by reference to market-based evidence, having regard to current economic and market conditions at reporting date. Valuations are performed annually by an independent professional valuer.

Gains and losses arising from changes in the fair value of investment properties are included in the Operating Statement in the year in which they arise.

## **(p) Intangible Assets**

Acquired and internally developed intangible assets are initially measured at cost. The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

The carrying value of intangible assets is reviewed for impairment annually when the asset is not yet in use, or more frequently when an indicator of impairment arises during the reporting year indicating that the carrying value may not be recoverable.

Amortisation is calculated for the period of the expected benefit (estimated useful life) on a straight-line basis using rates which are reviewed annually. All intangible assets controlled by the public sector have a finite useful life and zero residual value.

Software-as-a-service (SaaS) expenses are recognised as incurred when the related services are delivered, unless they qualify for capitalisation as computer software because they are identifiable and controlled in a way that allows future economic benefits to be obtained, and others' access to those benefits can be restricted. Costs incurred to configure or customise, and the ongoing fees to obtain access to a cloud provider's application software, are recognised as operating expenses when the services are received. Some of the costs incurred are for the development of software code that enhances, modifies or creates additional capability to existing on-premise systems and meets the recognition criteria for an intangible asset.

Expected useful lives for all classes of intangible asset are assumed to be between 3 to 30 years



### **(q) Assets Held for Sale**

Assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Balance Sheet. These assets are not depreciated or amortised while they are classified as held for sale.

### **(r) Impairment of Assets**

Property, plant, equipment, infrastructure and intangible assets are tested for any indication of impairment at each reporting period. 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 as a revaluation decrement through 'All other movements in equity' in the Operating Statement. As the public sector is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of asset is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

Intangible assets not yet available for use or with an indefinite useful life are tested for impairment each reporting period irrespective of whether there is any indication of impairment. Tests are undertaken by agencies at each reporting period.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

### **(s) Leased Assets**

AASB 16: *Leases* includes a comprehensive model for the identification of lease arrangements and requires lessees to recognise most leases (operating and finance leases) on the Balance Sheet as right-of-use assets and lease liabilities. This excludes short-term leases (lease terms of 12 months or less at commencement date) and low-value assets (valued less than \$5,000) which are expensed directly in the Operating Statement.

## **(t) Service Concession Assets**

AASB 1059: *Service Concession Arrangements: Grantors* addresses the accounting for a service concession arrangement by a grantor that is a public sector agency by prescribing the accounting for the arrangement from the grantor's perspective. The service concession arrangement is a type of public private partnership which involves an operator that is contractually obliged to provide public services related to a service concession asset on behalf of the grantor and managing at least some of those services under its own discretion, rather than at the discretion of the grantor.

## **(u) Lease Liabilities**

### **Initial recognition and measurements**

Lease liabilities at commencement date, are measured at present value of lease payments that are not paid at that date. Lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, then the incremental borrowing rate provided by Western Australia Treasury Corporation is applied.

The lease payments that form part of the present value calculation of lease liabilities 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 of purchase options (where these are reasonably certain to be exercised); and
- payments for penalties for terminating a lease, where the lease term reflects the exercising of options to terminate leases.

Interest on lease liabilities is recognised in the Operating Statement 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.

Periods covered by extension or termination options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liabilities, that are dependent on sales are recognised in the Operating Statement in the period in which the condition that triggers those payments occurs.

### **Subsequent measurement**

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).

### **(v) Service Concession liabilities**

#### **Initial recognition and measurement**

If an amount is initially recognised as a service concession asset, the State recognises a corresponding liability, adjusted by the amount of any other consideration.

#### **Subsequent recognition and measurement**

Depending on the nature of the service concession arrangement, the State may compensate the operator by any combination of either making payments to the operator and/ or compensating through no-monetary exchange. The State recognises the liability based on the 'financial liability' model or 'grant of right to the operator' model (as deferred service concession assets revenue) or a combination of both.

### **(w) Inventories**

Inventories, other than inventories held for distribution, are measured at the lower of cost and net realisable value. Costs are assigned using the weighted average cost or the 'first in first out' method.

Inventories consisting of land held for development and resale are valued at the lower of cost and net realisable value. Costs include the cost of acquisition and development.

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential.

Precious metal inventories are measured at fair value, being the applicable market prices ruling at the reporting date.

### **(x) Cash and Cash Equivalents**

For the purposes of the Cash Flow Statement, cash and cash equivalents also comprise restricted cash and cash equivalents (which includes cash held for specific purposes). These include 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, and bank overdrafts.

## **(y) Financial Instruments**

Financial assets and liabilities are recognised on the Balance Sheet when the public sector becomes a party to the contractual provisions of the financial instrument. The public sector has the following categories of financial instruments:

- cash and deposits;
- receivables/payables;
- investments, loans and placements;
- advances paid/received;
- shares and other equity;
- deposits held;
- borrowings;
- other employee benefits; and
- other financial assets/liabilities.

Financial assets are measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification is based on two criteria:

- the business model for managing the assets; and
- whether contractual cash flows for the assets represent solely payments of principal and interest on the principal amount outstanding.

The following classifications are applied to financial assets and liabilities.

Financial assets are measured at amortised cost if they are held to collect the contractual cash flows and those cash flows are solely payments of principal and interest.

Financial assets are measured at fair value through other comprehensive income:

- for debt instruments – if the assets are held both to collect contractual cash flows, comprising solely payments of principal and interest, and to sell the financial assets; and
- for equity instruments – if they have been irrevocably elected to be measured at fair value through other comprehensive income.

Other financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or fair value through other comprehensive income as explained above.

Payables are recognised when the public sector 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 they are usually settled within 30 days. Payables are measured at either amortised cost or at fair value through profit or loss.

Borrowings are initially recognised at the fair value of the net proceeds received. Subsequent fair value measurements are calculated using current lending rates for similar borrowings with remaining maturities consistent with the debt being valued. Unrealised gains or losses arising from changes in fair value are recognised in the Operating Statement. With the exclusion of leases and service concession liabilities measured using the financial liability model, borrowings are predominantly conducted by the Western Australian Treasury Corporation, which operates within the capital markets as the central borrowing authority of the public sector. Borrowings are measured at either amortised cost, at fair value through profit or loss, or at fair value through other comprehensive income.

Derivative financial instruments are recognised in the Balance Sheet and measured at fair value. The fair values for derivative financial instruments are obtained from quoted market prices. Application of hedge accounting will only be available where specific designation and effectiveness criteria are satisfied. Where hedge accounting cannot be achieved for ongoing risk mitigation activity, the changes in the fair value of derivative financial instruments are recognised in the Operating Statement as they arise. Derivative financial instruments are measured at fair value through profit or loss.

## **(z) Provisions**

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

## **Superannuation**

The public sector provides superannuation benefits under two types of schemes: defined benefit plans and defined contribution plans.

In accordance with legislative requirements, the Government Employees Superannuation Board (GESB) administers, the following State public sector plans:

Defined Benefit Plans:

- Pension Scheme, which was closed to new members on 15 August 1986;
- Judges Pension Scheme which provides pension benefits to members upon retirement;
- Parliamentary Pension Scheme which provides pension benefits to members on death, retirement, or electoral defeat;
- Gold State Superannuation (GSS) Scheme, which was closed to new members on 29 December 1995.

#### Defined Contribution Plans:

- West State Superannuation (WSS) Scheme which was closed to new members on 16 April 2007; and
- GESB Super Scheme which commenced on 16 April 2007.

From 30 March 2012, existing members of the WSS, GESB Super Scheme and new employees have been able to choose their preferred superannuation fund provider. Agencies make contributions to GESB or other fund providers on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish agency liabilities for superannuation charges in respect of employees who are not members of defined benefit schemes.

The defined benefit plans are superannuation plans that define the benefit amount that an employee will be entitled to receive upon retirement taking into account expected future salary increases and other actuarial assumptions such as mortality and retirement rates. Defined benefit plan contributions are calculated based upon regulatory requirements and/or plan terms. The defined benefit obligations and the related services costs are determined separately for each plan at each reporting date by a qualified actuary, using the Projected Unit Credit method.

The expected future payments are discounted to present value using market yields at the reporting date on Commonwealth government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Actuarial gains and losses of the defined benefits superannuation plans are immediately recognised in the Operating Statement.

The amounts recognised in the Balance Sheet represent the present value of the defined benefit obligations, reduced by the fair value of the associated plan assets. The assets of these plans are held separately from the public sector's general assets.

The value of unfunded liabilities reported in the ARSF will differ to the liabilities reported by GESB due to the application of different accounting standards which result in the application of different measurement methodologies<sup>1</sup>.

The defined contribution plans are superannuation plans in which the employer pays a defined contribution amount into a separate fund. Contributions to defined contribution plans are charged to the Operating Statement as incurred. The public sector has no further obligation to the plans as scheme members assume the investment risk.

See also Note 3(i): *Expense Recognition*.

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<sup>1</sup> Since 2016-17, GESB has valued and reported unfunded superannuation liabilities in accordance with the requirements of AASB 1056: *Superannuation Entities*, while for the purposes of the *Annual Report on State Finances*, the liabilities will continue to be valued in line with AASB 119: *Employee Benefits*. The two standards allow for the use of different discount factors which will result in a different valuation for the two entities. In addition, GESB reports an employer-sponsored receivable (being the difference between the defined benefit liability and the assets available to meet the liability). The employer sponsored receivable is not reciprocated in a separately identifiable payable in the *Annual Report on State Finances*.

## **Other employee benefits**

### ***Annual Leave and Long Service Leave***

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments, consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers experience of employee departures and periods of service.

The 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 future cash payments.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the public sector does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### ***Other compensated absences***

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

Past experience indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As accumulated sick leave does not give rise to a liability should the employee leave the public sector, an expense is recognised in the Operating Statement for this leave as it is taken.

## **Other provisions**

### ***Employment On-costs***

Employment on-costs, including workers' compensation insurance, 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 not included as part of the salaries expense and the related on-cost liability is recognised separately from the employee benefit provision.

### ***Decommissioning, Restoration and Rehabilitation***

A provision is recognised where the public sector has a legal or constructive obligation in respect of plant decommissioning, restoration and site rehabilitation works. Estimates are based on the present value of expected future cash payments.

Where leased premises are required to be restored to original condition at the end of the respective lease terms, a provision is 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.

A restoration provision is recognised when:

- there is a present obligation as a result of activities undertaken by agencies;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

### **(aa) Future Impact of Australian Accounting Standards That Are Not Yet Operative**

After assessment of Australian Accounting Standards and Interpretations with future commencement dates, it has been determined that these Standards and Interpretations are either not applicable or are not expected to have a material impact on the total public sector or the general government sector.

### **(bb) Comparative Figures**

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

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## **NOTE 4: CONVERGENCE DIFFERENCES**

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Where possible, AASB 1049 harmonises GFS and accounting concepts into a single presentation. Where harmonisation cannot be achieved as a result of differences in definition, recognition, measurement, classification and consolidation principles and rules, a convergence difference arises.

Full convergence on GFS and Generally Accepted Accounting Principles (GAAP) has not been achieved. This means that there are some differences between AASB 1049 aggregates in this report and the GFS information that the ABS reports.

The following key convergence differences relate to the 30 June 2024 results.

- GFS recognises dividends to owners by the public corporations sectors as a GFS expense, whereas under GAAP they are treated as a distribution to owners and therefore a direct reduction of accumulated funds. This difference does not flow through to the total public sector as dividends are eliminated on consolidation.
- GFS does not recognise an allowance for doubtful debts as the statistical framework only recognises bad debts when they are written off. Under GAAP, an allowance for doubtful debts is recognised in the balance sheet and doubtful debts are recognised in the Operating Statement as 'other economic flows'.



- Transactions with owners as owners (such as equity injections) are excluded from the 'total change in net worth'. However, these transactions are included in the movement in GFS net worth. These types of transactions result in a convergence difference as the total change in net worth under GAAP is disclosed before such transactions, while under GFS, these transactions are included in the movement in GFS net worth.

These convergence differences do not present material variations in the presentation of Western Australia's data under GAAP and GFS.

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**NOTE 5: CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT**

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General Government

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	2024	2023
	\$m	\$m
<b>EXPENSES</b>		
General public services	1,708	1,464
Public order and safety	4,839	4,494
Economic affairs	2,769	2,617
Environmental protection	593	501
Housing and community amenities	1,706	1,547
Health	13,168	12,519
Recreation, culture and religion	1,106	1,089
Education	8,039	7,682
Social protection	3,846	3,309
Transport	3,686	3,258
<b>TOTAL EXPENSES</b>	<b>41,461</b>	<b>38,481</b>
 <b>ASSETS AT 30 JUNE</b>		
General public services	13,145	15,175
Public order and safety	5,353	5,019
Economic affairs	3,275	491
Environmental protection	4,847	4,697
Housing and community amenities	4,749	4,835
Health	9,956	9,561
Recreation, culture and religion	4,644	4,327
Education	19,905	17,739
Social protection	299	250
Transport	67,073	62,682
<i>plus</i> Investments in other public sector entities	82,371	70,175
<b>TOTAL ASSETS</b>	<b>215,616</b>	<b>194,950</b>

Note: Columns may not add due to rounding.

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**NOTE 5: CLASSIFICATION OF THE FUNCTIONS OF  
GOVERNMENT (CONT.)**

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Total Public Sector

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	2024	2023
	\$m	\$m
<b>EXPENSES</b>		
General public services	1,742	1,461
Public order and safety	4,767	4,439
Economic affairs	33,714	32,098
Environmental protection	580	497
Housing and community amenities	2,998	2,800
Health	13,071	12,446
Recreation, culture and religion	4,325	4,292
Education	7,859	7,516
Social protection	4,055	3,735
Transport	4,747	4,320
<b>TOTAL EXPENSES</b>	<b>77,859</b>	<b>73,604</b>
<b>ASSETS AT 30 JUNE</b>		
General public services	18,483	20,100
Public order and safety	5,350	5,017
Economic affairs	44,470	37,567
Environmental protection	4,844	4,697
Housing and community amenities	35,712	34,709
Health	9,956	9,561
Recreation, culture and religion	5,994	5,169
Education	19,905	17,739
Social protection	19,854	18,999
Transport	94,196	84,250
<b>TOTAL ASSETS</b>	<b>258,763</b>	<b>237,808</b>

Note: Columns may not add due to rounding.

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## NOTE 6: OPERATING REVENUE

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A detailed disclosure of general government and total public sector operating revenue (which includes Uniform Presentation Framework requirements) is included in Appendix 2: *Operating Revenue*.

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## NOTE 7: DEPRECIATION AND AMORTISATION EXPENSE

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### General Government

	2024	2023
	\$m	\$m
<i>Depreciation</i>		
Property, Plant and Equipment		
Buildings	603	525
Infrastructure	676	624
Plant, equipment and other	344	344
Right-of-use assets	364	354
Service concession assets		
Buildings	21	17
Infrastructure	1	1
Plant, equipment and other	2	3
<i>Total</i>	<b>2,012</b>	<b>1,869</b>
<i>Amortisation</i>		
Intangible assets	94	99
Service concession intangible assets	7	9
<i>Total</i>	<b>101</b>	<b>108</b>
<b>Total depreciation and amortisation expenses</b>	<b>2,112</b>	<b>1,977</b>

### Total Public Sector

	2024	2023
	\$m	\$m
<i>Depreciation</i>		
Property, Plant and Equipment		
Buildings	818	720
Infrastructure	2,999	2,854
Plant, equipment and other	854	829
Right-of-use assets	467	450
Service concession assets		
Buildings	43	39
Infrastructure	4	4
Plant, equipment and other	7	7
<i>Total</i>	<b>5,192</b>	<b>4,903</b>
<i>Amortisation</i>		
Intangible assets	192	207
Service concession intangible assets	7	9
<i>Total</i>	<b>199</b>	<b>216</b>
<b>Total depreciation and amortisation expenses</b>	<b>5,391</b>	<b>5,120</b>

Note: Columns may not add due to rounding.

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**NOTE 8: OTHER GROSS OPERATING EXPENSES**


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**General Government**


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	2024	2023
	\$m	\$m
Services purchased from non-government agencies	1,910	1,628
Health sector specific expenses	1,893	1,993
Education sector specific expenses	857	800
Consumable expenses	697	625
Other	1,973	1,573
<b>Total</b>	<b>7,330</b>	<b>6,620</b>

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**Total Public Sector**


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	2024	2023
	\$m	\$m
Gold Corporation cost of goods sold	25,221	22,977
Betting dividends payouts	1,757	1,917
Health sector specific expenses	1,893	1,993
Services purchased from non-government agencies	1,925	1,642
Electricity, gas and other direct costs	1,581	2,571
Insurance claims expenses	947	847
Education sector specific expenses	857	800
Consumable expenses	510	458
Other	4,450	3,930
<b>Total</b>	<b>39,140</b>	<b>37,135</b>

Note: Columns may not add due to rounding.

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**NOTE 9: OTHER INTEREST**


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**General Government**


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	2024	2023
	\$m	\$m
Interest on Leases	175	146
Other Interest	946	809
<b>Total</b>	<b>1,121</b>	<b>955</b>

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**Total Public Sector**


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	2024	2023
	\$m	\$m
Interest on Leases	243	217
Other Interest	1,812	1,490
<b>Total</b>	<b>2,055</b>	<b>1,708</b>

Note: Columns may not add due to rounding.

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**NOTE 10: TRANSFER EXPENSES**


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Transfer expenses are defined as the provision of something of value for no specific return or consideration, such as grants, subsidies, donations, transfers of assets free of charge.

The following tables provide detail of current and capital transfer expenses of the general government sector and the total public sector, in line with Uniform Presentation Framework disclosure requirements.

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**TRANSFER EXPENSES**


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**General Government**


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	2024	2023
	\$m	\$m
<i>CURRENT TRANSFERS</i>		
Local government	365	383
Private and not-for-profit sector	2,358	2,308
Other sectors of government	5,345	4,667
<b>Total Current Transfers</b>	<b>8,068</b>	<b>7,358</b>
<i>CAPITAL TRANSFERS</i>		
Local government	90	99
Private and not-for-profit sector	156	151
Other sectors of government	314	209
<b>Total Capital Transfers</b>	<b>560</b>	<b>458</b>

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**Total Public Sector**


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	2024	2023
	\$m	\$m
Local government	366	383
Private and not-for-profit sector	3,924	3,753
Other sectors of government	1,271	1,200
<b>Total Current Transfers</b>	<b>5,561</b>	<b>5,337</b>
<i>CAPITAL TRANSFERS</i>		
Local government	97	99
Private and not-for-profit sector	182	175
<b>Total Capital Transfers</b>	<b>278</b>	<b>274</b>

Note: Columns may not add due to rounding.

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**NOTE 11: RECEIVABLES**


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**General Government**


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	2024	2023
	\$m	\$m
Receivables	5,825	5,273
Provision for impairment of receivables	-190	-193
<b>Total receivables</b>	<b>5,635</b>	<b>5,080</b>
<i>Reconciliation of changes in the allowance for impairment of receivables:</i>		
<i>Balance at start of year</i>	193	180
Expected credit losses expense	20	41
Amounts written off during the year	-21	-28
Amounts recovered during the year	-3	-
<b>Balance at the end of year</b>	<b>190</b>	<b>193</b>

**Total Public Sector**


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	2024	2023
	\$m	\$m
Receivables	8,154	7,511
Provision for impairment of receivables	-348	-360
<b>Total receivables</b>	<b>7,807</b>	<b>7,151</b>
<i>Reconciliation of changes in the allowance for impairment of receivables:</i>		
<i>Balance at start of year</i>	360	329
Expected credit losses expense	34	57
Amounts written off during the year	-7	-16
Amounts recovered during the year	-39	-11
<b>Balance at the end of year</b>	<b>348</b>	<b>360</b>

Note: Columns may not add due to rounding.

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**NOTE 12: LAND**

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General Government

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	2024	2023
	\$m	\$m
Land, at fair value <sup>(a)</sup>	15,544	14,804
Land under roads, at fair value <sup>(b)</sup>	30,980	29,100
<b>Total</b>	<b>46,524</b>	<b>43,904</b>

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Total Public Sector

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	2024	2023
	\$m	\$m
Land, at fair value <sup>(a)</sup>	25,679	23,779
Land under roads, at fair value <sup>(b)</sup>	30,980	29,100
<b>Total</b>	<b>56,659</b>	<b>52,879</b>

(a) Land valuations are provided by the Western Australian Land Information Authority (Valuation Services Branch) each financial year with an effective date of 1 July. The valuation for 30 June 2024 is based on information on the stock of land as at 30 June 2023. Land vested in local authorities of \$2,607 million (2023: \$2,442 million) is not recognised in the consolidated Balance Sheet, as it is not under State public sector control.

(b) Land under roads valuations are provided by the Western Australian Land Information Authority (Valuation Services) each financial year with an effective date of 1 July. The valuation for 30 June 2024 is based on information on the stock of land at 30 June 2023.

Note: Columns may not add due to rounding.

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## NOTE 13: PROPERTY, PLANT AND EQUIPMENT

### General Government

	2024	2023
	\$m	\$m
Buildings, at fair value <sup>(a)</sup>	24,270	21,771
Accumulated Depreciation	-754	-626
<i>Total</i>	<b>23,516</b>	<b>21,145</b>
Road networks, at fair value <sup>(b)</sup>	46,519	44,617
Accumulated Depreciation	-17,264	-16,512
<i>Total</i>	<b>29,255</b>	<b>28,105</b>
Other infrastructure, at fair value	4,200	4,043
Accumulated Depreciation	-476	-431
<i>Total</i>	<b>3,724</b>	<b>3,612</b>
Plant, equipment and other, at fair value	5,744	5,283
Accumulated Depreciation	-2,705	-2,493
<i>Total</i>	<b>3,039</b>	<b>2,790</b>
Fixed assets under construction	6,120	5,220
<b>Total Property, Plant and Equipment</b>	<b>65,653</b>	<b>60,872</b>

### Total Public Sector

	2024	2023
	\$m	\$m
Buildings, at fair value <sup>(a)</sup>	34,318	30,676
Accumulated Depreciation	-2,236	-1,777
<i>Total</i>	<b>32,082</b>	<b>28,899</b>
Electricity generation and transmission, at fair value <sup>(c)</sup>	30,479	27,256
Accumulated Depreciation	-11,973	-10,709
<i>Total</i>	<b>18,506</b>	<b>16,547</b>
Road networks, at fair value <sup>(b)</sup>	46,528	44,617
Accumulated Depreciation	-17,264	-16,512
<i>Total</i>	<b>29,264</b>	<b>28,105</b>
Water storage and distribution, at fair value <sup>(d)</sup>	39,610	37,826
Accumulated Depreciation	-17,487	-16,414
<i>Total</i>	<b>22,123</b>	<b>21,413</b>
Other infrastructure, at fair value	41,882	34,386
Accumulated Depreciation	-26,105	-20,784
<i>Total</i>	<b>15,778</b>	<b>13,602</b>
Plant, equipment and other, at fair value	22,354	20,849
Accumulated Depreciation	-11,121	-10,605
<i>Total</i>	<b>11,233</b>	<b>10,243</b>
Fixed assets under construction	17,024	12,713
<b>Total Property, Plant and Equipment</b>	<b>146,009</b>	<b>131,521</b>

(a) Building valuations are provided by Western Australian Land Information Authority (Valuation Services) and by other independent professional valuers. Revaluations are made with sufficient regularity to ensure that the carrying amount does not materially differ from fair value at reporting date.

(b) Road infrastructure comprising roads, bridges and road furniture, was valued at fair value by the Commissioner of Main Roads' Engineer at 30 June 2024.

(c) Electricity generation and transmission includes the cost of decommissioning of property, plant and equipment including the cost of dismantling and removing the asset and restoring the site on which it is located, to the extent that these costs are also recognised as a provision.

(d) Water storage and distribution, comprising pipelines, outfalls and fittings, dams, reservoirs, bores and tanks, ocean outfalls, pump stations and treatment plants, drains and channels and other structures, are reported at deemed cost, being a revalued amount prior to transition that approximates the fair value as at date of valuation.

Note: Columns may not add due to rounding.



## NOTE 14: RECONCILIATION OF LAND AND PROPERTY, PLANT AND EQUIPMENT (a)

### General Government

	Land	Land under Roads	Buildings	Road networks	Other Infra- structure	Plant, equip & other	Fixed Assets under Construction	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>30 June 2024</b>								
<i>Carrying amount at beginning of year</i>	14,804	29,100	21,145	28,105	3,612	2,790	5,220	104,776
Assets classified as held for sale	2	-	-	-	-	-	-	2
Additions	71	-	74	-	24	339	3,404	3,912
Disposals	-45	-	-5	-148	-	-37	-5	-240
Transfers in/-out	-131	21	782	1,255	-48	180	-2,495	-437
Revaluation increments/-decrements	1,117	1,860	2,130	618	198	119	-	6,041
Depreciation	-	-	-603	-576	-100	-344	-	-1,623
Impairment losses	-	-	-	-	-	-	-3	-3
Other	-274	-	-6	-	38	-8	-1	-251
<b>Carrying amount at end of year</b>	<b>15,544</b>	<b>30,980</b>	<b>23,516</b>	<b>29,255</b>	<b>3,724</b>	<b>3,039</b>	<b>6,120</b>	<b>112,177</b>
<b>30 June 2023</b>								
<i>Carrying amount at beginning of year</i>	12,880	26,834	18,582	24,979	3,111	2,738	3,823	92,945
Assets classified as held for sale	-8	-	-	-	-	-4	-	-12
Additions	121	-	124	-	16	275	3,353	3,889
Disposals	-76	-6	-6	-54	-1	-33	-48	-225
Transfers in/-out	48	55	707	990	58	147	-1,947	59
Revaluation increments/-decrements	1,851	2,216	2,261	2,715	529	20	-	9,592
Depreciation	-	-	-525	-526	-98	-344	-	-1,494
Other	-13	-	3	2	-2	-7	40	22
<b>Carrying amount at end of year</b>	<b>14,804</b>	<b>29,100</b>	<b>21,145</b>	<b>28,105</b>	<b>3,612</b>	<b>2,790</b>	<b>5,220</b>	<b>104,776</b>

(a) Information on fair value measurements is provided in Note 15.

Note: Columns/rows may not add due to rounding.

## NOTE 14: RECONCILIATION OF LAND AND PROPERTY, PLANT AND EQUIPMENT <sup>(a)</sup>(CONT.)

### Total Public Sector

	Land	Land under Roads	Buildings	Electricity generation and transmission	Road networks	Water storage and distribution	Other Infra-structure	Plant, equip & other	Fixed Assets under Construction	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>30 June 2024</b>										
<i>Carrying amount at beginning of year</i>	23,779	29,100	28,899	16,547	28,105	21,413	13,602	10,243	12,713	184,400
Assets classified as held for sale	-1	-	-3	-	-	-	-	-	-88	-92
Additions	258	-	250	25	-	-	29	393	10,188	11,144
Disposals	-79	-	-28	-26	-148	-3	-1	-58	-5	-347
Transfers in/-out	103	21	1,124	1,181	1,264	494	694	718	-5,776	-176
Revaluation increments/-decrements	1,898	1,860	2,666	2,042	618	751	2,017	796	-	12,647
Depreciation	-	-	-818	-1,287	-577	-531	-603	-854	-	-4,671
Impairment losses	-	-	-	-	-	-	-	-	-7	-7
Other	-279	-	-8	25	-	-	39	-6	-1	-231
<b>Carrying amount at end of year</b>	<b>25,679</b>	<b>30,980</b>	<b>32,082</b>	<b>18,506</b>	<b>29,264</b>	<b>22,123</b>	<b>15,778</b>	<b>11,233</b>	<b>17,024</b>	<b>202,667</b>
<b>30 June 2023</b>										
<i>Carrying amount at beginning of year</i>	21,778	26,834	25,017	15,375	24,979	20,851	10,604	9,508	10,260	165,206
Assets classified as held for sale	-10	-	-	-	-	-	-	-4	-	-13
Additions	255	-	263	37	-	111	45	379	7,802	8,892
Disposals	-98	-6	-31	-8	-54	-4	-2	-54	-51	-308
Transfers in/-out	-141	55	1,344	713	990	291	1,746	474	-5,442	32
Revaluation increments/-decrements	1,878	2,216	2,893	1,767	2,715	675	1,765	728	-	14,638
Depreciation	-	-	-720	-1,260	-526	-513	-556	-829	-	-4,403
Impairment losses	-	-	-	-	-	-	-	-	-1	-1
Other	117	-	133	-77	2	-	-2	41	144	358
<b>Carrying amount at end of year</b>	<b>23,779</b>	<b>29,100</b>	<b>28,899</b>	<b>16,547</b>	<b>28,105</b>	<b>21,413</b>	<b>13,602</b>	<b>10,243</b>	<b>12,713</b>	<b>184,400</b>

(a) Information on fair value measurements is provided in Note 15.

Note: Columns/rows may not add due to rounding

## NOTE 15: FAIR VALUE MEASUREMENTS

### General Government

**Assets measured at fair value**

	Level 1 <sup>(a)</sup> \$m	Level 2 <sup>(b)</sup> \$m	Level 3 <sup>(c)</sup> \$m	Fair value at end of period \$m
<b>30 June 2024</b>				
Assets classified as held for sale (Note 22)	-	8	14	22
Land (Note 12,14)	-	3,074	12,470	15,544
Land under roads (Note 12,14)	-	-	30,980	30,980
Buildings (Note 13,14)	-	513	23,003	23,516
Road networks (Note 13,14)	-	-	29,255	29,255
Other infrastructure (Note 13,14)	-	-	3,724	3,724
Plant, equipment and other (Note 13,14)	-	2	3,037	3,039
Service concession assets - Land (Note 18)	-	-	64	64
Service concession assets - Buildings (Note 18)	-	-	935	935
Service concession assets - Other infrastructure (Note 18)	-	-	38	38
Service concession assets - Plant, equipment and other (Note 18)	-	-	12	12
Biological assets (Note 19)	-	-	5	6
Investment property (Note 23)	-	-	-	-
<b>Total</b>	<b>-</b>	<b>3,596</b>	<b>103,538</b>	<b>107,134</b>

	Level 1 <sup>(a)</sup> \$m	Level 2 <sup>(b)</sup> \$m	Level 3 <sup>(c)</sup> \$m	Fair value at end of period \$m
<b>30 June 2023</b>				
Assets classified as held for sale (Note 22)	3	15	14	32
Land (Note 12,14)	-	3,151	11,653	14,804
Land under roads (Note 12,14)	-	-	29,100	29,100
Buildings (Note 13,14)	-	541	20,604	21,145
Road networks (Note 13,14)	-	-	28,105	28,105
Other infrastructure (Note 13,14)	-	-	3,612	3,612
Plant, equipment and other (Note 13,14)	-	1	2,789	2,790
Service concession assets - Land (Note 18)	-	-	62	62
Service concession assets - Buildings (Note 18)	-	-	874	874
Service concession assets - Other infrastructure (Note 18)	-	-	39	39
Service concession assets - Plant, equipment and other (Note 18)	-	-	13	13
Biological assets (Note 19)	3	-	6	9
Investment property (Note 23)	-	-	-	-
<b>Total</b>	<b>6</b>	<b>3,708</b>	<b>96,870</b>	<b>100,584</b>

(a) Assets valued using quoted prices (unadjusted) in active markets for identical assets.

(b) Assets valued using inputs based on observable market data (either directly or indirectly).

(c) Assets valued using inputs not based on observable market data.

Note: Columns/rows may not add due to rounding.

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**NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)**

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**Measurement of fair values****Transfers between Level 1, 2 and 3**

There were no material transfers between fair value hierarchy levels for agencies with significant asset values within the general government sector for the periods ended 30 June 2024 and 30 June 2023.

**Valuation techniques to derive Level 2 fair values**

There were no significant changes in valuation techniques during the period.

The following valuation techniques to derive Level 2 fair values have been identified for agencies with significant asset values within the general government sector.

Level 2 fair values of assets classified as held for sale, land, buildings and plant, equipment and 'other' are derived using the market approach. Market evidence of sales prices of comparable assets is used to determine price per square metre for land and buildings, with adjustments made for differences in key attributes.

Assets held for sale have been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

### General Government

#### Fair value measurements using significant unobservable inputs (Level 3)

	Fair value at start of period	Additions	Revaluation increments/-decrements(a)	Revaluation increments/-decrements(b)	Transfers from/to Level 2	Transfers between asset classes	Transfers from/to other sectors of government	Disposals	Depreciation	Other	Fair value at end of period
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>30 June 2024</b>											
Assets classified as held for sale	14	-	-	-	-	1	-	-	-	-	14
Land	11,653	40	-	961	178	9	-161	-42	-	-168	12,470
Land under Roads	29,100	21	-	1,860	-	-	-	-	-	-	30,980
Buildings	20,604	96	-	2,130	78	789	-95	-6	-580	-13	23,003
Road networks	28,105	-	-	618	-	1,261	-6	-148	-576	-	29,255
Other Infrastructure	3,612	27	-	198	-	37	-89	-	-100	39	3,724
Plant, equipment & other	2,789	339	-	122	-	177	-	-37	-344	-8	3,037
Service Concession assets - Land	62	-	-	3	-	-	-	-	-	-	64
Service Concession assets - Buildings	874	53	-	18	-	11	-	-	-21	-	935
Service concession assets - Other infrastructure	39	-	-	-	-	-	-	-	-1	-	38
Service concession assets - Plant, equipment & other	13	1	-	-	-	-	-	-	-2	-	12
Biological assets	6	-	-3	-	3	-	-	-	-	-	5

(a) Recognised in Operating Statement.

(b) Recognised in 'All other movements in equity'.

Note: Rows may not add due to rounding.

## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

### General Government

#### Fair value measurements using significant unobservable inputs (Level 3)

	Fair value at start of period	Additions	Revaluation increments/-decrements(a)	Revaluation increments/-decrements(b)	Transfers from/-to Level 2	Transfers between asset classes	Disposals	Depreciation	Other	Fair value at end of period
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>30 June 2023</b>										
Assets classified as held for sale	37	-	-	-	-23	-	-	-	-	14
Land	10,055	19	-	1,587	7	12	-36	-	9	11,653
Land under Roads	26,834	49	-	2,216	-	-	-	-	-	29,100
Buildings	18,077	104	-	2,232	19	686	-4	-515	4	20,604
Road networks	24,979	982	-	2,715	-	-	-46	-526	2	28,105
Other Infrastructure	3,111	34	-	534	-	38	-1	-102	-2	3,612
Plant, equipment & other	2,737	275	-	22	-4	147	-34	-344	-9	2,789
Service Concession assets - Land	60	-	-	1	-	-	-	-	-	62
Service Concession assets - Buildings	753	65	-	76	-	-3	-	-17	-	874
Service concession assets - Other infrastructure	38	-	-	1	-	-	-	-1	-	39
Service concession assets - Plant, equipment & other	16	-	-	-	-	-	-	-3	-	13
Biological assets	10	-	-4	-	-	-	-1	-	-	6

(a) Recognised in Operating Statement.

(b) Recognised in 'All other movements in equity'.

Note: Rows may not add due to rounding.

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## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

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### Valuation processes

There were no significant changes to valuation processes within the general government sector for the period ended 30 June 2024.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as assets held for sale as the State's Treasurer's Instructions require valuations of land, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

### Valuation techniques to derive Level 3 fair values

There were no significant changes in valuation methodologies within the general government sector for the period ended 30 June 2024.

The following valuation techniques have been identified for agencies with significant Level 3 asset values within the general government sector, reflecting the accounting policy of the agencies with such assets.

Fair value for restricted-use land is based on comparison with market evidence for land with low-level utility (high restricted-use land). The relevant comparators of land with low-level utility is selected by Valuation Services and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Fair value for current-use land assets is measured firstly by establishing the opportunity cost of public purpose land, which is termed the hypothetical alternate land use value. This approach assumes unencumbered land use based upon potential highest and best alternative use as represented by surrounding land uses and market analysis. Fair value of the land is then determined on the assumption that the site is rehabilitated to a vacant marketable condition. This requires costs associated with rehabilitation to be deducted from the hypothetical alternate land-use value of the land. Costs may include building demolition, clearing, planning approvals and time allowances associated with realising that potential. In some instances the legal, physical, economic and socio-political restrictions on a land parcel results in a minimal or negative current use land value. In this situation, the land value adopted is the higher of the calculated rehabilitation amount or the amount determined on the basis of comparison to market-corroborated evidence of land with low-level utility. Land of low-level utility is considered to be grazing land on the urban fringe of the metropolitan area with no economic farming potential or foreseeable development or redevelopment potential at the measurement date.

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**NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)**

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Fair value for existing use specialised buildings, other infrastructure, road networks, and plant, equipment and 'other' is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset (i.e. the current replacement cost). Current replacement cost is the current cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Obsolescence encompasses physical deterioration, functional (technological) obsolescence, and economic (external) obsolescence. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Valuation using current replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of an asset which is estimated by Valuation Services. The fair value measurement is sensitive to the estimate of consumption/obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings and infrastructure.

Current replacement cost for road networks is determined every three years by reference to the cost of a new asset and adjusted in the intervening years by reference to a cost index (ABS Road and Bridge Construction Cost index or rates obtained by professional estimators specialising in road infrastructure works) to ensure asset values do not materially differ from fair value.

The State Library of Western Australia adopts a cyclical approach to valuing its collections. Most items undergo a full valuation every five years, with items worth less than \$5,000 assessed using sampling techniques. Rare books and private archives are valued annually, with heritage collections and Works of Art occurring every five years.

Fair value for the Art Gallery of Western Australia's Works of Art collection and the Western Australian Museum collections are valued every five years. For the Art Gallery, a sampling methodology is employed due to the specialised nature of the collection, using specific criteria to estimate fair value in the absence of readily available market-based evidence. The Museum's collections are valued using a combination of market values and recollection costs as applicable.

Fair value for assets classified as held for sale or for distribution to owners has been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

Fair value for biological assets is based on their present location and condition, as a result, fair value is determined based on historical volume increases and historical cash flows, adjusted for known variances. The valuation model for standing timber considers the present value of the net cash flows to be generated from the forest.

The Level 3 inputs used are derived and evaluated as follows.



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**NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)**

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**Selection of land with similar approximate utility**

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 Valuation Services.

**Difference between hypothetical alternate land use value and current-use land value**

For current-use land assets, fair value is measured firstly by establishing the opportunity cost of public purpose land, which is termed the hypothetical alternate land use value.

**Selection of land adjoining road reserve**

The fair value of road infrastructure comprising of land under roads is determined by comparison with the unimproved land values for land tax purposes maintained by Valuation Services.

**Consumed economic benefit/obsolescence of assets**

This is estimated by Valuation Services and applies to the majority of the asset classes.

**Effective age**

The effective age is determined by Valuation Services for buildings and by the Department of Education's valuer for its building sub-classes, after taking into account factors such as planned routine maintenance, building improvements and upgrades.

**Percentage rate of add-on cost – buildings and land improvements**

Valuation Services has determined that the costs relating to contingencies, headworks, demolition costs, professional and project fees are inherent in the building valuations and therefore should not be added to its valuations. This also applies to the building sub-classes.

**Average installation costs – transportable**

The cost of transportation and connection of services is determined by a quantity surveyor.

**Residual value of 25% of current replacement cost**

The straight-line method of depreciation is applied to derive the depreciated replacement cost, assuming a uniform pattern of consumption over the initial 37 years of asset life (up to 75% of current replacement costs). All specialised buildings are assumed to have a residual value of 25% of their current replacement costs.

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**NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)**

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**Application of a building utilisation category cost rate per square metre**

The application of building utilisation category cost rate per square metre for hospitals and medical centres, calculated from the historical construction costs of similar facilities adjusted by a building cost index, to derive fair value.

**Application of regional building cost indices**

The fair value for some hospitals and medical centres includes the application of regional building construction cost indices where applicable.

**Historical cost per cubic metre – road networks**

The fair value of road infrastructure comprising of earthworks, pavements, drainage and seals, bridges and road furniture is calculated using construction unit rates determined by a professional quantity surveying firm and multiplying these by the units that form the infrastructure asset.

The fair value of road infrastructure comprising of principal shared paths and certain road furniture are extracted from financial records of the Commissioner of Main Roads and indexed by movements in the ABS Road and Bridge Construction Cost index.

**Historical cost per library and Works of Art collection**

The cost approach is based on the principle that the price that a buyer in the market would pay no more for an asset than the cost to obtain an asset of equal utility or similar characteristics, whether by purchase, by construction or by fieldwork. The cost of works of art and fieldworks for collections is extracted from financial records of the State Library of Western Australia and the Art Gallery of Western Australia.

**Recollection costs**

The application of recollection costs is applied to the market values to derive fair value of museum collections.

**Estimated variables associated with biological assets**

Unobservable variables are mainly represented by estimated future timber market price per cubic metre, estimated average volume per annum, applying a discount rate to assess net present value of cash flows.

**Information about significant unobservable inputs (Level 3) in fair value measurements**

## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

The following table shows the valuation techniques used in measuring Level 3 fair values for significant asset classes, including the significant unobservable inputs used.

### SIGNIFICANT UNOBSERVABLE INPUTS

General Government <sup>(a)</sup>

Asset Measured at Fair Value	Valuation Technique(s)	Unobservable inputs
Assets classified as held for sale	Market Approach	Consumed economic benefit/obsolescence of asset
Land	Market Approach	Selection of land with restricted utility
Land under roads	Market Approach	Selection of land adjoining road reserve
Buildings	Current Replacement Cost	Effective Age Percentage rate add-on cost buildings and land improvements Average installation costs - transportables Residual value of 25% of current replacement cost Consumed economic benefit/obsolescence of asset Application of a building utilisation category cost rate per square meter (m <sup>2</sup> ) Application of regional building cost indices
Road networks	Current Replacement Cost	Historical cost per cubic metre (m <sup>3</sup> ) Consumed economic benefit/obsolescence of asset
Other infrastructure	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Effective Age Percentage rate add-on cost buildings and land improvements Average installation costs - transportables
Plant, equipment and other		
<i>State Library collections and works of arts</i>	Current Replacement Cost	Historical cost per library and artwork collection Consumed economic benefit/obsolescence of asset
<i>Museum Collections and the Art Gallery Works of Arts</i>	Market Approach	Recollection costs Consumed economic benefit/obsolescence of asset
Biological assets		
<i>Standing Timber (Sandalwood)</i>	Discounted Cash Flow	Estimated future timber market prices Estimated average volume per annum

(a) Reconciliations of the opening and closing balances are provided in Notes 14, 18, 19, 22 and 23.

### Basis of valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on the use and disposal of these assets when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service.

## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

### Total Public Sector

#### Assets measured at fair value

	Level 1 <sup>(a)</sup>	Level 2 <sup>(b)</sup>	Level 3 <sup>(c)</sup>	Fair value at end of period
	\$m	\$m	\$m	\$m
<b>30 June 2024</b>				
Assets classified as held for sale (Note 22)	-	16	102	118
Land (Note 12,14)	-	11,370	14,308	25,679
Land under roads (Note 12,14)	-	-	30,980	30,980
Buildings (Note 13,14)	-	7,423	24,658	32,082
Electricity generation and transmission (Note 13,14)	-	-	18,506	18,506
Road networks (Note 13,14)	-	-	29,264	29,264
Water storage and distribution (Note 13,14)	-	-	22,123	22,123
Other infrastructure (Note 13,14)	-	-	15,778	15,778
Plant, equipment and other (Note 13,14)	-	585	10,648	11,233
Service concession assets - Land (Note 18)	-	1,192	64	1,256
Service concession assets - Buildings (Note 18)	-	1,173	935	2,108
Service concession assets - Water storage and distribution (Note 18)	-	-	136	136
Service concession assets - Other infrastructure (Note 18)	-	-	38	38
Service concession assets - Plant, equipment and other (Note 18)	-	-	60	60
Biological assets (Note 19)	-	-	230	230
Investment property (Note 23)	-	23	-	23
<b>Total</b>	<b>-</b>	<b>21,782</b>	<b>167,830</b>	<b>189,612</b>
	Level 1 <sup>(a)</sup>	Level 2 <sup>(b)</sup>	Level 3 <sup>(c)</sup>	Fair value at end of period
	\$m	\$m	\$m	\$m
<b>30 June 2023</b>				
Assets classified as held for sale (Note 22)	3	24	14	40
Land (Note 12,14)	-	9,918	13,861	23,779
Land under roads (Note 12,14)	-	-	29,100	29,100
Buildings (Note 13,14)	-	7,042	21,857	28,899
Electricity generation and transmission (Note 13,14)	-	-	16,547	16,547
Road networks (Note 13,14)	-	-	28,105	28,105
Water storage and distribution (Note 13,14)	-	-	21,413	21,413
Other infrastructure (Note 13,14)	-	-	13,602	13,602
Plant, equipment and other (Note 13,14)	-	1,075	9,168	10,243
Service concession assets - Land (Note 18)	-	1,109	62	1,170
Service concession assets - Buildings (Note 18)	-	1,093	874	1,967
Service concession assets - Water storage and distribution (Note 18)	-	-	139	139
Service concession assets - Other infrastructure (Note 18)	-	-	39	39
Service concession assets - Plant, equipment and other (Note 18)	-	-	66	66
Biological assets (Note 19)	3	-	226	229
Investment property (Note 23)	-	16	-	16
<b>Total</b>	<b>6</b>	<b>20,277</b>	<b>155,071</b>	<b>175,354</b>
(a) Assets valued using quoted prices (unadjusted) in active markets for identical assets.				
(b) Assets valued using inputs based on observable market data (either directly or indirectly).				
(c) Assets valued using inputs not based on observable market data.				
Note: Columns/rows may not add due to rounding.				

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## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

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### Measurement of fair values

#### Transfers between Level 1, 2 and 3

The following transfers between fair value hierarchy levels have been identified for agencies with significant asset values within the total public sector for the period ending 30 June 2024.

- The Public Transport Authority transferred \$518 million of rollingstock from level 2 to level 3, resulting from a review of classification inputs during the revaluation process.
- The Department of Communities (Housing Authority) transferred \$33 million rental properties from level 2 to level 3 in 2023-24.

There were no material transfers between fair value hierarchy levels for agencies with significant asset values within the total public sector for the period ending 30 June 2023.

#### Valuation techniques to derive Level 2 fair values

There were no significant changes in valuation techniques during the period.

The valuation techniques to derive Level 2 fair values disclosed in the general government sector above also applies to the total public sector. In addition, the disclosure below is specific to the total public sector.

The fair values of Level 2 plant, equipment and 'other' are derived using current replacement cost. These assets include buses owned by the Public Transport Authority. Market evidence of sales prices of bus contracts held by the Public Transport Authority are used to determine the fair value.

## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

### Total Public Sector

#### Fair value measurements using significant unobservable inputs (Level 3)

	Fair value at start of period	Additions	Revaluation increments/-decrements (a)	Revaluation increments/-decrements (b)	Transfers from/-to Level 2	Transfers between asset classes	Disposals	Depreciation	Other	Fair value at end of period
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>30 June 2024</b>										
Assets classified as held for sale	14	-	-	-	-	88	-	-	-	102
Land	13,861	144	-	1,045	-555	28	-46	-	-168	14,308
Land under Roads	29,100	21	-	1,860	-	-	-	-	-	30,980
Buildings	21,857	155	-	2,278	113	950	-9	-673	-14	24,658
Electricity generation and transmission	16,547	25	-	2,042	-	1,181	-26	-1,287	25	18,506
Road networks	28,105	3	-	618	-	1,261	-148	-577	-	29,264
Water storage and distribution	21,413	-	-	751	-	494	-3	-531	-	22,123
Other Infrastructure	13,602	73	-	2,112	2	654	-1	-603	-62	15,778
Plant, equipment & other	9,168	448	-	793	518	573	-57	-793	-1	10,648
Service Concession assets - Land	62	-	-	3	-	-	-	-	-	64
Service Concession assets - Buildings	874	53	-	18	-	11	-	-21	-	935
Service Concession Assets - Water storage and distribution	139	-	-	-	-	-	-	-3	-	136
Service concession assets - Other infrastructure	39	-	-	-	-	-	-	-1	-	38
Service concession assets - Plant, equipment & other	66	1	-	-	-	-	-	-7	-	60
Biological assets	226	9	-12	4	3	-	-	-	-	230

(a) Recognised in Operating Statement.

(b) Recognised in 'All other movements in equity'.

Note: Rows may not add due to rounding.

## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

### Total Public Sector

#### Fair value measurements using significant unobservable inputs (Level 3)

	Fair value at start of period	Additions	Revaluation increments/-decrements (a)	Revaluation increments/-decrements (b)	Transfers from/to Level 2	Transfers between asset classes	Disposals	Depreciation	Other	Fair value at end of period
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>30 June 2023</b>										
Assets classified as held for sale	39	-	-	-	-23	-	-	-	-2	14
Land	12,794	56	-	1,037	-18	19	-39	-	13	13,861
Land under Roads	26,834	49	-	2,216	-	-	-	-	-	29,100
Buildings	19,129	145	-	2,288	19	887	-8	-601	-1	21,857
Electricity generation and transmission	15,375	37	-	1,767	-	713	-8	-1,260	-77	16,547
Road networks	24,979	982	-	2,715	-	-	-46	-526	2	28,105
Water storage and distribution	20,851	111	-	675	-	291	-4	-513	-	21,413
Other Infrastructure	10,603	66	-	1,775	1	1,715	-2	-559	2	13,602
Plant, equipment & other	8,431	384	-	685	-	418	-54	-741	45	9,168
Service Concession assets - Land	60	-	-	1	-	-	-	-	-	62
Service Concession assets - Buildings	753	65	-	76	-	-3	-	-17	-	874
Service Concession Assets - Water storage and distribution	142	-	-	-	-	-	-	-3	-	139
Service concession assets - Other infrastructure	38	-	-	1	-	-	-	-1	-	39
Service concession assets - Plant, equipment & other	73	-	-	-	-	-	-	-7	-	66
Biological assets	208	5	13	-	-	-	-1	-	-	226

(a) Recognised in Operating Statement.

(b) Recognised in 'All other movements in equity'.

Note: Rows may not add due to rounding.

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## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

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### Valuation processes

There were no significant changes to valuation processes for the period ended 30 June 2024.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as the State's Treasurer's Instructions require valuations of land, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

### Valuation techniques to derive Level 3 fair values

There were no significant changes in valuation techniques during the period. In addition, the following valuation techniques have been identified for public corporations with significant Level 3 asset values within the total public sector.

Fair value for restricted-use land is based on comparison with market evidence for land with low-level utility (high restricted-use land). The relevant comparators of land with low-level utility is selected by Valuation Services and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Fair value for existing-use specialised buildings, electricity generation and transmission, water storage and distribution, other infrastructure, road networks, and plant, equipment and 'other' is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset (i.e. the current replacement cost). Current replacement cost is the current cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Fair value for existing-use specialised infrastructure assets is calculated by reference to the historical cost indexed by a combination of the following price indices as published by the ABS.

- Producer Price Index for building construction in Western Australia (approximately 81% weighting).



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## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

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- Labour Price Index for total hourly rates of pay excluding bonuses using the index covering Australia; private industry; electricity, gas, water and waste supply; and all occupations (approximately 15% weighting).
- Consumer Price Index for all groups in Perth (approximately 4% weighting).
- Professional, Scientific and Technical Services in Western Australia (67% weighting).
- Administrative and Support Services in Western Australia (33% weighting).

Fair value for biological assets is based on estimating the future harvests after considering constraints imposed by sustainable management, contracts and markets, as a result, fair value is determined based on historical volume increases and historical cash flows, adjusted for known variances. The valuation model for standing timber considers the present value of the net cash flows to be generated from the forest. The cash flows projections include specific estimates for Sandalwood Plantations of 15 years, standing timber Plantations of 32 years. The expected net cash flows are discounted using a risk adjusted discounted rate.

The Level 3 inputs disclosed in the general government sector above also applies to the total public sector. In addition, the disclosures below are specific to the total public sector.

### **Historical cost of specialised electricity infrastructure per square kilometre**

Historical cost of electricity infrastructure per square kilometre is extracted from the financial records of Western Power, then indexed by a combination of observable price indices for electricity-related goods and services.

### **Historical cost of specialised water storage and distribution**

Historical cost of water storage and distribution is extracted from the financial records of the Water Corporation, then indexed by a combination of observable price indices.

### **Application of Channel dredging quantities and costs**

The application of dredging quantities and recent dredging costs specific to channels is applied to specialised Port plant, equipment, and 'other' assets, to derive fair value.

### **Freight, Railway and Bus Infrastructure**

The unobservable inputs for Public Transport Authority infrastructure assets has been estimated by a combination of internal asset management experts, applying relevant observable price indices and unit rates determined by a professional independent valuation.

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## NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

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### Estimated variables associated with biological assets

The unobservable variables are mainly represented by estimated future timber market price per cubic metre, estimated production costs, estimated average volume per annum and changes in forward exchange rates, discounted at the rates for 2024 provided by an independent valuation obtained by the Forest Products Commission.

### Information about significant unobservable inputs (Level 3) in fair value measurements

The following table shows the valuation techniques used in measuring Level 3 fair values, for significant asset classes, including the significant unobservable inputs used.

#### SIGNIFICANT UNOBSERVABLE INPUTS

Total Public Sector <sup>(a)</sup>

Asset Measured at Fair Value	Valuation Technique(s)	Unobservable inputs
Assets classified as held for sale	Market Approach	Consumed economic benefit/obsolescence of asset
Land	Market Approach	Selection of land with similar approximate utility Selection of land with restricted utility
Land under roads	Market Approach	Selection of land adjoining road reserve
Buildings	Current Replacement Cost	Effective Age  Percentage rate add-on cost buildings and land improvements Average installation costs - transportables Residual value of 25% of current replacement cost Application of a building utilisation category cost rate per square meter (m <sup>2</sup> ) Regional building cost indices Consumed economic benefit/obsolescence for asset
Electricity generation and transmission	Current Replacement Cost	Consumed economic benefit/obsolescence of electricity infrastructure  Historical cost of specialised electricity infrastructure per km <sup>2</sup>
Road networks	Current Replacement Cost	Historical cost per cubic metre (m <sup>3</sup> ) Consumed economic benefit/obsolescence of asset
Water, storage and distribution	Current Replacement Cost	Historical cost of specialised water storage and distribution Consumed economic benefit/obsolescence of asset
Other infrastructure <i>Freight Network Infrastructure</i>	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Replacement cost per kilometre of network Replacement cost per kilometre of rail Replacement cost per cubic metres of ballast Replacement cost per sleeper

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**NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)**


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**SIGNIFICANT UNOBSERVABLE INPUTS**

 Total Public Sector <sup>(a)</sup>


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Asset Measured at Fair Value	Valuation Technique(s)	Unobservable inputs
Other infrastructure <i>Railway Infrastructure</i>	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Replacement cost per individual tunnel Replacement cost per station structure Replacement cost per kilometre of rail line Replacement cost per signal Replacement cost per sleeper Replacement cost per kilometre of overhead traction wiring
<i>Systems Infrastructure</i>	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Replacement cost per individual items Replacement cost per kilometre of cabling
<i>Bus Infrastructure</i>	Current Replacement Cost	Consumed economic benefit/ obsolescence of asset Replacement cost per square metre floor area (m <sup>2</sup> ) Replacement cost per individual items
<i>Other</i>	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Effective Age  Percentage rate add-on cost buildings and land improvements Average installation costs - transportables
Plant, equipment and other	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Application of channel dredging quantities and costs Historical cost of specialised water storage and distribution Application of a capital cost index
Biological assets <i>Standing Timber (Plantations)</i>	Discounted Cash Flow	The area stocked Estimated future timber market prices per cubic metre (m <sup>3</sup> ) Future wood flow projections
<i>Sandalwood Plantations</i>	Discounted Cash Flow	Estimated future timber market prices based on \$US/\$A forward exchange rates to 2037 provided by the Western Australian Treasury Corporation  The weighted average price for products Estimated average volume per annum Estimated cost per tonne to harvest, produce and sell the volume over the forecast horizon
<i>Bluegum Plantations</i>	Market Approach	Consumed economic benefit/obsolescence of asset

 (a) Reconciliations of the opening and closing balances are provided in Notes 14, 18, 19, 22 and 23.
 

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**Basis of valuation**

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on the use and disposal of these assets when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service.

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**NOTE 16: RIGHT-OF-USE ASSETS**


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**General Government**


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	2024	2023
	\$m	\$m
Depreciation expense of right-of-use assets	364	354
Lease interest expense	146	120
Expenses relating to variable lease payments not included in lease liabilities	93	88
Short-term leases	58	45
Low-value leases	24	20
<b>Total amount recognised in the Operating Statement</b>	<b>685</b>	<b>626</b>
Total cash outflow for leases	533	499

**Total Public Sector**


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	2024	2023
	\$m	\$m
Depreciation expense of right-of-use assets	467	450
Lease interest expense	204	180
Expenses relating to variable lease payments not included in lease liabilities	93	88
Short-term leases	66	53
Low-value leases	24	20
<b>Total amount recognised in the Operating Statement</b>	<b>853</b>	<b>791</b>
Total cash outflow for leases	705	672

Note: Columns may not add due to rounding.

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**NOTE 17: RECONCILIATION OF RIGHT-OF-USE ASSETS**


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**General Government**


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	Land	Buildings	Plant, Equipment and Other	Vehicles	Total
	\$m	\$m	\$m	\$m	\$m
<b>30 June 2024</b>					
<i>Carrying amount at beginning of year</i>	5	2,296	64	1	2,365
Additions	2	271	28	1	302
Transfers in/-out	-	22	-	-	22
Lease reassessment	-	41	-	-	41
Price changes/term extensions	-	30	6	-	36
Disposals	-	-15	-1	-	-16
Depreciation	-1	-332	-31	-	-364
Other	-	-1	-	-	-1
<b>Carrying amount at end of year</b>	<b>6</b>	<b>2,311</b>	<b>65</b>	<b>1</b>	<b>2,384</b>
Gross carrying amount	10	3,396	286	3	3,695
Accumulated depreciation and impairment loss	-3	-1,085	-221	-1	-1,310
<b>30 June 2023</b>					
<i>Carrying amount at beginning of year</i>	7	2,351	94	1	2,452
Additions	-	224	15	-	240
Lease reassessment	-	22	-	-	22
Price changes/term extensions	-	27	6	-	33
Disposals	-	-24	-	-	-24
Depreciation	-1	-305	-48	-	-354
Other	-2	-	-3	-	-5
<b>Carrying amount at end of year</b>	<b>5</b>	<b>2,296</b>	<b>64</b>	<b>1</b>	<b>2,365</b>
Gross carrying amount	7	3,176	267	2	3,452
Accumulated depreciation and impairment loss	-2	-880	-204	-1	-1,087

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## NOTE 17: RECONCILIATION OF RIGHT-OF-USE ASSETS (CONT.)

### Total Public Sector

	Land	Buildings	Plant, Equipment and Other	Vehicles	Power purchase agreements	Total
	\$m	\$m	\$m	\$m	\$m	\$m
<b>30 June 2024</b>						
<i>Carrying amount at beginning of year</i>	21	2,408	80	41	222	2,773
Additions	3	350	61	40	3	457
Transfers in/-out	-	22	-	-	-	22
Lease reassessment	-	41	-	-	1	41
Price changes/term extensions	-	35	6	-	-	40
Disposals	-	-17	-1	-12	-	-30
Depreciation	-2	-370	-45	-17	-32	-467
Other	2	-5	2	-	-	-1
<b>Carrying amount at end of year</b>	<b>23</b>	<b>2,464</b>	<b>102</b>	<b>52</b>	<b>194</b>	<b>2,836</b>
Gross carrying amount	37	3,702	393	119	840	5,091
Accumulated depreciation and impairment loss	-14	-1,238	-290	-66	-646	-2,255
<b>30 June 2023</b>						
<i>Carrying amount at beginning of year</i>	24	2,461	121	34	275	2,915
Additions	1	266	18	30	-	314
Transfers in/-out	-	-3	-	-	-	-3
Lease reassessment	-	20	-	-	7	27
Price changes/term extensions	-	27	6	-	-	33
Disposals	-	-24	-1	-6	-	-31
Depreciation	-2	-337	-61	-16	-34	-450
Impairment losses	-	-2	-	-	-17	-19
Other	-2	-	-3	-1	-9	-14
<b>Carrying amount at end of year</b>	<b>21</b>	<b>2,408</b>	<b>80</b>	<b>41</b>	<b>222</b>	<b>2,773</b>
Gross carrying amount	32	3,425	340	98	842	4,738
Accumulated depreciation and impairment loss	-12	-1,017	-260	-56	-620	-1,964

## NOTE 18: SERVICE CONCESSION ASSETS (a)

### General Government

	Land \$m	Buildings \$m	Other Infra- structure \$m	Plant, equip & other \$m	Commer- cialised assets \$m	Software \$m	Total \$m
<b>30 June 2024</b>							
Carrying amount at beginning of year	62	874	39	13	18	-	1,006
Additions	-	53	-	1	7	-	60
Transfers in/-out	-	11	-	-	-	-	11
Revaluation increments/-decrements	3	18	-	-	-	-	21
Depreciation and amortisation	-	-21	-1	-2	-7	-	-31
<b>Carrying amount at end of year</b>	<b>64</b>	<b>935</b>	<b>38</b>	<b>12</b>	<b>18</b>	<b>-</b>	<b>1,067</b>
Gross carrying amount	64	935	43	32	89	1	1,164
Accumulated depreciation and amortisation	-	-	-5	-20	-71	-1	-98
<b>30 June 2023</b>							
Carrying amount at beginning of year	60	753	38	16	24	-	892
Additions	-	65	-	-	3	-	69
Transfers in/-out	-	-3	-	-	-	-	-3
Revaluation increments/-decrements	1	76	1	-	-	-	78
Depreciation and amortisation	-	-17	-1	-3	-9	-	-30
Other	-	-	-	-	-	-	-
<b>Carrying amount at end of year</b>	<b>62</b>	<b>874</b>	<b>39</b>	<b>13</b>	<b>18</b>	<b>-</b>	<b>1,006</b>
Gross carrying amount	62	874	43	31	82	1	1,093
Accumulated depreciation and amortisation	-	-	-4	-18	-64	-1	-87

(a) Information on fair value measurements is provided in Note 15.

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## **NOTE 18: SERVICE CONCESSION ASSETS (CONT.)**

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Service concession arrangements are contracts between a grantor and an operator where an operator provides public services related to a service concession asset on behalf of a public sector grantor for a specified period and manages at least some of those services.

The following service concession arrangements have been identified for general government sector agencies with significant service concession asset values.

### **Queen Elizabeth II Medical Centre (QEIMC) Multi-Deck Car Park**

In 2014, a public-private partnership project agreement was executed between the State Government of Western Australia and Capella Parking Pty Ltd, to facilitate the construction of the Queen Elizabeth II Medical Centre Multi-Deck car park. The project agreement requires Capella Parking Pty Ltd to own, operate and manage the car park, in exchange for the right to collect and retain car park charges. Upon expiry of the Agreement in November 2037, Capella is required to hand over the legal ownership of the Car Park to the State Government for nil consideration. In 2019, Capella assigned its rights under the Agreement to the International Parking Group.

### **Peel Health Campus**

Peel Health Campus is a general hospital that was established in September 1997 by the State Government of Western Australia. The hospital was operated on behalf of the State Government under a 20 year service contract by Health Solutions WA until 2013 when the remainder of the licence was transferred to Ramsay Health Care. The agreement was made between South Metropolitan Health Service (Grantor) and Ramsay Health Care Australia Pty Ltd (Operator).

The facility, known as the Peel Health Campus, was developed on the site and then sublet to the Operator. Service concession assets identified within the service agreement are the facility and facility equipment. The facility and its equipment are existing assets of the grantor, which the operator is given access to, to provide public services, as the basic purpose of the campus is to provide health services that are necessary or essential to the general public.

### **St John of God Health Care**

In 2012, St John of God Health Care signed a 20 year public-private partnership agreement with the State Government of Western Australia, to operate a hospital for public patients in St John of God Midland Public Hospital.

### **Ramsay Health Care**

Ramsay Health Care (Ramsay) holds a 20 year contract to provide a range of services to public patients at the Joondalup Health Campus. The contract specifies an annual maximum operating budget for required levels of activity and the services to be provided to public patients.



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**NOTE 18: SERVICE CONCESSION ASSETS (CONT.)**

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**Other**

WA Health has three public-private partnership agreements with private providers who provide medical imaging and radiation oncology services in the South West and Great Southern regions. Under all three arrangements, services provided by these private contractors are delivered within buildings owned by the State.

**Camp Schools and Landsdale Farm**

The Department of Education has leased six camp schools to Fairbridge Western Australia Incorporated for a period of 15 years (renewable for another two, five year lease terms) for a nominal cost, and Landsdale Farm to Strive Community Services Incorporated for an initial period of five years (renewable for another two five year lease terms) at an annual rental amount.

**Commercialised intangible assets**

On 22 October 2019, Landgate entered into a partial commercialisation arrangement with Land Services WA for a maximum term of 40 years. In consideration of this arrangement, Landgate received an upfront lump sum payment of \$1.4 billion. The asset types included within the commercialised intangible asset category includes major computer software packages and internally developed software.

**NOTE 18: SERVICE CONCESSION ASSETS (CONT.) (a)**

Total Public Sector

	Land \$m	Buildings \$m	Water storage and distribution \$m	Other Infra- structure \$m	Plant, equip & other \$m	Commer- cialised assets \$m	Software \$m	Total \$m
<b>30 June 2024</b>								
Carrying amount at beginning of year	1,170	1,967	139	39	66	18	-	3,398
Additions	-	54	-	-	1	7	-	62
Disposals	-1	-1	-	-	-	-	-	-2
Transfers in/-out	3	18	-	-	-	-	-	21
Revaluation increments/-decrements	84	113	-	-	-	-	-	197
Depreciation and amortisation	-	-43	-3	-1	-7	-7	-	-61
<b>Carrying amount at end of year</b>	<b>1,256</b>	<b>2,108</b>	<b>136</b>	<b>38</b>	<b>60</b>	<b>18</b>	-	<b>3,616</b>
Gross carrying amount	1,256	2,108	170	43	130	89	1	3,797
Accumulated depreciation and amortisation	-	-	-34	-5	-70	-71	-1	-181
<b>30 June 2023</b>								
Carrying amount at beginning of year	1,026	1,822	142	38	73	24	-	3,125
Additions	-	65	-	-	-	3	-	69
Transfers in/-out	53	-46	-	-	-	-	-	7
Revaluation increments/-decrements	92	166	-	1	-	-	-	259
Depreciation	-	-39	-3	-1	-7	-9	-	-59
Other	-	-	-	-	-	-	-	-
<b>Carrying amount at end of year</b>	<b>1,170</b>	<b>1,967</b>	<b>139</b>	<b>39</b>	<b>66</b>	<b>18</b>	-	<b>3,398</b>
Gross carrying amount	1,170	1,967	170	43	129	82	1	3,562
Accumulated depreciation and amortisation	-	-	-31	-4	-63	-64	-1	-163

(a) Information on fair value measurements is provided in Note 15.

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## NOTE 18: SERVICE CONCESSION ASSETS (CONT.)

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In addition to those service concession arrangements identified for the general government sector, the following arrangement with significant service concession asset values has been identified for the total public sector.

### **Mundaring Water Treatment Plant**

In 2012, the Water Corporation entered into a public-private partnership with Helena Water Pty Ltd (Helena Water) to privately finance, design, construct, own and operate Mundaring Water Treatment Plant under a 35 year operating concession.

The Water Corporation supplies raw water to Helena Water and purchases the treated product water that is pumped to Sawyer's Valley tank at the flow rate specified by the Water Corporation's operation centre.

The agreement with the Water Corporation requires Helena Water to use reasonable endeavours to obtain the most favourable terms from existing or potential financiers when refinancing. Gains or losses will be allocated to each party on ratios determined by the agreement with the next refinancing event scheduled for 2027.

The agreement allows for the review of goods and services costs at set intervals across the term of the contract. This review process has the potential to impact the monthly service charge. The purpose of the review and benchmarking process is to ensure that both parties receive a degree of protection from volatile price increase/decrease (outside of Consumer Price Index changes) on goods and services that are procured during the term of the contract.

Termination options for the Water Corporation include convenience, force majeure, substantial damage to infrastructure, and default events. The Water Corporation may step in to operate and maintain the infrastructure in certain circumstances. There were no changes to the arrangement during the reporting period ending 30 June 2024.

### **Social Housing Properties**

The Department of Communities (Housing Authority) has various agreements for the management and maintenance of social housing properties with Community Housing Organisations (CHOs), that they may or may not own. The Housing Authority as the grantor, controls the tenant allocation rights to these assets, while CHOs manage and maintain these properties as the operator.

The agreements for these service concession assets vary based on the specific program and contract. They typically involve the contribution of capital or property by the Housing Authority in exchange for the management services of the social housing properties by CHOs. The Housing Authority maintains its interest in these assets through certain limitations, such as caveats on property titles. The period of the agreements may differ based on contract specification. However, most agreements are ongoing indefinitely, subject to future reassessments. There were no changes to the arrangements during the reporting period ending 30 June 2024.

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**NOTE 19: BIOLOGICAL ASSETS (a)**


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**General Government**


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	2024	2023
	\$m	\$m
Native and plantation standing trees <sup>(b)</sup>	3	5
Livestock and other	3	4
<b>Total Biological Assets</b>	<b>6</b>	<b>9</b>

**Reconciliation of Biological Assets**

Reconciliation of changes in the carrying amount of biological assets at the beginning and the end of the year are set out below .

<b>30 June 2024</b>	<b>Standing Trees</b>	<b>Livestock and Other</b>	<b>Total</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
<i>Carrying amount at beginning of year</i>	5	4	9
Gain/-loss from changes in fair value	-2	-1	-3
Other	-	-	-
<b>Carrying amount at end of year</b>	<b>3</b>	<b>3</b>	<b>6</b>
<b>30 June 2023</b>	<b>Standing Trees</b>	<b>Livestock and Other</b>	<b>Total</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
<i>Carrying amount at beginning of year</i>	9	5	14
Gain/-loss from changes in fair value	-4	-	-4
Other	-	-1	-1
<b>Carrying amount at end of year</b>	<b>5</b>	<b>4</b>	<b>9</b>

(a) Information on fair value measurements is provided in Note 15.

(b) Native and plantation standing trees consist of mature and maturing standing trees stated at fair value less estimated selling costs, based on discounted cash flow models using a pre-tax weighted average cost of capital, supported by market evidence.

Note: Columns/rows may not add due to rounding.

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**NOTE 19: BIOLOGICAL ASSETS <sup>(a)</sup> (CONT.)**


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**Total Public Sector**


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	2024	2023
	\$m	\$m
Native and plantation standing trees <sup>(b)</sup>	227	225
Livestock and other	3	4
<b>Total Biological Assets</b>	<b>230</b>	<b>229</b>

**Reconciliation of Biological Assets**

Reconciliation of changes in the carrying amount of biological assets at the beginning and the end of the year are set out below .

<b>30 June 2024</b>	<b>Standing Trees \$m</b>	<b>Livestock and Other \$m</b>	<b>Total \$m</b>
<i>Carrying amount at beginning of year</i>	225	4	229
Gain/-loss from changes in fair value	-11	-1	-12
Purchases	12	-	12
Other	-	-	-
<b>Carrying amount at end of year</b>	<b>227</b>	<b>3</b>	<b>230</b>

<b>30 June 2023</b>	<b>Standing Trees \$m</b>	<b>Livestock and Other \$m</b>	<b>Total \$m</b>
<i>Carrying amount at beginning of year</i>	207	5	212
Gain/-loss from changes in fair value	13	-	13
Purchases	5	-	5
Other	-	-1	-1
<b>Carrying amount at end of year</b>	<b>225</b>	<b>4</b>	<b>229</b>

(a) Information on fair value measurements is provided in Note 15.

(b) Native and plantation standing trees consist of mature and maturing standing trees stated at fair value less estimated selling costs, based on discounted cash flow models using a pre-tax weighted average cost of capital, supported by market evidence.

Note: Columns/rows may not add due to rounding.

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**NOTE 20: INVENTORIES**


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**General Government**


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	2024	2023
	\$m	\$m
<i>Land Inventories</i>	-	-
<i>Other Inventories</i>		
Other materials and stores	208	230
Other	34	22
<i>Total Other inventories</i>	243	251
<b>Total Inventories</b>	<b>243</b>	<b>251</b>

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**Total Public Sector**


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	2024	2023
	\$m	\$m
<i>Land Inventories</i>		
Land acquisition and development	1,440	1,471
<i>Total Land inventories</i>	1,440	1,471
<i>Other Inventories</i>		
Precious metals	7,953	7,023
Power station fuel stocks	125	113
Other materials and stores	566	535
Other	58	45
<i>Total Other inventories</i>	8,702	7,717
<b>Total Inventories</b>	<b>10,142</b>	<b>9,188</b>

Note: Columns may not add due to rounding.

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## NOTE 21: INTANGIBLE ASSETS

### General Government

	2024	2023
	\$m	\$m
Computer software	1,561	1,469
Accumulated Amortisation and impairment losses	-1,168	-1,080
<i>Total</i>	<i>393</i>	<i>388</i>
Software in progress	225	156
Other	212	198
Accumulated Amortisation and impairment losses	-104	-96
<i>Total</i>	<i>108</i>	<i>101</i>
<b>Total Intangible Assets</b>	<b>726</b>	<b>646</b>

### Reconciliation of Intangibles

	Computer Software	Software in progress	Other	Total
<b>30 June 2024</b>				
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Carrying amount at beginning of year	388	156	101	646
Additions	26	115	-	142
Disposals	-2	-	-1	-3
Transfers in/-out	66	-45	13	34
Amortisation	-86	-	-8	-94
Accumulated amortisation written back	2	-	1	3
Other	-1	-1	1	-1
<b>Carrying amount at end of year</b>	<b>393</b>	<b>225</b>	<b>108</b>	<b>726</b>

	Computer Software	Software in progress	Other	Total
<b>30 June 2023</b>				
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Carrying amount at beginning of year	379	119	97	595
Additions	18	125	1	144
Disposals	-5	-	-3	-7
Transfers in/-out	86	-89	11	7
Amortisation	-91	-	-8	-99
Accumulated amortisation written back	3	-	3	7
Other	-2	1	-	-2
<b>Carrying amount at end of year</b>	<b>388</b>	<b>156</b>	<b>101</b>	<b>646</b>

Note: Columns/rows may not add due to rounding.

## NOTE 21: INTANGIBLES ASSETS (CONT.)

### Total Public Sector

	2024	2023
	\$m	\$m
Computer software	3,181	3,010
Accumulated Amortisation	-2,563	-2,392
<b>Total</b>	<b>618</b>	<b>618</b>
Software in progress	234	162
Renewable Energy Certificates	62	41
Other	412	380
Accumulated Amortisation and impairment losses	-190	-169
<b>Total</b>	<b>222</b>	<b>211</b>
<b>Total Intangible Assets</b>	<b>1,135</b>	<b>1,032</b>

### Reconciliation of Intangibles

	Computer Software	Software in progress	Renewable Energy Certificates	Other	Total
	\$m	\$m	\$m	\$m	\$m
<b>30 June 2024</b>					
Carrying amount at beginning of year	618	162	41	211	1,032
Additions	34	121	198	5	358
Disposals	-3	-	-177	-1	-181
Transfers in/-out	139	-48	-	27	117
Amortisation	-170	-	-	-22	-192
Accumulated amortisation written back	2	-	-	1	3
Other	-1	-1	-	1	-1
<b>Carrying amount at end of year</b>	<b>618</b>	<b>234</b>	<b>62</b>	<b>222</b>	<b>1,135</b>
<b>30 June 2023</b>					
Carrying amount at beginning of year	655	126	55	171	1,007
Additions	24	131	237	50	441
Disposals	-26	-	-251	-3	-280
Transfers in/-out	159	-95	-	10	74
Impairment losses	-11	-	-	-	-11
Amortisation	-187	-	-	-20	-207
Accumulated amortisation written back	11	-	-	3	14
Other	-7	1	-	-	-7
<b>Carrying amount at end of year</b>	<b>618</b>	<b>162</b>	<b>41</b>	<b>211</b>	<b>1,032</b>

Note: Columns/rows may not add due to rounding.



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**NOTE 22: ASSETS CLASSIFIED AS HELD FOR SALE (a)**

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General Government

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	2024	2023
	\$m	\$m
Land	17	28
Other	5	4
<b>Total Current</b>	<b>22</b>	<b>32</b>

Assets held for sale primarily relate to: the Trustees of the Public Education Endowment (\$7 million land held for sale), Burwood Park Board (\$4 million infrastructure held for sale), the Department of Education (\$3 million land held for sale), and the Commissioner of Main Roads (\$3 million land held for sale).

**Reconciliation of Assets classified as Held for Sale**

Reconciliation of changes in the carrying amount of assets classified as held for sale at the beginning and the end of the year are set out below.

<b>30 June 2024</b>	<b>Land</b>	<b>Other</b>	<b>Total</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Carrying amount at beginning of year	28	4	32
Assets reclassified as held for sale	-2	-	-2
Impairment losses	-1	-	-1
Transfers out/other	-7	1	-7
<b>Carrying amount at end of year</b>	<b>17</b>	<b>5</b>	<b>22</b>
<b>30 June 2023</b>	<b>Land</b>	<b>Other</b>	<b>Total</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Carrying amount at beginning of year	53	4	57
Assets reclassified as held for sale	8	4	12
Assets sold	-	-4	-4
Transfers out/other	-33	-	-33
<b>Carrying amount at end of year</b>	<b>28</b>	<b>4</b>	<b>32</b>

(a) Information on fair value measurements is provided in Note 15.

Note: Columns/rows may not add due to rounding.

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**NOTE 22: ASSETS CLASSIFIED AS HELD FOR SALE (CONT.) (a)**


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**Total Public Sector**


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	2024	2023
	\$m	\$m
Land	19	30
Other	99	10
<b>Total Current</b>	<b>118</b>	<b>40</b>

In addition to those disclosed for the general government sector, assets held for sale by the total public sector primarily relates to: Pilbara Ports Authority (\$88 million fixed assets under construction relating to Spoilbank Marina to be transferred to the Department of Transport), and the Department of Communities (Housing Authority) (\$6 million rental properties held for sale).

**Reconciliation of Assets classified as Held for Sale**

Reconciliation of changes in the carrying amount of assets classified as held for sale at the beginning and the end of the year are set out below.

<b>30 June 2024</b>	<b>Land</b>	<b>Other</b>	<b>Total</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Carrying amount at beginning of year	30	10	40
Assets reclassified as held for sale	-2	93	92
Assets sold	-	-6	-6
Impairment losses	-1	-	-1
Transfers out/other	-7	1	-7
<b>Carrying amount at end of year</b>	<b>19</b>	<b>99</b>	<b>118</b>
<b>30 June 2023</b>	<b>Land</b>	<b>Other</b>	<b>Total</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Carrying amount at beginning of year	53	14	66
Assets reclassified as held for sale	10	3	13
Assets sold	-	-4	-4
Transfers out/other	-33	-2	-35
<b>Carrying amount at end of year</b>	<b>30</b>	<b>10</b>	<b>40</b>

(a) Information on fair value measurements is provided in Note 15.

Note: Columns/rows may not add due to rounding.

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**NOTE 23: INVESTMENT PROPERTIES (a)**

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General Government

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	2024	2023
	\$m	\$m
<i>Carrying amount at beginning of year</i>	-	-
Additions	-	-
Revaluation increments/-decrements	-	-
Reclassified as assets held for sale	-	-
<b>Carrying amount at end of year</b>	<b>-</b>	<b>-</b>

Total Public Sector

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	2024	2023
	\$m	\$m
<i>Carrying amount at beginning of year</i>	16	14
Additions	-	-
Revaluation increments/-decrements	5	4
Reclassified to assets held for sale /-disposals	2	-1
Reclassification to distribution to owner	-	-
<b>Carrying amount at end of year</b>	<b>23</b>	<b>16</b>

(a) Information on fair value measurements is provided in Note 15.

Note: Columns/rows may not add due to rounding.

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**NOTE 24: BORROWINGS**

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General Government

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	2024	2023
	\$m	\$m
Lease Liabilities	2,738	2,734
Loan Liabilities	328	338
Domestic and foreign borrowings <sup>(a)</sup>	24,109	23,546
<b>Total <sup>(b)</sup></b>	<b>27,174</b>	<b>26,618</b>

(a) Foreign currency borrowings - the general government sector had no foreign currency borrowings at the reporting date or at the same time last year.

(b) Information on the maturity profile of Borrowings is provided in Note 34: *Financial Instruments*.

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**NOTE 24: BORROWINGS (CONT.)**


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Total Public Sector

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	2024	2023
	\$m	\$m
Lease Liabilities	3,438	3,427
Loan Liabilities	328	338
Service Concession Liabilities - financial liability <sup>(a)</sup>	298	309
Domestic and foreign borrowings <sup>(b)</sup>	50,038	49,047
<b>Total <sup>(c)</sup></b>	<b>54,102</b>	<b>53,121</b>

(a) Service concession liabilities are recognised according to AASB 1059: *Service Concession Arrangements : Grantors*.

	2024	2023
	\$m	\$m
Minimum lease payments due:		
- not later than one year	16	16
- later than one year and not later than five years	61	62
- later than five years	222	232
Minimum lease payments	<b>298</b>	<b>309</b>
Future Finance charges	-	-
<b>Total service concession liabilities</b>	<b>309</b>	<b>309</b>
Amounts expected to be settled:		
- not later than one year	16	16
- later than one year	282	294

(b) The following foreign currency borrowings are reported at Australian dollar equivalents applicable at the reporting date.

<b>2024</b>	Current	Non-current
United States Dollars	-	-
	-	-
<b>2023</b>	Current	Non-current
United States Dollars	-	-
	-	-

At the reporting date, any foreign currency loans are either economically hedged, swapped or covered forward specifically or invested in the foreign currency. Consequently, any gain or loss on the translation of the overseas borrowing is matched by a corresponding loss or gain made on the foreign currency contract, the overseas investment or the back to back lending and the net exchange gain or loss is therefore zero.

(c) Information on the maturity profile of Borrowings is provided in Note 34: *Financial Instruments*.

Note: Columns may not add due to rounding.

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## NOTE 25: UNFUNDED SUPERANNUATION

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### General Government

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	2024	2023
	\$m	\$m
Defined Benefit superannuation schemes:		
Pension Scheme	1,264	1,242
Gold State Super Scheme	2,180	2,512
Judges' Pension Scheme	538	500
Parliamentary Superannuation Scheme	156	154
<b>Total Defined Benefit superannuation schemes</b>	<b>4,137</b>	<b>4,408</b>

The superannuation liability for the general government sector at 30 June 2024 was \$4,137 million (2023: \$4,408 million). The liability represents 98.3% (2023: 98.3%) of the whole-of-government total superannuation liability of \$4,209 million at 30 June 2024 (2023: \$4,486 million).

The disclosure information included in the total public sector note below also applies to the general government sector.

### Total Public Sector

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	2024	2023
	\$m	\$m
Defined Benefit superannuation schemes:		
Pension Scheme	1,335	1,319
Gold State Super Scheme	2,180	2,512
Judges' Pension Scheme	538	500
Parliamentary Superannuation Scheme	156	154
<b>Total Defined Benefit superannuation schemes</b>	<b>4,209</b>	<b>4,486</b>

The Government Employee Superannuation Board (GESB) administers a range of defined benefit superannuation schemes provided in Note 3 (z): *Provisions (Superannuation)*.

Note: Columns may not add due to rounding.

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## NOTE 25: UNFUNDED SUPERANNUATION (CONT.)

The actuary has applied the following principal assumptions in assessing the defined benefit superannuation liabilities at the reporting date and for the following year expense.

	2024	2023
	%	%
Discount rate (gross of tax) <sup>(a)</sup>	4.3	4.0
Salary rate <sup>(b)</sup>	3.5	3.8
Inflation (pensions)	3.0	2.8

(a) The discount rate is based on the average term of liabilities.

(b) Assumed rate of salary inflation is 3.5% per annum for the first year and 3% per annum thereafter.

Major categories of defined benefit plan assets as a percentage of total fund assets are as follows <sup>(c)</sup>.

	Class 1 <sup>(d)</sup>	Class 2 <sup>(e)</sup>	Class 3 <sup>(f)</sup>	Total
	2024	2024	2024	2024
	%	%	%	%
Equities	50	-	-	50
Cash and Investment funds	12	5	9	26
Others	1	23	-	24
	Class 1 <sup>(d)</sup>	Class 2 <sup>(e)</sup>	Class 3 <sup>(f)</sup>	Total
	2023	2023	2023	2023
	%	%	%	%
Equities	57	-	-	57
Cash and Investment funds	8	11	9	28
Others	-	15	-	15

(c) Only the Pension Scheme and Gold State Super Scheme have plan assets. The Judges' Pension and Parliamentary Superannuation Schemes are unfunded with no employer/employee contributions.

(d) Quoted in active markets.

(e) Significant observable inputs.

(f) Unobservable inputs.

Movement in net liability.

	2024	2023
	\$m	\$m
Net liability/-asset in balance sheet at end of prior year	4,486	4,603
Expense recognised in profit and loss	283	284
Employer contributions	-398	-322
Remeasurements	-162	-80
<b>Net liability/-asset in balance sheet at end of year</b>	<b>4,209</b>	<b>4,486</b>

The net liability of defined benefit plans recognised in the balance sheet is as follows.

	2024	2023
	\$m	\$m
Total defined benefit obligations	7,573	7,608
Scheme assets	-3,364	-3,122
<b>Net liability<sup>(g)</sup></b>	<b>4,209</b>	<b>4,486</b>

(g) Based on the actuarial valuation, the net liabilities fall due with the following profile.

	2024	2023
Not later than one year	33	31
Later than one year	4,176	4,455
<b>Total</b>	<b>4,209</b>	<b>4,486</b>

Note: Columns/rows may not add due to rounding.

**NOTE 25: UNFUNDED SUPERANNUATION (CONT.)**

Details of the deficit of the defined benefit plans measured in accordance with AAS 25: *Financial Reporting by Superannuation Plans* as determined from the plans' most recent financial report are shown below.

	Pension Scheme	Gold State Super Scheme	Judges' Pension Scheme	Parliamentary Superannuation Scheme	Total
	2024	2024	2024	2024	2024
	\$m	\$m	\$m	\$m	\$m
Gross accrued benefits	1,425	5,454	538	156	7,573
Net market value of plan assets	-90	-3,275	-	-	-3,364
<b>Net liability</b>	<b>1,335</b>	<b>2,180</b>	<b>538</b>	<b>156</b>	<b>4,209</b>

	Pension Scheme	Gold State Super Scheme	Judges' Pension Scheme	Parliamentary Superannuation Scheme	Total
	2023	2023	2023	2023	2023
	\$m	\$m	\$m	\$m	\$m
Gross accrued benefits	1,406	5,548	500	154	7,608
Net market value of plan assets	-87	-3,035	-	-	-3,122
<b>Net liability</b>	<b>1,319</b>	<b>2,513</b>	<b>500</b>	<b>154</b>	<b>4,486</b>

The amounts recorded for the Gold State Super Scheme relate to the scheme as a whole (i.e. the pre-transfer benefit component plus the concurrently funded benefit component). The funding policy in respect of the defined benefit plans is directed at ensuring that benefits accruing to members and beneficiaries are fully funded at the time the benefits become payable. As such, the actuary has considered long-term trends in such factors as scheme membership, salary growth and average market value of the schemes' assets when advising on employer and employee contribution rates.

The amounts recognised in the operating statement in respect of the defined benefit plans are as follows.

	2024	2023
	\$m	\$m
Total employer current service cost	113	121
Net interest cost	167	160
Recognised actuarial -gains/losses	-162	-80
<b>Total</b>	<b>118</b>	<b>201</b>

Reconciliation of the fair value of defined benefit superannuation assets at the beginning and at the end of the year are set out below.

	2024	2023
	\$m	\$m
<i>Fair value plan assets at beginning of year</i>	3,122	2,896
Employer contributions	398	322
Actual participant contributions	5	5
Actual benefit payments	-534	-382
Interest income	120	103
<i>Expected plan assets at end of year</i>	3,111	2,944
Return in excess of interest income	253	177
<b>Fair value of plan assets at end of year</b>	<b>3,364</b>	<b>3,122</b>

Note: Columns/rows may not add due to rounding.

## NOTE 25: UNFUNDED SUPERANNUATION (CONT.)

Reconciliation of the fair value of defined benefit superannuation obligations at the beginning and at the end of the year are set out in the following table.

	2024	2023
	\$m	\$m
<i>Defined benefit obligation at beginning of year</i>	7,608	7,499
Employer service cost plus operating costs	112	121
Interest cost	287	263
Actual participant contributions	5	5
Actual benefit payments	-534	-382
<i>Expected defined benefit obligations at end of year</i>	7,479	7,508
Actuarial -gain/loss on liabilities	95	99
<b>Defined benefit obligation at end of year</b>	<b>7,573</b>	<b>7,608</b>

Reconciliation of actuarial gain/loss on assets and liabilities are set out below.

	2024	2023
	\$m	\$m
Actuarial -gain/loss due to demographic assumptions	172	-
Actuarial -gain/loss due to financial assumptions	-148	-84
Actuarial -gain/loss arising from experience	70	180
Return in excess of interest income	-255	-175
<b>Amount recognised during year in 'other changes in equity'</b>	<b>-162</b>	<b>-80</b>

Liabilities for defined benefit scheme at 30 June for the last five years are as follows.

	2024	2023	2022	2021	2020
	\$m	\$m	\$m	\$m	\$m
Total defined benefit obligations	7,573	7,608	7,499	8,786	9,619
Actual assets	-3,364	-3,122	-2,896	-3,180	-2,755
<b>Deficit/-surplus</b>	<b>4,209</b>	<b>4,486</b>	<b>4,603</b>	<b>5,606</b>	<b>6,864</b>

Sensitivity analysis for the defined benefit obligation is presented on the following scenarios <sup>(h)</sup>.

<i>Sensitivity to discount rate</i>		2024	2024
	+0.5 %		-0.5 %
	discount		discount
Discount rate (%)	4.8		3.8
Defined benefit obligation (\$m)	7,295		7,785
Changes in obligation (\$m)	-238		253
Percentage changes in obligation (%)	-3.3		3.3
<i>Sensitivity to discount rate</i>		2023	2023
	+0.5 %		-0.5 %
	discount		discount
Discount rate (%)	4.5		3.5
Defined benefit obligation (\$m)	7,312		7,839
Changes in obligation (\$m)	-255		272
Percentage changes in obligation (%)	-3.0		3.0

Note: Columns/rows may not add due to rounding.



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**NOTE 25: UNFUNDED SUPERANNUATION (CONT.)**


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<i>Sensitivity to future salary increase</i>	2024	2024
	+0.5% future salary increase	-0.5% future salary increase
Future salary increases	4.0% for the first year and 3.5% thereafter	3.0% for the first year and 2.5% thereafter
Defined benefit obligation (\$m)	7,616	7,454
Changes in obligation (\$m)	84	-78
Percentage changes in obligation (%)	1.0	-1.0
<i>Sensitivity to future salary increase</i>	2023	2023
	+0.5% future salary increase	-0.5% future salary increase
Future salary increases	4.3% for the first year and 3.5% thereafter	3.3% for the first year and 2.5% thereafter
Defined benefit obligation (\$m)	7,670	7,470
Changes in obligation (\$m)	103	-97
Percentage changes in obligation (%)	1.0	-1.0
<i>Sensitivity to pension indexation rate</i>	2024	2024
	+0.5% pension indexation rate	-0.5% pension indexation rate
Pension increases (%)	3.5	2.5
Defined benefit obligation (\$m)	7,716	7,359
Changes in obligation (\$m)	184	-173
Percentage changes in obligation (%)	2.0	-2.0
<i>Sensitivity to pension indexation rate</i>	2023	2023
	+0.5% pension indexation rate	-0.5% pension indexation rate
Pension increases (%)	3.3	2.3
Defined benefit obligation (\$m)	7,771	7,375
Changes in obligation (\$m)	204	-192
Percentage changes in obligation (%)	3.0	-3.0
<i>Sensitivity to mortality</i>	2024	2024
	1 year increase in future life expectancy	1 year decrease in future life expectancy
Defined benefit obligation (\$m)	7,639	7,428
Changes in obligation (\$m)	106	-104
Percentage changes in obligation (%)	1.0	-1.0
<i>Sensitivity to mortality</i>	2023	2023
	1 year increase in future life expectancy	1 year decrease in future life expectancy
Defined benefit obligation (\$m)	7,676	7,450
Changes in obligation (\$m)	109	-118
Percentage changes in obligation (%)	1.0	-2.0

(h) Sensitivity figures do not include Gold State Super Scheme reserves amounting to \$40.9 million (30 June 2023: \$40.8 million).

Note: Columns may not add due to rounding.

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**NOTE 26: OTHER EMPLOYEE BENEFITS**


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**General Government**


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	2024	2023
	\$m	\$m
Annual leave	1,404	1,303
Long service leave	2,305	2,177
Other	1,066	874
<b>Total</b>	<b>4,775</b>	<b>4,354</b>

Assessments indicate that actual settlement of the annual leave liabilities is expected to occur as follows.

	2024	2023
	\$m	\$m
Within 12 months of reporting date	959	833
More than 12 months after reporting date	445	470
<b>Total</b>	<b>1,404</b>	<b>1,303</b>

Assessments indicate that actual settlement of the long service leave liabilities is expected to occur as follows.

	2024	2023
	\$m	\$m
Within 12 months of reporting date	581	555
More than 12 months after reporting date	1,724	1,623
<b>Total</b>	<b>2,305</b>	<b>2,177</b>

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**Total Public Sector**


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	2024	2023
	\$m	\$m
Annual leave	1,619	1,498
Long service leave	2,569	2,422
Other	1,150	952
<b>Total</b>	<b>5,338</b>	<b>4,873</b>

Assessments indicate that actual settlement of the annual leave liabilities is expected to occur as follows.

	2024	2023
	\$m	\$m
Within 12 months of reporting date	1,121	979
More than 12 months after reporting date	498	519
<b>Total</b>	<b>1,619</b>	<b>1,498</b>

Assessments indicate that actual settlement of the long service leave liabilities is expected to occur as follows.

	2024	2023
	\$m	\$m
Within 12 months of reporting date	682	656
More than 12 months after reporting date	1,887	1,767
<b>Total</b>	<b>2,569</b>	<b>2,422</b>

Note: Columns may not add due to rounding.

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## NOTE 27: OTHER LIABILITIES

### General Government

	2024	2023
	\$m	\$m
Deferred Revenue	81	131
Service Concession Liabilities - Grant of Right to Operate	1,329	1,366
Grant liabilities <sup>(a)</sup>	321	154
Interest payable	198	163
Contract liabilities <sup>(b)</sup>	164	142
Insurance claims	119	67
Other provisions	619	588
Other liabilities	271	493
<b>Total Other Liabilities</b>	<b>3,103</b>	<b>3,104</b>

#### Reconciliation of Other Provisions

##### 30 June 2024

	Employment on-costs	Restoration costs	Other	Total
	\$m	\$m	\$m	\$m
<i>Carrying amount at beginning of year</i>	15	7	566	588
Additional provisions recognised	4	10	46	60
Amounts used	-5	-2	-1	-8
Unused amounts reversed	-	-	-7	-8
Unwinding of the discount	-	-	-12	-12
Other	-	-	-	-
<b>Carrying amount at end of year</b>	<b>14</b>	<b>15</b>	<b>591</b>	<b>619</b>

##### 30 June 2023

	Employment on-costs	Restoration costs	Other	Total
	\$m	\$m	\$m	\$m
<i>Carrying amount at beginning of year</i>	14	20	571	605
Additional provisions recognised	4	1	56	61
Amounts used	-3	-	-52	-55
Unused amounts reversed	-	-14	-	-14
Unwinding of the discount	-	-	-	-
Other	-	-	-9	-10
<b>Carrying amount at end of year</b>	<b>15</b>	<b>7</b>	<b>566</b>	<b>588</b>

	2024	2023
	\$m	\$m

#### (a) Grant liabilities

##### Reconciliation of changes in grant liabilities:

Opening balance	154	219
Additions	1,314	1,257
Income recognised in the reporting period	-1,146	-1,322
<b>Balance at the end of period</b>	<b>321</b>	<b>154</b>

#### Income recognition

- not later than one year	321	153
- later than one year and not later than five years	-	-
- later than five years	-	-
<b>Total</b>	<b>321</b>	<b>154</b>

#### (b) Contract Liabilities

##### Reconciliation of changes in contract liabilities

Opening balance	142	60
Additions	138	211
Revenue recognised in the reporting period	-116	-128
<b>Balance at the end of period</b>	<b>164</b>	<b>142</b>

Note: Columns/rows may not add due to rounding.

## NOTE 27: OTHER LIABILITIES (CONT.)

### Total Public Sector

	2024	2023
	\$m	\$m
Insurance claims <sup>(a)</sup>	5,386	4,996
Deferred Revenue	636	662
Service Concession Liabilities - Grant of Right to Operate	1,465	1,505
Grant liabilities <sup>(b)</sup>	321	154
Interest payable	465	465
Contract liabilities <sup>(c)</sup>	562	476
Other provisions	2,075	2,537
Other liabilities	430	451
<b>Total Other Liabilities</b>	<b>11,339</b>	<b>11,245</b>

### Reconciliation of Other Provisions

#### 30 June 2024

	Employment on-costs	Decommissioning costs	Restoration costs	Other	Total
	\$m	\$m	\$m	\$m	\$m
Carrying amount at beginning of year	26	459	70	1,982	2,537
Additional provisions recognised	9	12	12	478	511
Amounts used	-8	-20	-7	-345	-381
Unused amounts reversed	-	-	-3	-676	-680
Unwinding of the discount	-	45	-1	46	90
Other	-	-2	1	-1	-2
<b>Carrying amount at end of year</b>	<b>26</b>	<b>494</b>	<b>72</b>	<b>1,483</b>	<b>2,075</b>

#### 30 June 2023

	Employment on-costs	Decommissioning costs	Restoration costs	Other	Total
	\$m	\$m	\$m	\$m	\$m
Carrying amount at beginning of year	25	439	74	1,233	1,770
Additional provisions recognised	11	16	14	1,136	1,176
Amounts used	-9	-24	-4	-355	-391
Unused amounts reversed	-	-3	-14	-24	-42
Unwinding of the discount	-	31	-	7	38
Other	-	-	-	-14	-14
<b>Carrying amount at end of year</b>	<b>26</b>	<b>459</b>	<b>70</b>	<b>1,982</b>	<b>2,537</b>

	2024	2023
	\$m	\$m

#### (a) Insurance claims

The liabilities for outstanding insurance claims comprise:

Third Party Insurance Fund	2,716	2,601
Government Insurance Fund	220	243
RiskCover	1,307	1,058
Motor Vehicle (Catastrophic Injuries) Fund	923	921
Other	220	173
<b>Total</b>	<b>5,386</b>	<b>4,996</b>

Liability for outstanding claims (undiscounted)	7,790	7,256
Discount to present value	-2,404	-2,260
<b>Total Liability for outstanding claims (undiscounted)</b>	<b>5,386</b>	<b>4,996</b>

Note: Columns/rows may not add due to rounding.

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**NOTE 27: OTHER LIABILITIES (CONT.)**

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Total Public Sector

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	2024	2023
	%	%
Claims expected to be paid:		
Not later than one year		
Inflation rate	3.79	3.99
Discount rate	4.40	3.98
Later than one year		
Inflation rate	3.49	3.92
Discount rate	3.90	4.00
	2024	2023
	\$m	\$m
(b) Grant liabilities		
<i>Reconciliation of changes in grant liabilities:</i>		
Opening balance	154	219
Additions	1,314	1,257
Income recognised in the reporting period	-1,146	-1,322
<b>Balance at the end of period</b>	<b>321</b>	<b>154</b>
Income recognition:		
- not later than one year	321	153
- later than one year and not later than five years	-	-
- later than five years	-	-
<b>Total</b>	<b>321</b>	<b>154</b>
(c) Contract Liabilities		
<i>Reconciliation of changes in contract liabilities:</i>		
Opening balance	476	425
Additions	437	414
Revenue recognised in the reporting period	-352	-363
<b>Balance at the end of period</b>	<b>562</b>	<b>476</b>

Note: Columns/rows may not add due to rounding.

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**NOTE 28: RECONCILIATION OF NET CASH FLOWS FROM  
OPERATING ACTIVITIES TO OPERATING SURPLUS  
FOR THE PERIOD**

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General Government

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	2024	2023
	\$m	\$m
<i>Surplus /-deficit for period</i>	4,486	5,120
Non-cash movements		
Depreciation	2,112	1,977
Increase/-decrease in accrual in employees benefits	314	307
-Increase/-decrease in inventories	109	231
-Increase/-decrease in receivables	-498	476
-Increase/-decrease in prepayments and other assets	-62	93
Increase/-decrease in payables	363	-164
Increase/-decrease in other liabilities and accruals	4	-70
Net GST receipts/-payments	-31	-12
Other non-cash net asset transfers	-138	-108
Adjustment for other non-cash items	66	-22
<b>Net cash flows from operating activities as shown in the Cash Flow Statement</b>	<b>6,724</b>	<b>7,827</b>

Total Public Sector

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	2024	2023
	\$m	\$m
<i>Surplus /-deficit for period</i>	5,926	4,738
Non-cash movements		
Depreciation	5,391	5,120
Premium discount amortisation	12	-101
Increase/-decrease in accrual in employees benefits	318	327
-Increase/-decrease in inventories	-884	-429
-Increase/-decrease in receivables	-577	82
-Increase/-decrease in prepayments and other assets	-79	-354
Increase/-decrease in payables	1,285	691
Increase/-decrease in other liabilities and accruals	90	1,164
Net GST receipts/-payments	-164	-49
Other non-cash net asset transfers	-370	-322
Adjustment for other non-cash items	-69	5
<b>Net cash flows from operating activities as shown in the Cash Flow Statement</b>	<b>10,879</b>	<b>10,872</b>

Note: Columns may not add due to rounding.

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### NOTE 29: CLOSING CASH BALANCES

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For the purposes of the Cash Flow Statement, cash includes cash on hand, cash at bank and investments in highly liquid money market instruments, net of outstanding bank overdrafts.

Cash for the purposes of the Cash Flow Statement is defined differently to 'Cash' for the purposes of the consolidated Balance Sheet (which only includes cash holdings at the balance date and not other liquid assets included in the Cash Flow Statement). As a result, the Cash reported on the Cash Flow Statement does not equal 'Cash' in the Balance Sheet.

General Government		
	2024	2023
	\$m	\$m
Cash assets as per the Balance Sheet	2,510	3,734
Investments included as cash on the Cash Flow Statement	6,686	5,359
<b>Total closing cash balance</b>	<b>9,196</b>	<b>9,093</b>
Total Public Sector		
	2024	2023
	\$m	\$m
Cash assets as per the Balance Sheet	4,774	6,404
Investments included as cash on the Cash Flow Statement	10,039	8,603
<b>Total closing cash balance</b>	<b>14,813</b>	<b>15,007</b>

Note: Columns may not add due to rounding.

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### NOTE 30: RESTRICTED FINANCIAL ASSETS

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There are restrictions on the uses of specific purpose Commonwealth grants. Funding received and not yet spent total \$170 million (2023: \$154 million).

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### NOTE 31: MONEYS HELD IN TRUST

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Moneys held in a trustee capacity are not controlled by the State and are excluded from assets and liabilities. An amount of \$626 million was held in trust at 30 June 2024, compared with \$555 million at 30 June 2023. This balance mainly reflects rental tenancy bonds.

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## NOTE 32: CAPITAL EXPENDITURE COMMITMENTS

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### General Government

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Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are expected to require payment as follows.

	2024	2023
	\$m	\$m
Capital expenditure commitments <sup>(a)</sup>	<b>4,168</b>	<b>3,698</b>

(a) The capital commitments include the following material amounts:

- road infrastructure spending of \$1.3 billion (30 June 2023: \$1.5 billion), including for the Swan River Crossings – Fremantle Road and Rail (\$155 million), the Smart Freeway Mitchell Southbound: Hester to Warwick (\$145 million), a panel contract for provision of road marking within Western Australia (\$144 million), Bunbury Outer Ring Road (\$135 million), the design and construction of Mandurah Estuary Bridge Duplication (\$90 million) and the State-wide Traffic Management Panel Contract (\$48 million).
- major health infrastructure totalling \$931 million (30 June 2023: \$572 million), including the Bunbury Hospital redevelopment; annual hospital services with, and construction at, Joondalup Health Campus; the Geraldton Health Campus redevelopment; the Fremantle Hospital mental health beds stimulus; a critical infrastructure upgrade of Peel Health Campus; the Fiona Stanley Hospital Aluminium Composite Panel Remediation; and Department of Finance fees for upgrades to Armadale Health Service, Bentley Health Service, Byford Health Hub, Royal Perth Hospital and King Edward Memorial Hospital; and
- school infrastructure of \$742 million (30 June 2023: \$809 million), including building of new schools, additions and improvements to primary and high schools (\$693 million) and additional funding as part of the COVID-19 response (\$49 million).

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### Total Public Sector

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Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are expected to require payment as follows.

	2024	2023
	\$m	\$m
Capital expenditure commitments <sup>(b)</sup>	<b>11,123</b>	<b>10,958</b>

(b) In addition to the major commitments for the general government sector disclosed above, the following material commitments are included for the total public sector:

- rail and bus infrastructure of \$2.5 billion (30 June 2023: \$4.3 billion), including for the METRONET Railcar Procurement (\$538 million), the delivery of the Yanchep Rail Extension and Thornlie-Cockburn Link projects (\$210 million), Radio Systems Replacement design (\$164 million), the Byford Rail Extension (\$155 million) and the Midland Station project (\$53 million);
  - waste and wastewater projects of \$2.2 billion (30 June 2023: \$643 million), including for the Alkimos Seawater Desalination Plant Stage 1 (\$1.5 billion), Woodman Point Wastewater Treatment Plant Sludge Upgrade (\$194 million), construction of a pressure main at Ellenbrook Barrambie Way Wastewater Pump Station to Gnangara Branch Sewer (\$50 million), Onslow Treatment Plant (\$46 million), Ord Irrigation Scheme Upgrade (\$31 million) and increasing capacity of the Sepia Depression Ocean Outlet Landline Tower (\$28 million); and
  - renewable projects of \$1 billion, including for the Collie Battery Energy Storage System and the Kwinana Battery Energy Storage System 2 batteries, inverters and related works.
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### NOTE 33: CONTINGENT ASSETS AND LIABILITIES

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Contingent assets and liabilities represent potential benefits and costs that could materialise in the future under certain conditions. Given their uncertain nature, the consolidated financial statements do not contain any provision in respect of the material quantifiable or unquantifiable contingent assets and liabilities noted below.

More information on the contingencies identified in this section can be found in the annual reports of the associated agencies.

#### Quantifiable Contingent Assets and Liabilities at 30 June

The following material contingent assets and liabilities have been identified across the public sector.

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#### QUANTIFIABLE CONTINGENT ASSETS AND LIABILITIES AT 30 JUNE

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	2024	2023
	\$m	\$m
<i>Contingent Assets</i>		
(a) General government	30	26
Public non-financial corporations	15	16
<b>Total</b>	<b>45</b>	<b>42</b>
<i>Contingent Liabilities</i>		
(b) Contingent liabilities under guarantees, warranties, indemnities and sureties	514	451
(c) Contingent liabilities for superannuation entitlements of public universities	52	52
(d) Other quantified contingent liabilities	699	719
<b>Total</b>	<b>1,265</b>	<b>1,222</b>

Note: Columns may not add due to rounding.

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#### (a) Contingent Assets

##### **WA Health**

WA Health has contingent assets of \$17 million (30 June 2023: \$10 million), mainly for cross-border receipts for residents from other Australian jurisdictions treated in hospitals in Western Australia.

##### **Synergy**

Synergy is currently in a contractual dispute with a supplier. As the outcome of the dispute is not certain, a contingent asset estimated at \$15 million at 30 June 2024 (30 June 2023: \$15 million) is disclosed but not recognised.

##### **All Other**

A number of smaller contingent assets held across the sector make up the residual \$13 million (30 June 2023: \$17 million).

## **(b) Contingent Liabilities Under Guarantees, Warranties, Indemnities and Sureties**

### ***Public Trustee Common Fund***

Deposits in the Public Trustee's Common Fund include balances held on behalf of third parties at 30 June each year. Guarantees for balances held in the Common Fund at 30 June 2024 totalled \$502 million (30 June 2023: \$439 million).

### ***Water Corporation***

The Water Corporation issues bank guarantees in the normal course of business to guarantee the Corporation's performance under contracts. At 30 June 2024, the value of these guarantees was \$12 million (unchanged from 30 June 2023).

## **(c) Contingent Liabilities for Superannuation Entitlements of Public Universities**

The *State Superannuation Act 2000* (SSA) repealed the *Government Employees Superannuation Act 1987* and the *Superannuation and Family Benefits Act 1938*. The schemes operating under those Acts continue under the SSA. The State guarantees the benefits payable under those schemes. Entitlements for State government employees under this guarantee are recognised as part of unfunded superannuation liabilities on the face of the balance sheet. However, public university employees are not employees of the State for the purposes of this *Annual Report on State Finances* (in recognition of the national control of higher education institutions exercised by the Commonwealth).

Based on the actuarially assessed value of these entitlements at 30 June 2024, the guarantee for superannuation entitlements of public universities is \$52 million (unchanged from 30 June 2023).

## **(d) Other Quantified Contingent Liabilities**

### ***Asbestos Injuries Compensation Fund***

On 16 October 2015, the Commonwealth Treasurer and all State and Territory Treasurers agreed on an approach for sharing the default risk of the Asbestos Injuries Compensation Fund (AICF). Each State's and Territory's share of the total default risk reflects the proportion of claims paid in each jurisdiction since the inception of the Fund (after the Commonwealth takes responsibility for one-third of the default risk as it has agreed to do). From 2007-08 until 2023-24, approximately 14.4% of all filed claims were in Western Australia, which equates to an estimated contingent liability of \$30.7 million. The arrangement for sharing the default risk is only triggered if James Hardie Pty Ltd, which is directly responsible for the AICF, were to go into receivership and was no longer able to contribute to the Fund to pay for compensation claims.

### ***Commissioner of Main Roads***

A contingent liability of \$289 million at 30 June 2024 (30 June 2023: \$270 million) relates to claims lodged by owners of property acquired for road construction purposes. The contingent liability reflects the difference between the owners' claims and estimated prices determined by Main Roads in accordance with independent valuations.

### ***Western Australian Planning Commission***

Under the operation of the Metropolitan, Peel and Greater Bunbury Region Schemes, reservations exist on properties that may result in compensation being paid to the landholder or the property being acquired for the Western Australian Planning Commission's (WAPC) land assets portfolio. The Commission sets such compensation and acquisition priorities on an annual basis. In some cases, the landholder may dispute the compensation offered by the WAPC, either through arbitration or through Court action. Resolving such disputes forms part of the ordinary business of the WAPC and any additional payments that arise are managed within the resources of the Metropolitan Region Improvement Fund and the Regional Land Acquisition appropriation. The current estimate of this contingent liability is around \$52 million (30 June 2023: \$202 million).

### ***Native Title<sup>1</sup>***

#### ***South West Native Title Settlement***

Under the Indigenous Land Use Agreements for this settlement, and subject to meeting certain conditions, a State-managed Noongar Land Fund of up to a maximum of \$47 million will be used over 10 years to meet the Settlement's land, joint management and heritage objectives through the development of effective partnerships between the Noongar Regional Corporations and the State's key land/heritage agencies. A portion of this amount (\$5.9 million at 30 June 2024) is recognised on the State's balance sheet.

#### ***Yamatji Nation Indigenous Land Use Agreement***

Under the Yamatji Nation Indigenous Land Use Agreement, the State has agreed to provide the Trustee of the Charitable Trust on behalf of the Yamatji Nation, with an annual payment calculated as a percentage of rent received from mining tenements within the Agreement Area, to meet the Settlement's economic development objectives. These payments commenced in 2023-24 and will be made annually over the 10 years to 2031-32, with residual annual payments forecast to total approximately \$11 million.

### ***Home Indemnity Insurance***

The contingent liability for Home Indemnity Insurance (HII) is administered by the Department of Energy, Mines, Industry Regulation and Safety. Future claims liability (FCL) of the HII has been actuarially assessed as at 30 June 2024. The FCL is an estimation of the future claims costs which may arise as a result of events which may occur in the future for currently in-force HII policies. The FCL has been assessed at an approximate value of \$84 million (30 June 2023: \$54 million). An unquantifiable contingent liability for HII is also disclosed later in this note.

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<sup>1</sup> An unquantified contingent liability for other Native Title claims is disclosed later in this note.

## **Communities**

### *National Disability Insurance Scheme (NDIS)*

A contingent liability of \$111 million exists for the unpaid portion of invoices issued by the National Disability Insurance Agency (up from \$63 million at 30 June 2023). The value of the invoice is subject to resolution of a disagreement over the actual amount payable under the NDIS agreement between Western Australia and the Commonwealth Government.

### *Litigation in Progress*

The Department is a party to a number of pending legal cases for which the outcomes are not certain. The State Solicitor's Office has estimated that depending on outcomes for these cases, a total amount of \$14 million (30 June 2023: \$35 million) in potential compensation to claimants may be payable.

## **WA Health**

WA Health has contingent liabilities of \$45 million (30 June 2023: \$38 million) which are mainly associated with cross-border charges for Western Australian residents treated in hospitals in other Australian jurisdictions (\$22 million), and facilities management matters under negotiation for South Metropolitan Health Service (\$20 million, which are an ongoing part of contract management processes involving formal contractual dispute mechanisms).

## **Various Agencies**

Other quantifiable contingent liabilities include various legal and contractual claims against various individual agencies totalling an estimated \$22 million (30 June 2023: \$39 million).

## **Non-quantifiable Contingent Assets and Liabilities at 30 June**

### **1. Non-quantifiable Contingent Assets**

#### *Litigation in Progress*

A number of government agencies are currently involved with different legal proceedings, which are all at varying stages. Due to the wide variety and nature of the claims and the uncertainty around the likely outcomes of these cases, it is not possible to reliably quantify the potential benefits that may flow to agencies should favourable outcomes emerge.

### **2. Non-quantifiable Guarantees, Warranties, Indemnities and Sureties**

#### ***Physical and Sexual Abuse Insurance Coverage for Non-Government Providers of Out-of-Home Care and Youth Accommodation Services***

Since 2021, Non-Government Organisations (NGOs) delivering out-of-home care (OOHC) and youth homelessness accommodation services on behalf of the State have reported difficulties in renewing and obtaining insurance against Physical and Sexual Abuse (PSA) claims. This has adversely impacted the OOHC and youth homelessness sectors, where several NGOs have indicated the inability to obtain PSA coverage might result in the cessation of services.

To ensure continued service delivery, the Government has approved an interim solution through the provision of temporary indemnities to NGO providers of State-funded OOHC and youth accommodation services against PSA claims up to 30 June 2025. This provides certainty to NGO providers. This interim response creates an unquantified contingent liability for the State regarding potential future damages from events occurring within the indemnity period. Any additional costs to the State will be assessed and funded on an emerging basis should any claims be made and settled, noting no claims have been lodged to date.

### ***Gold Corporation***

Under the *Gold Corporation Act 1987*, the Treasurer guarantees the payment of all financial obligations including cash equivalent of precious metal due, payable and deliverable by the Gold Corporation (including metal held on behalf of third parties). The probability of any payment associated with this guarantee has been assessed to be low.

### ***Home Indemnity Insurance***

Since 1 November 2013, the State has wholly underwritten the provision of new Home Indemnity Insurance (HII) policies to provide cover on an emerging cost basis for financial loss resulting from the death, insolvency or disappearance of a builder or building group. This arrangement extends until 31 December 2025. From 1 July 2015, premiums for HII policies, net of insurer commissions, have been paid into the HII Reinsurance Account administered by the Department of Energy, Mines, Industry Regulation and Safety, with any claims and associated costs arising from these policies being met from the Account. A related quantified contingent liability for the item is disclosed earlier in this note.

## **3. Non-quantifiable Contingent Liabilities**

### ***Litigation***

A number of government agencies are currently involved with different legal proceedings, all at varying stages. Due to the wide variety and nature of the claims and uncertainty around the likely outcomes of these cases, it is not possible to reliably quantify the potential impact should the State be found liable.

### ***Barrow Island Royalty Variation***

The *Barrow Island Royalty Variation Agreement Act 1985* requires royalties (equal to approximately 40% of the value of production, less eligible rehabilitation and well abandonment costs, in the final calendar year of operations and the subsequent three calendar years) to be refunded. The cost of the refund will be split between the Commonwealth and Western Australian Governments in line with royalty income shares. While a significant amount of royalties will need to be refunded, the amount of the refund cannot be accurately calculated until the value of production is verified and audited, and eligible costs are paid, and similarly verified and audited.

### ***Casual Employee's Entitlement to Long Service Leave***

Under the *Long Service Leave Act 1958*, casual employees who have been employed for more than 10 years and meet continuous service requirements, may be entitled to long service leave. Where agencies have been able to reliably measure obligations for long service leave for casual employees, these liabilities have been recognised in the *Annual Report on State Finances*. However, many entities have not been able to reliably measure long service leave obligations for current or former casual employees at the reporting date. The financial impact of this matter is subject to ongoing assessment.

### ***Contaminated Sites***

Under the *Contaminated Sites Act 2003*, agencies are required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of risk to human health, the environment and environmental issues. 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. DWER is yet to finalise the classification of sites that have been reported by agencies. As agencies are unable to assess the likely outcome of the classification process, it is not possible to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows. Agencies are required to have ongoing management plans to remediate contaminated sites as they are identified.

### ***Forestry Contracts***

The Forest Products Commission (FPC) has identified a potential shortfall of current pine resources that would be available to meet future contracted supply commitments. This is not expected to impact the Western Australian housing industry. At 30 June 2024, there is a high degree of uncertainty regarding the likelihood, timing and amount of any potential shortfall, and the FPC is therefore unable to determine a reliable estimate of the magnitude of any potential obligation that may arise in the future.

The Government's \$350 million investment in expanding the softwood estate (announced as part of the 2021-22 Budget) will help mitigate the risk of long-term pine supply constraints. The FPC is undertaking further analysis to develop and implement mitigation strategies if necessary and will continue to monitor the need for further disclosure, or a provision, at future reporting dates.

### ***Gold Corporation***

In prior years, ground water contamination occurred at the Newburn site of the AGR Matthey refinery. The AGR Joint Venture partners (the Western Australian Mint and Australian Gold Alliance Pty Ltd) were responsible for any remediation and restoration of the site. Pursuant to the dissolution of the AGR Matthey Partnership on 29 March 2010, the Western Australian Mint has assumed full responsibility for any future liabilities. Expenses incurred to date have been expensed in the financial statements. The Corporation is still assessing the estimated potential financial effects, if any, of any ongoing remediation.

### ***Housing Authority/Keystart***

A potential underpayment or non-payment of the Housing Authority's contribution of shared equity costs has been identified. The Housing Authority is considering its position in relation to these claims (as 100% owners of Keystart), and any liability it may hold or the quantum of the liability. While significant efforts have been made during the financial year to ascertain the extent of this liability, the amount of remediation is not presently quantifiable as further investigation and analysis is being undertaken.

### ***Native Title Settlements***

The Commonwealth's *Native Title Act 1993* creates a potential liability for all jurisdictions for compensation for the loss or impairment of Native Title rights and interests that occurred after 31 October 1975. There are currently 26 Native Title claimant applications and 142 Native Title determinations in Western Australia.

The State is continuing to negotiate agreements with Native Title holders that better support their economic and social development aspirations, and to provide full and final settlement of any compensation liability for the State. Negotiation is preferred to Court-determined settlements, which can be costly and time consuming for all parties. There are currently two active Native Title compensation claims in the Federal Court, one of which is subject to mediation with options for settlement outside of a litigated outcome.

In addition to the quantified Native Title contingent liabilities disclosed earlier in this Note, some commitments under existing Native Title agreements (such as land and building transfers) represent an unquantified contingent liability.

### ***Public Transport Authority***

#### ***Litigations in Progress***

Three separate claims have been lodged by third parties with the Supreme Court in relation to taking orders for the acquisition of land for the construction of public transport infrastructure. One claim has been to trial and subsequently appealed by the plaintiffs. Judgment on the appeal is still to be handed down. The other two claims are scheduled to be heard at later dates. The size of the claims are subject to settlement negotiations and/or court determinations.

#### ***Perth Airport Pty Ltd***

In April 2022, the Public Transport Authority (PTA) granted an indemnity to Perth Airport Pty Ltd for any loss or damage it suffers or incurs resulting from or caused by PTA breaching its obligations under the Airport Line Operating Agreement. The PTA has put in place insurance to reduce the State's exposure to claims under the indemnity.

### ***Southern Ports Authority Bulk Loader***

The Southern Ports Authority has a contract to load bulk nickel for BHP Billiton Nickel West. BHP Billiton Nickel West currently does not export its bulk nickel from Esperance. However, if this situation changed, Southern Ports may be required to facilitate loading under the contract. The status of the obligation is undetermined and insufficient information is currently available to determine the financial impact.

### **Asbestos Related Risks**

#### *Synergy (Electricity Generation and Retail Corporation)*

Synergy operates a portfolio of thermal power stations of varying ages. Many of these power stations utilised asbestos for its insulation and fire-resistant qualities prior to the market becoming aware of the dangers of asbestos. Synergy has a current asbestos management process in place and addresses these risks on an ongoing basis. However, diseases which emanate from asbestos, such as asbestosis, may take many years to develop. As such, Synergy may have a liability to those workers and other contractors who came in contact with asbestos at one of its power stations in the past. Synergy has a contingent liability for undiagnosed illnesses which may arise from exposure to asbestos at one of Synergy's sites. The magnitude of this liability is uncertain and cannot be quantified with any accuracy.

#### *Horizon Power*

A number of properties, including power stations and residential accommodation, owned by Horizon Power, contain asbestos. Horizon Power has a robust management and monitoring process in place for the ongoing identification and risk assessment of asbestos hazards and implements safe systems of works during any repair, maintenance and demolition works at these sites. Horizon Power complies with the relevant regulations, including the Code of Practice for the Management and Control of Asbestos in Workplaces and commissions compliance surveys on a regular basis, and has a long-term objective to remove asbestos materials from all of its sites.

There are currently no claims against Horizon Power from current or past employees and contractors for illnesses arising from exposure to asbestos that is not covered by RiskCover. Should any claim arise in the future, Horizon Power is likely to be appropriately covered by its workers' compensation and public liability insurance, or RiskCover.

#### ***Removal of Statutory Limitation Periods for Civil Litigation by Victims of Child Sexual Abuse - the Civil Liability Legislation Amendment (Child Sexual Abuse Actions) Act 2018***

The *Civil Liability Legislation Amendment (Child Sexual Abuse Actions) Act 2018* to remove statutory limitation periods for victims of historical child sexual abuse came into operation on 1 July 2018. The removal of statutory limitation periods potentially exposes organisations in which abuse occurred (including State-based institutions) to claims for damages and compensation. The implementation of this reform represents an unquantified liability to the State.

Further claims as a result of the Act may arise that are not insurable and which will be assessed and funded on an emerging basis, in line with the settlement of resulting claims. The State Government has also established an account to hold funds for any future claims under the National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse (see Appendix 5 of this ARSF).



### ***National Redress Scheme***

Under the initial design of the Scheme, where an institution named on an application is defunct, but a government institution is jointly responsible for the abuse with the defunct institution, the government institution may agree to act as a funder of last resort (FoLR) and pay the defunct institution's share of redress. As a result of recommendations from the Second Anniversary Review commissioned by the Commonwealth Government, an expanded FoLR arrangement was implemented in December 2021, whereby government institutions with no shared responsibility with a defunct institution may agree to take on the defunct institution's redress payments.

The provision for National Redress Scheme costs recognised by the Department of Justice (\$488 million at 30 June 2024) excludes the expanded FoLR provisions that could involve the Western Australian Government paying redress for:

- community sporting groups and other community organisations; and
- workers aged under 18 who were sexually abused while working (this could arise from small business and business franchise licences).

At present, there is insufficient data and information to reliably estimate the impact from the expanded provisions hence this is disclosed as a contingent liability.

### ***State-wide Building Cladding Audit***

In September 2017, the Department of Energy, Mines, Industry Regulation and Safety contacted all government departments and agencies regarding the risk presented by combustible building cladding and requested that they undertake audits of their respective portfolios. Recent results to June 2023 note that of the buildings within scope that were reviewed, 52 buildings have been cleared after detailed risk assessment, 27 buildings were found to require remedial action and remedial action has been completed for eight of those buildings. The Government has set aside funds in the annual Budget to address the emerging costs of any required remediation.

### ***Water Corporation***

#### ***Aboriginal Communities Water Services (ACWS)***

On 1 July 2023, the Corporation had officially assumed responsibility for the management of water services in 137 regional Aboriginal communities as part of the ACWS program. Water services will continue to be delivered by Aboriginal-owned service providers.

Prior to 1 July 2023, these services have been managed by Department of Communities with the exception of Mowanjum community for which the Corporation assumed responsibility from 1 April 2023. The future of these assets is yet to be determined.

### *Australian Energy Market Operator (AEMO)*

The Corporation is a market customer in the Western Australian Wholesale Electricity Market (WEM), which is administered by the AEMO. The Corporation's participation and subsequent electricity purchases in the WEM are subject to meeting the prudential support requirements. The level of credit support required fluctuates and represents an unquantified contingent liability. The required credit support is equivalent to the maximum net amount the Corporation is expected to owe the AEMO over any 70-day period, based on actual electricity purchases.

### ***Griffin Coal***

Payments to secure generation capacity from coal fired electricity generation facilities in the South West Interconnected System are expected to continue to June 2026. Under the Process Agreement, future payments are at the discretion of the State and are not quantifiable at this time.

### ***Aboriginal Land Trust Building Insurance***

Building and land that is owned or under the Aboriginal Land Trust's responsibility covers approximately 10% of the State. The Aboriginal Affairs Planning Authority assesses insured values for known property conditions, and these properties are insured at replacement building value or cost to demolish. The Authority reviews its insurance requirements on an annual basis.

### ***Future Decommissioning of Remote Aboriginal Community Infrastructure***

An Essential Services Transfer Deed reallocated responsibility and funding for the delivery of power services in 117 remote Aboriginal communities from the Department of Communities to Horizon Power from 1 July 2023. Horizon Power may be required at a point in the future to decommission some existing infrastructure within these communities.

### ***Department of Communities – Racial Discrimination Complaint***

The Australian Human Rights Commission is considering a complaint against the State of Western Australia (through the Department and its officers). The Complainants claim that the Department and its officers have unlawfully discriminated against the Complainants and the Class Members based on their race, breaching the Commonwealth's *Racial Discrimination Act 1975*. This complaint may result in further legal action and potential costs.

### ***Other Contingent Liabilities***

There may be claims that arise in relation to works or activities associated with infrastructure projects that have reached or are reaching completion. Claims will generally be subject to a period of negotiation and may either be withdrawn, subsequently settled (at a value agreed between the two parties), or proceed to some alternative process for resolution such as through legal action. Where costs are negotiated and claims settled, these are reflected in the financial statements.

Other contingent liabilities may arise from time to time under certain conditions under various statutes. The circumstances for such potential future liabilities are varied and may be subject to quantification and further detail if, and when, provisions under an Act give rise to a potential obligation.

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## NOTE 34: FINANCIAL INSTRUMENTS

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### (a) Financial Risk Management Objectives and Policies

Exposure to credit risk, liquidity risk, interest rate risk and other financial risks arise in the normal course of public sector activity. Public sector agencies adopt various techniques for managing market risk, which include derivative financial instruments. The two main sources of market risk are fluctuations in interest and foreign exchange rates. Derivatives in use include interest rate swaps, interest rate futures, cross-currency swaps and forward foreign exchange contracts. Whenever derivative positions are created, cash or an underlying physical security is held to cover any potential liability.

#### ***Credit risk***

Credit risk in relation to financial assets is the risk that a third party will not meet its obligation in accordance with agreed terms. The maximum exposure to credit risk at the balance date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet. Credit risk in relation to cash assets and fixed interest securities is mitigated by investing in counter-parties that have acceptable credit ratings. Credit risk concentration is minimised in relation to financial assets and hedging instruments, and public sector agencies do not have significant exposures to any concentrations of credit risk. Generally, agencies exposures are to a large number of customers or highly rated counter-parties and their credit risks are very low. There is a high degree of geographically-based concentrations of recognised financial assets in Australia. Provision for impairment of financial assets is calculated based on past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 11: *Receivables*.

#### ***Liquidity risk***

Liquidity management is undertaken by the Western Australian Treasury Corporation (WATC) on behalf of public sector agencies. WATC maintains a minimum prudent level of highly liquid quality assets at all times to ensure that commitments are met. The risk is minimised through the diversification of its funding activity across domestic and offshore markets and across the maturity spectrum.

#### ***Currency risk***

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency exposures are managed through the use of foreign exchange contracts and derivatives.

#### ***Market risk***

Exposure to market risk for changes in interest rates primarily relates to long-term debt obligations. The risk is managed by WATC through portfolio diversification and maturity spread.

### **Interest rate risk**

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The interest rate risk by class of recognised financial asset and financial liability at 30 June 2024 is shown in the tables below. The interest rate shown is the effective interest rate or weighted average effective interest rate in respect of a class of assets or liabilities. For 'floating' instruments, the rate is the current market rate. The bands reflect the earlier of the next contractual repricing date or the maturity date of the asset or liability.

### **(b) Fair Value of Financial Assets and Liabilities**

The carrying amount of financial assets and financial liabilities recorded in the consolidated Balance Sheet are not materially different from the fair value of these items.

### **(c) Derivative Financial Instruments**

The public sector limits dealings in derivatives to only those counter-parties that are recognised financial intermediaries and possess a credit rating of 'A' or better. The public sector does not have a material exposure to any individual counter-party. The following table provides details of outstanding derivatives used for hedging purposes at 30 June 2024.

## **FINANCIAL INSTRUMENTS**

### General Government

#### *Categories of Financial Instruments*

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows.

	2024	2023
	\$m	\$m
<b>Financial Assets</b>		
Cash and deposits	2,510	3,734
Receivables	5,274	4,818
Investments, loans and placements	7,331	5,776
Advances paid	665	697
Shares and other equity	82,429	70,224
Other financial assets	9	9
<b>Financial Liabilities</b>		
Deposits held	2,728	1,538
Advances received	256	273
Borrowings		
Lease liabilities	2,738	2,734
Other borrowings	24,436	23,883
Payables	2,977	2,677
Other employee benefits	550	447
Other financial liabilities	506	656

Note: Columns may not add due to rounding.

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**NOTE 34: FINANCIAL INSTRUMENTS (CONT.)**

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Total Public Sector

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*Categories of Financial Instruments*

The carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows.

	2024	2023
	\$m	\$m
<b>Financial assets at amortised cost</b>		
Cash and deposits	4,774	6,404
Receivables	6,845	6,274
Investments, loans and placements	1,608	1,680
Advances paid	2,481	3,156
Shares and other equity	143	135
Other financial assets	17	17
<b>Financial assets at fair value through profit or loss</b>		
Receivables	604	579
Investments, loans and placements	17,343	14,821
Shares and other equity	2,793	2,418
<b>Financial Liabilities at amortised cost</b>		
Deposits held	20	22
Advances received	256	273
Borrowings		
Lease liabilities	3,438	3,427
Service concession liabilities	298	309
Other borrowings	2,508	1,977
Payables	4,571	4,452
Guarantees	514	451
Other employee benefits	612	505
Other financial liabilities	5,894	5,461
<b>Financial liabilities at fair value through profit or loss</b>		
Borrowings	47,857	47,407
Payables	8,455	7,355

Note: Columns may not add due to rounding.

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**NOTE 34: FINANCIAL INSTRUMENTS (CONT.)**


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Total Public Sector

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The following derivatives are all held by public corporations. There are no equivalent holdings by the general government sector.

<i>Fair Values at 30 June 2024</i>	Notional face Value \$m	Net fair Value \$m	Credit Exposure \$m
Interest rate contracts	13,026	-395	-407
Forward exchange contracts	-2,372	-6	-
Equity Contracts	-	-1	-
Other commodity contracts	-1,014	-12	-
<b>Total</b>	<b>9,641</b>	<b>-413</b>	<b>-407</b>

<i>Fair Values at 30 June 2023</i>	Notional face Value \$m	Net fair Value \$m	Credit Exposure \$m
Interest rate contracts	11,313	-329	354
Forward exchange contracts	-2,052	-22	-
Equity Contracts	-	-1	-
Other commodity contracts	615	6	-
<b>Total</b>	<b>9,876</b>	<b>-346</b>	<b>354</b>

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## NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

### General Government

#### Interest rate risk exposure

The general government sector's exposure to interest rate risk and the effective interest rate by class of recognised financial asset and financial liability are shown below.

30 June 2024

	Fixed Interest Maturing in					Total Fixed interest rate \$m	Non-interest bearing \$m	Total carrying amount \$m	Weighted average effective interest rate %
	Floating interest rate \$m	up to 3 months \$m	3 to 12 months \$m	1 year to 5 years \$m	Over 5 years \$m				
<b>Financial assets</b>									
Cash and deposits	503	1,897	8	-	-	1,905	102	2,510	4.2
Receivables <sup>(a)</sup>	1	-	1	-	-	2	5,271	5,274	5.0
Investments, loans and placements	26	2,669	1,698	2,464	433	7,264	42	7,331	4.0
Advances paid:									
Non-government schools	-	11	33	177	150	371	-	371	4.3
Other advances	-	-	-	-	-	-	295	295	-
Shares and other equity	-	-	-	-	-	-	82,429	82,429	-
Other financial assets	-	-	-	-	-	-	9	9	-
<b>Total financial assets <sup>(b)</sup></b>	<b>530</b>	<b>4,577</b>	<b>1,740</b>	<b>2,641</b>	<b>583</b>	<b>9,541</b>	<b>88,147</b>	<b>98,218</b>	
<b>Financial liabilities</b>									
Deposits held	-	1,352	479	745	132	2,708	20	2,728	4.5
Advances received	-	-	-	-	-	-	256	256	-
Borrowings:									
Lease Liabilities	-	107	280	1,032	1,319	2,738	-	2,738	4.3
Service concession liabilities	-	-	-	-	-	-	-	-	-
Other borrowings	356	763	2,977	12,390	7,910	24,039	41	24,436	3.7
Payables <sup>(c)</sup>	-	-	-	14	-	14	2,963	2,977	-
Other employee benefits	-	-	-	-	-	-	550	550	-
Other financial liabilities	-	-	-	-	-	-	506	506	-
<b>Total financial liabilities <sup>(b)</sup></b>	<b>356</b>	<b>2,221</b>	<b>3,735</b>	<b>14,181</b>	<b>9,360</b>	<b>29,498</b>	<b>4,337</b>	<b>34,191</b>	

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable) and from the National Tax Equivalent Regime.

(b) Excludes non-financial assets and liabilities that are reported on the face of the balance sheet.

(c) The amount of payables excludes GST payable to the Australian Taxation Office (statutory payable).

Note: Columns/rows may not add due to rounding.

## NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

### General Government

30 June 2023

	Fixed Interest Maturing in					Total Fixed interest rate \$m	Non-interest bearing \$m	Total carrying amount \$m	Weighted average effective interest rate %
	Floating interest rate \$m	Fixed Interest Maturing in up to 3 months \$m	3 to 12 months \$m	1 year to 5 years \$m	Over 5 years \$m				
Financial assets									
Cash and deposits	429	3,086	11	18	-	3,115	190	3,734	3.0
Receivables <sup>(a)</sup>	-	1	1	-	-	2	4,816	4,818	4.3
Investments, loans and placements	32	1,781	800	2,479	642	5,702	42	5,776	2.7
Advances paid:									
Non-government schools	-	10	31	175	157	373	-	373	4.2
Other advances	24	-	-	-	-	-	300	324	3.0
Shares and other equity	-	-	-	-	-	-	70,224	70,224	-
Other financial assets	-	-	-	-	-	-	9	9	-
<b>Total financial assets<sup>(b)</sup></b>	<b>485</b>	<b>4,878</b>	<b>843</b>	<b>2,672</b>	<b>798</b>	<b>9,192</b>	<b>75,580</b>	<b>85,258</b>	
Financial liabilities									
Deposits held	-	823	209	384	99	1,516	22	1,538	3.1
Advances received	-	-	-	-	-	-	273	273	-
Borrowings:									
Lease Liabilities	-	97	251	983	1,403	2,734	-	2,734	4.2
Service concession liabilities	-	-	-	-	-	-	-	-	-
Other borrowings	390	920	1,853	12,826	7,881	23,480	13	23,883	3.1
Payables <sup>(c)</sup>	-	-	-	-	-	-	2,677	2,677	-
Other employee benefits	-	-	-	-	-	-	447	447	-
Other financial liabilities	-	-	-	-	-	-	656	656	-
<b>Total financial liabilities<sup>(b)</sup></b>	<b>390</b>	<b>1,840</b>	<b>2,314</b>	<b>14,193</b>	<b>9,383</b>	<b>27,730</b>	<b>4,088</b>	<b>32,208</b>	

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable) and from the National Tax Equivalent Regime.

(b) Excludes non-financial assets and liabilities that are reported on the face of the balance sheet.

(c) The amount of payables excludes GST payable to the Australian Taxation Office (statutory payable).

Note: Columns/rows may not add due to rounding.



## NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

### Total Public Sector

#### Interest rate risk exposure

The total public sector's exposure to interest rate risk and the effective interest rate by class of recognised financial asset and financial liability are shown below.

30 June 2024

	Fixed Interest Maturing in						Non-interest bearing	Total carrying amount	Weighted average effective interest rate
	Floating interest rate	up to 3 months	3 to 12 months	1 year to 5 years	Over 5 years	Total Fixed interest rate			
	\$m	\$m	\$m	\$m	\$m	\$m			
<b>Financial assets</b>									
Cash and deposits	2,461	2,068	36	-	-	2,104	209	4,774	4.1
Receivables <sup>(a)</sup>	1	1	1	-	-	2	7,445	7,448	5.0
Investments, loans and placements	645	6,828	2,415	3,937	1,813	14,994	3,312	18,950	3.8
Advances paid:									
Homebuyers	2,071	-	-	-	-	-	-	2,071	7.5
Non-government schools	-	11	33	177	150	371	-	371	4.3
Other	-	-	-	-	-	-	39	39	-
Shares and other equity	-	-	-	-	-	-	2,936	2,936	-
Other financial assets	-	-	-	-	-	-	17	17	-
<b>Total financial assets</b> <sup>(b)</sup>	<b>5,178</b>	<b>8,907</b>	<b>2,485</b>	<b>4,115</b>	<b>1,963</b>	<b>17,470</b>	<b>13,958</b>	<b>36,606</b>	
<b>Financial liabilities</b>									
Deposits held	-	-	-	-	-	-	20	20	4.0
Advances received	-	-	18	77	161	256	-	256	4.3
Borrowings:									
Lease liabilities	-	115	393	1,388	1,542	3,438	-	3,438	5.0
Service concession liabilities	-	4	11	61	222	298	-	298	3.5
Other borrowings	427	13,057	1,120	18,807	14,934	47,918	2,021	50,366	3.5
Payables <sup>(c)</sup>	-	1	-	14	-	15	13,011	13,026	2.1
Guarantees <sup>(d)</sup>	-	-	-	-	-	-	514	514	-
Other employee benefits	-	-	-	-	-	-	612	612	-
Other financial liabilities	-	-	-	-	18	18	5,877	5,894	-
<b>Total financial liabilities</b> <sup>(b)</sup>	<b>427</b>	<b>13,178</b>	<b>1,542</b>	<b>20,346</b>	<b>16,876</b>	<b>51,943</b>	<b>22,055</b>	<b>74,424</b>	

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

(b) Excludes non-financial assets and liabilities that are reported on the face of the balance sheet.

(c) The amount of payables excludes GST payable to the Australian Taxation Office (statutory payable).

(d) Includes guarantees, warranties, indemnities and sureties. See Note 33: *Contingent Assets and Liabilities*.

Note: Columns/rows may not add due to rounding.

## NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

### Total Public Sector

30 June 2023

	Fixed Interest Maturing in					Total Fixed interest rate \$m	Non-interest bearing \$m	Total carrying amount \$m	Weighted average effective interest rate %
	Floating interest rate \$m	up to 3 months \$m	3 to 12 months \$m	1 year to 5 years \$m	Over 5 years \$m				
<b>Financial assets</b>									
Cash and deposits	2,830	3,241	11	18	-	3,270	305	6,404	3.2
Receivables <sup>(a)</sup>	-	1	1	-	-	2	6,851	6,853	4.2
Investments, loans and placements	866	3,160	3,739	3,839	1,664	12,402	3,234	16,502	2.7
Advances paid:									
Homebuyers	2,735	-	-	-	-	-	-	2,735	6.9
Non-government schools	-	10	31	175	157	373	-	373	4.2
Other	24	-	-	-	-	-	24	48	3.0
Shares and other equity	-	-	-	-	-	-	2,553	2,553	-
Other financial assets	-	-	-	-	-	-	17	17	-
<b>Total financial assets <sup>(b)</sup></b>	<b>6,456</b>	<b>6,413</b>	<b>3,781</b>	<b>4,032</b>	<b>1,820</b>	<b>16,047</b>	<b>12,983</b>	<b>35,485</b>	
<b>Financial liabilities</b>									
Deposits held	-	-	-	-	-	-	22	22	-
Advances received	-	-	18	76	180	273	-	273	4.6
Borrowings:									
Lease liabilities	-	108	369	1,306	1,644	3,427	-	3,427	4.7
Service concession liabilities	-	4	12	62	232	309	-	309	10.4
Other borrowings	400	7,712	5,863	18,821	15,072	47,468	1,517	49,384	2.9
Payables <sup>(c)</sup>	-	1,821	-	-	-	1,821	9,986	11,807	0.4
Guarantees <sup>(d)</sup>	-	-	-	-	-	-	451	451	-
Other employee benefits	-	-	-	-	-	-	505	505	-
Other financial liabilities	-	-	-	-	-	-	5,461	5,461	-
<b>Total financial liabilities <sup>(b)</sup></b>	<b>400</b>	<b>9,646</b>	<b>6,262</b>	<b>20,264</b>	<b>17,127</b>	<b>53,299</b>	<b>17,941</b>	<b>71,640</b>	

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

(b) Excludes non-financial assets and liabilities that are reported on the face of the balance sheet.

(c) The amount of payables excludes GST payable to the Australian Taxation Office (statutory payable).

(d) Includes guarantees, warranties, indemnities and sureties. See Note 33: *Contingent Assets and Liabilities*.

Note: Columns/rows may not add due to rounding.

## NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

### General Government

	30 June 2024					30 June 2023				
	Carrying amount	-1% change		+1% change		Carrying amount	-1% change		+1% change	
		Profit	Equity	Profit	Equity		Profit	Equity	Profit	Equity
<i>Interest rate sensitivity analysis</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Financial Assets</b>										
Cash and deposits	2,400	-24	-24	24	24	3,515	-35	-35	35	35
Receivables	-	-	-	-	-	-	-	-	-	-
Investments, loans and placements	2,695	-27	-27	27	27	1,813	-18	-18	18	18
Advances paid	11	-	-	-	-	34	-	-	-	-
<b>Financial Liabilities</b>										
Deposits held	1,352	14	14	-14	-14	823	8	8	-8	-8
Borrowings	1,225	11	11	-11	-11	1,407	13	13	-13	-13
<b>Total Increase/-Decrease</b>		<b>-26</b>	<b>-26</b>	<b>26</b>	<b>26</b>		<b>-32</b>	<b>-32</b>	<b>32</b>	<b>32</b>

### Total Public Sector

	30 June 2024					30 June 2023				
	Carrying amount	-1% change		+1% change		Carrying amount	-1% change		+1% change	
		Profit	Equity	Profit	Equity		Profit	Equity	Profit	Equity
<i>Interest rate sensitivity analysis</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Financial Assets</b>										
Cash and deposits	4,530	-45	-45	45	45	6,071	-61	-61	61	61
Receivables	2	-	-	-	-	1	-	-	-	-
Investments, loans and placements	7,473	-75	-75	75	75	4,026	-40	-40	40	40
Advances paid	2,071	-21	-21	21	21	2,735	-27	-27	27	27
<b>Financial Liabilities</b>										
Borrowings	13,603	136	136	-136	-136	8,112	81	81	-81	-81
Payables	1	-	-	-	-	1,821	18	18	-18	-18
<b>Total Increase/-Decrease</b>		<b>-5</b>	<b>-5</b>	<b>5</b>	<b>5</b>		<b>-29</b>	<b>-29</b>	<b>29</b>	<b>29</b>

Note: Columns/rows may not add due to rounding.

## NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

### General Government

	Carrying amount as at 30 June 2024	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(a)</sup>	Level 2 <sup>(b)</sup>	Level 3 <sup>(c)</sup>
	\$m	\$m	\$m	\$m
<b>Financial Assets</b>				
Investments, loans and placements	7,297	143	7,153	-
Shares and other equity	75,663	39	45	75,579
Other financial assets	9	-	-	9
<b>Financial Liabilities</b>				
Borrowings	60	-	-	60
<hr/>				
	Carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(a)</sup>	Level 2 <sup>(b)</sup>	Level 3 <sup>(c)</sup>
	\$m	\$m	\$m	\$m
<b>Financial Assets</b>				
Investments, loans and placements	5,739	124	5,616	-
Shares and other equity	70,248	36	38	70,173
Other financial assets	9	-	-	9
<b>Financial Liabilities</b>				
Borrowings	60	-	-	60

### Total Public Sector

	Carrying amount as at 30 June 2024	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(a)</sup>	Level 2 <sup>(b)</sup>	Level 3 <sup>(c)</sup>
	\$m	\$m	\$m	\$m
<b>Financial Assets</b>				
Investments, loans and placements	15,656	1,257	12,887	1,511
Shares and other equity	5,568	4,355	1,213	-
Other financial assets	9	-	-	9
<b>Financial Liabilities</b>				
Borrowings	48,311	35,472	12,835	3
Payables	8,455	8,455	-	-
<hr/>				
	Carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(a)</sup>	Level 2 <sup>(b)</sup>	Level 3 <sup>(c)</sup>
	\$m	\$m	\$m	\$m
<b>Financial Assets</b>				
Investments, loans and placements	13,826	2,585	9,783	1,457
Shares and other equity	5,128	3,205	1,919	4
Other financial assets	9	-	-	9
<b>Financial Liabilities</b>				
Borrowings	47,784	37,102	10,683	-
Payables	7,355	7,355	-	-

(a) Assets/liabilities valued using quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Assets/liabilities valued using inputs based on observable market data (either directly using prices or indirectly derived from prices).

(c) Assets/liabilities valued using inputs not based on observable market data.

Note: Columns/rows may not add due to rounding.

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### NOTE 35: OTHER DISAGGREGATED INFORMATION

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The total public sector (or whole-of-government) includes agencies classified into general government, public non-financial corporation and public financial corporation sectors in accordance with the Australian Bureau of Statistics' (ABS') coverage for Government Finance Statistics purposes. Details of the classification of State agencies are provided in Note 38: *Composition of Sectors*.

Revenue, expenses, assets and liabilities that are reliably attributable to each of the above sectors are set out in the following tables. For the purpose of this disclosure, effects of transactions and balances between sectors have not been eliminated, but those between agencies within each sector have been eliminated.

## NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

### Operating Statement for the year ended 30 June

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>RESULTS FROM TRANSACTIONS</b>										
<b>REVENUE</b>										
Taxation	13,631	12,427	-	-	-	-	-625	-584	13,007	11,843
Current grants and subsidies	12,780	12,817	4,020	3,436	-	-	-4,020	-3,436	12,780	12,817
Capital grants	1,884	2,081	314	209	-	-	-314	-209	1,884	2,081
Sales of goods and services	3,460	3,296	38,101	34,990	1,737	1,445	-1,509	-1,330	41,789	38,400
Interest Income	391	333	343	255	2,038	1,772	-1,785	-1,493	986	868
Revenue from public corporations										
Dividends	210	145	-	-	-	-	-210	-145	-	-
Tax equivalent income	912	705	-	-	-	-	-912	-705	-	-
Royalty income	11,866	11,045	-	-	-	-	-	-	11,866	11,045
Other	813	752	606	549	171	132	-117	-145	1,473	1,288
<b>Total</b>	<b>45,947</b>	<b>43,601</b>	<b>43,384</b>	<b>39,438</b>	<b>3,945</b>	<b>3,349</b>	<b>-9,491</b>	<b>-8,047</b>	<b>83,785</b>	<b>78,341</b>
<b>EXPENSES</b>										
Salaries	16,518	15,727	1,524	1,371	77	71	-	-	18,118	17,169
Superannuation										
Concurrent costs	1,781	1,759	168	153	9	8	-	-	1,958	1,920
Superannuation interest cost	167	160	-	-	-	-	-	-	167	160
Other employee costs	401	387	68	62	415	274	-101	-86	784	637
Depreciation and amortisation	2,112	1,977	3,270	3,138	11	8	-3	-3	5,391	5,120
Services and contracts	3,403	3,080	994	1,059	9	11	-	-6	4,406	4,144
Other gross operating expenses	7,330	6,620	32,433	31,071	1,103	984	-1,727	-1,540	39,140	37,135
Interest										
Interest on leases	175	146	72	74	2	-	-6	-3	243	217
Other interest	946	809	845	656	1,800	1,515	-1,779	-1,489	1,812	1,490
Tax equivalents	-	-	756	670	156	36	-912	-705	-	-
Current transfers	8,068	7,358	1,896	1,756	5	5	-4,408	-3,782	5,561	5,337
Capital transfers	560	458	32	24	1	1	-314	-209	278	274
<b>Total</b>	<b>41,461</b>	<b>38,481</b>	<b>42,059</b>	<b>40,034</b>	<b>3,588</b>	<b>2,912</b>	<b>-9,249</b>	<b>-7,823</b>	<b>77,859</b>	<b>73,604</b>
<b>NET OPERATING BALANCE</b>	<b>4,486</b>	<b>5,120</b>	<b>1,325</b>	<b>-596</b>	<b>357</b>	<b>437</b>	<b>-242</b>	<b>-224</b>	<b>5,926</b>	<b>4,738</b>

Note: Columns/rows may not add due to rounding.

## NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

### Operating Statement for the year ended 30 June (cont.)

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<i>Other economic flows - included in the operating result</i>										
Net gains on assets/liabilities	-121	-302	-98	7	61	307	-	-	-158	12
Provision for doubtful debts	-20	-41	-14	-17	-	-	-	-	-34	-57
Changes in accounting policy/adjustment of prior periods	-168	63	44	75	-	-	-	-	-125	137
<i>Total other economic flows</i>	-310	-280	-68	65	61	306	-	-	-317	92
<b>OPERATING RESULT</b>	<b>4,176</b>	<b>4,841</b>	<b>1,257</b>	<b>-531</b>	<b>419</b>	<b>743</b>	<b>-242</b>	<b>-224</b>	<b>5,610</b>	<b>4,830</b>
<i>All other movements in equity</i>										
<i>Items that will not be reclassified to operating result</i>										
Revaluations	5,718	9,712	7,007	5,404	2	2	-	-	12,727	15,118
Net actuarial gains - superannuation	188	100	-27	-21	-	1	-	-	162	80
Gains recognised directly in equity	-	-	-	-30	-2	-2	-3	-3	-5	-35
Change in net worth of the public corporations sectors	8,411	5,340	-	-	-	-	-8,411	-5,340	-	-
All other	-	-	-	-	-	-	-	-	-	-
<i>Total all other movements in equity</i>	<b>14,318</b>	<b>15,153</b>	<b>6,980</b>	<b>5,353</b>	<b>1</b>	<b>1</b>	<b>-8,414</b>	<b>-5,343</b>	<b>12,884</b>	<b>15,164</b>
<i>Movements in owner equity</i>										
Dividends	-	-	-5	-81	-239	-145	245	226	-	-
Capital injections	-	-	3,787	2,549	-1	-2	-3,786	-2,547	-	-
<i>Total movements in owner equity</i>	<b>-</b>	<b>-</b>	<b>3,781</b>	<b>2,468</b>	<b>-241</b>	<b>-146</b>	<b>-3,541</b>	<b>-2,321</b>	<b>-</b>	<b>-</b>
<b>TOTAL CHANGE IN NET WORTH</b>	<b>18,494</b>	<b>19,993</b>	<b>12,018</b>	<b>7,290</b>	<b>179</b>	<b>598</b>	<b>-12,196</b>	<b>-7,888</b>	<b>18,494</b>	<b>19,993</b>
<b>KEY FISCAL AGGREGATES</b>										
<b>NET OPERATING BALANCE</b>	<b>4,486</b>	<b>5,120</b>	<b>1,325</b>	<b>-596</b>	<b>357</b>	<b>437</b>	<b>-242</b>	<b>-224</b>	<b>5,926</b>	<b>4,738</b>
<i>Less Net acquisition of non-financial assets</i>										
Purchase of non-financial assets	3,997	3,870	7,475	5,405	9	9	-76	-50	11,405	9,235
Changes in inventories	-9	-349	993	660	-	-	-	-	985	311
Other movement in non-financial assets	22	10	169	187	-	-	-	-	191	196
<i>less:</i>										
Sales of non-financial assets	60	86	494	447	-	-	-76	-50	477	483
Depreciation	2,112	1,977	3,270	3,138	11	8	-3	-3	5,391	5,120
<i>Total net acquisition of non-financial assets</i>	<b>1,838</b>	<b>1,468</b>	<b>4,873</b>	<b>2,667</b>	<b>-2</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>6,712</b>	<b>4,139</b>
<b>NET LENDING/-BORROWING</b>	<b>2,648</b>	<b>3,652</b>	<b>-3,549</b>	<b>-3,263</b>	<b>359</b>	<b>435</b>	<b>-245</b>	<b>-226</b>	<b>-786</b>	<b>599</b>

Note: Columns/rows may not add due to rounding.

## NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

### Balance Sheet as at 30 June

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m
<b>ASSETS</b>										
<i>Financial assets</i>										
Cash and deposits	2,510	3,734	4,337	3,511	627	671	-2,701	-1,510	4,774	6,404
Advances paid	665	697	-	-	2,071	2,735	-256	-276	2,481	3,156
Investments, loans and placements	7,331	5,776	3,546	4,038	55,195	53,889	-47,123	-47,206	18,950	16,498
Receivables	5,635	5,080	2,097	1,931	1,028	969	-954	-829	7,807	7,151
Shares and other equity										
Investments in other public sector entities - equity method	63,104	54,693	-	-	-	-	-63,104	-54,693	-	-
Investments in other public sector entities - direct injections	19,267	15,482	-	-	-	-	-19,267	-15,482	-	-
Investments in other entities	57	49	23	26	2,856	2,478	-	-	2,936	2,553
Other financial assets	9	9	181	287	8	8	-181	-287	17	17
<b>Total financial assets</b>	<b>98,580</b>	<b>85,520</b>	<b>10,185</b>	<b>9,793</b>	<b>61,786</b>	<b>60,749</b>	<b>-133,586</b>	<b>-120,283</b>	<b>36,964</b>	<b>35,779</b>
<i>Non-financial assets</i>										
Land	46,524	43,904	10,135	8,975	-	-	-	-	56,659	52,879
Property, plant and equipment	65,653	60,872	80,351	70,645	4	4	-	-	146,009	131,521
Right-of-use assets	2,384	2,365	411	395	41	13	-	-	2,836	2,773
Service concession assets	1,067	1,006	2,549	2,393	-	-	-	-	3,616	3,398
Biological assets	6	9	224	221	-	-	-	-	230	229
Inventories										
Land inventories	-	-	1,440	1,471	-	-	-	-	1,440	1,471
Other inventories	243	251	8,459	7,466	-	-	-	-	8,702	7,717
Intangibles	726	646	389	370	20	16	-	-	1,135	1,032
Assets held for sale	22	32	96	8	-	-	-	-	118	40
Investment property	-	-	23	16	-	-	-	-	23	16
Other	412	347	615	602	5	5	-1	-1	1,031	952
<b>Total non-financial assets</b>	<b>117,036</b>	<b>109,431</b>	<b>104,693</b>	<b>92,561</b>	<b>70</b>	<b>38</b>	<b>-1</b>	<b>-1</b>	<b>221,798</b>	<b>202,029</b>
<b>TOTAL ASSETS</b>	<b>215,616</b>	<b>194,950</b>	<b>114,878</b>	<b>102,355</b>	<b>61,856</b>	<b>60,787</b>	<b>-133,587</b>	<b>-120,284</b>	<b>258,763</b>	<b>237,808</b>

Note: Columns/rows may not add due to rounding.



## NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

Balance Sheet as at 30 June (cont.)

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>LIABILITIES</b>										
Deposits held	2,728	1,538	-	-	-	-	-2,708	-1,515	20	23
Advances received	256	273	256	273	-	3	-256	-276	256	273
Borrowings										
Lease Liabilities	2,738	2,734	803	786	47	16	-149	-109	3,438	3,427
Service concession liabilities	-	-	298	309	-	-	-	-	298	309
Other borrowings	24,436	23,883	20,506	20,636	52,390	51,956	-46,967	-47,091	50,366	49,384
Superannuation	4,137	4,408	68	74	3	4	-	-	4,209	4,486
Other employee benefits	4,775	4,354	546	501	17	17	-	-	5,338	4,873
Payables	2,977	2,677	10,343	9,271	232	111	-520	-249	13,032	11,810
Other liabilities	3,098	3,104	2,681	3,145	6,172	5,864	-616	-868	11,335	11,245
<b>TOTAL LIABILITIES</b>	<b>45,145</b>	<b>42,973</b>	<b>35,501</b>	<b>34,996</b>	<b>58,861</b>	<b>57,971</b>	<b>-51,216</b>	<b>-50,109</b>	<b>88,292</b>	<b>85,831</b>
<b>NET ASSETS</b>	<b>170,471</b>	<b>151,977</b>	<b>79,377</b>	<b>67,359</b>	<b>2,994</b>	<b>2,816</b>	<b>-82,371</b>	<b>-70,175</b>	<b>170,471</b>	<b>151,977</b>
<i>Of which:</i>										
Contributed equity	-	-	19,522	15,735	-255	-254	-19,267	-15,482	-	-
Accumulated surplus	29,848	25,498	17,892	16,627	3,222	3,045	7	7	50,969	45,177
Other reserves	140,623	126,479	41,963	34,997	27	25	-63,111	-54,700	119,502	106,801
<b>NET WORTH</b>	<b>170,471</b>	<b>151,977</b>	<b>79,377</b>	<b>67,359</b>	<b>2,994</b>	<b>2,816</b>	<b>-82,371</b>	<b>-70,175</b>	<b>170,471</b>	<b>151,977</b>

Note: Columns/rows may not add due to rounding.

## NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

### Statement of Changes in Equity for the year ended 30 June

	Equity at 1 July 2023 \$m	Change in net worth \$m	Contributed capital \$m	Dividends \$m	Other \$m	Equity at 30 June 2024 \$m
<b>General Government</b>						
Accumulated surplus/(deficit)	25,498	4,365	-	-	-15	29,848
Reserves	71,786	5,718	-	-	15	77,519
Accumulated net gain on equity investments in other sector entities	54,693	8,411	-	-	-	63,104
<b>Total</b>	<b>151,977</b>	<b>18,494</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170,471</b>
<b>Public Non Financial Corporations</b>						
Accumulated surplus/(deficit)	16,627	1,230	-	-5	40	17,892
Contributed equity	15,735	-	3,787	-	-	19,522
Reserves	34,997	7,007	-	-	-40	41,963
<b>Total</b>	<b>67,359</b>	<b>8,236</b>	<b>3,787</b>	<b>-5</b>	<b>-</b>	<b>79,377</b>
<b>Public Financial Corporations</b>						
Accumulated surplus/(deficit)	3,045	419	-	-239	-2	3,222
Contributed Equity	-254	-	-1	-	-	-255
Reserves	25	2	-	-	-	27
<b>Total</b>	<b>2,816</b>	<b>421</b>	<b>-1</b>	<b>-239</b>	<b>-2</b>	<b>2,994</b>
<b>Inter-sector eliminations</b>						
Accumulated surplus/(deficit)	7	-247	-	245	2	7
Contributed Equity	-15,482	-	-3,786	-	-	-19,267
Reserves	-7	-	-	-	-	-7
Accumulated net gain on equity investments in other sector entities	-54,693	-8,411	-	-	-	-63,104
<b>Total</b>	<b>-70,175</b>	<b>-8,657</b>	<b>-3,786</b>	<b>245</b>	<b>2</b>	<b>-82,371</b>
<b>Total Public Sector</b>						
Accumulated surplus/(deficit)	45,177	5,767	-	-	26	50,969
Contributed Equity	-	-	-	-	-	-
Reserves	106,801	12,727	-	-	-26	119,502
<b>Total</b>	<b>151,977</b>	<b>18,494</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170,471</b>

Note: Columns/rows may not add due to rounding.

## NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

### Cash Flow Statement for the year ended 30 June

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
<i>Cash received</i>										
Taxes received	13,444	12,622	-	-	-	-	-642	-587	12,803	12,035
Grants and subsidies received	17,024	17,235	4,319	3,645	-	-	-4,319	-3,645	17,024	17,235
Receipts from sales of goods and services	3,704	3,338	28,091	26,931	1,759	1,533	-1,578	-1,348	31,976	30,454
Interest receipts	354	287	318	232	1,987	1,710	-1,751	-1,442	909	786
Dividends and tax equivalents	1,034	1,023	81	142	-	-	-1,115	-1,165	-	-
Other	14,802	13,797	2,046	1,715	218	191	-471	-414	16,594	15,288
<b>Total cash received</b>	<b>50,362</b>	<b>48,303</b>	<b>34,855</b>	<b>32,664</b>	<b>3,964</b>	<b>3,433</b>	<b>-9,876</b>	<b>-8,603</b>	<b>79,305</b>	<b>75,798</b>
<i>Cash Paid</i>										
Wages, salaries and supplements, and superannuation	-18,259	-17,339	-1,688	-1,506	-85	-78	-	-	-20,032	-18,922
Payments for goods and services	-11,251	-10,066	-21,563	-21,555	-1,188	-1,015	1,893	1,639	-32,109	-30,998
Interest paid	-1,044	-885	-856	-704	-1,758	-1,511	1,751	1,442	-1,908	-1,658
Grants and subsidies paid	-10,424	-9,837	-919	-853	-	-	4,377	3,677	-6,967	-7,013
Dividends and tax equivalents	-	-	-769	-741	-55	-138	824	879	-	-
Other payments	-2,659	-2,350	-5,176	-4,384	-219	-196	644	594	-7,411	-6,336
<b>Total cash paid</b>	<b>-43,638</b>	<b>-40,476</b>	<b>-30,972</b>	<b>-29,742</b>	<b>-3,305</b>	<b>-2,939</b>	<b>9,488</b>	<b>8,231</b>	<b>-68,427</b>	<b>-64,926</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>6,724</b>	<b>7,827</b>	<b>3,883</b>	<b>2,922</b>	<b>659</b>	<b>494</b>	<b>-388</b>	<b>-371</b>	<b>10,879</b>	<b>10,872</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<i>Cash flows from investments in non-financial assets</i>										
Purchase of non-financial assets	-3,997	-3,870	-7,475	-5,405	-9	-9	76	50	-11,405	-9,235
Sales of non-financial assets	60	86	494	447	-	-	-76	-50	477	483
<b>Total cash flows from investments in non-financial assets</b>	<b>-3,938</b>	<b>-3,784</b>	<b>-6,981</b>	<b>-4,959</b>	<b>-9</b>	<b>-9</b>	<b>-</b>	<b>-</b>	<b>-10,928</b>	<b>-8,752</b>
<i>Cash flows from investments in financial assets</i>										
<i>Cash received</i>										
For policy purposes	71	114	-	-	-	-	-3	-	68	114
For liquidity purposes	64	48	54	11	10,365	9,098	-	-	10,483	9,157
<i>Cash paid</i>										
For policy purposes	-3,746	-2,738	-10	-34	-	-	3,689	2,662	-67	-110
For liquidity purposes	-97	-75	-67	-218	-10,111	-8,558	-	-	-10,274	-8,851
<b>Total cash flows from investments in financial assets</b>	<b>-3,708</b>	<b>-2,651</b>	<b>-23</b>	<b>-241</b>	<b>254</b>	<b>541</b>	<b>3,687</b>	<b>2,661</b>	<b>210</b>	<b>310</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-7,646</b>	<b>-6,435</b>	<b>-7,004</b>	<b>-5,200</b>	<b>245</b>	<b>531</b>	<b>3,687</b>	<b>2,661</b>	<b>-10,718</b>	<b>-8,442</b>

Note: Columns/rows may not add due to rounding.

## NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

### Cash Flow Statement for the year ended 30 June (cont.)

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<i>Cash received</i>										
Advances received	18	18	-	-	-	-	-18	-18	-	-
Borrowings	619	188	5,667	3,254	28,185	27,462	-11,633	-8,853	22,839	22,051
Deposits received	936	-	-	-	-	-	-936	-	-	-
Other financing receipts	286	316	3,791	2,725	-	-	-3,793	-2,751	283	290
<b>Total cash receipts from financing activities</b>	<b>1,858</b>	<b>522</b>	<b>9,458</b>	<b>5,979</b>	<b>28,185</b>	<b>27,462</b>	<b>-16,380</b>	<b>-11,621</b>	<b>23,122</b>	<b>22,341</b>
<i>Cash paid</i>										
Advances paid	-18	-18	-18	-18	-	-	18	18	-18	-18
Borrowings repaid	-50	-2,151	-5,300	-3,262	-28,899	-27,752	11,636	8,853	-22,613	-24,313
Deposits paid	-1	-	-	-	-	-	1	-	-	-
Other financing payments	-765	-689	-1,213	-265	-2	-4	1,135	174	-846	-785
Dividends paid	-	-	-5	-81	-286	-205	291	287	-	-
<b>Total payments for financing activities</b>	<b>-833</b>	<b>-2,858</b>	<b>-6,536</b>	<b>-3,626</b>	<b>-29,188</b>	<b>-27,962</b>	<b>13,081</b>	<b>9,331</b>	<b>-23,476</b>	<b>-25,115</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>1,025</b>	<b>-2,336</b>	<b>2,922</b>	<b>2,352</b>	<b>-1,002</b>	<b>-500</b>	<b>-3,299</b>	<b>-2,290</b>	<b>-354</b>	<b>-2,774</b>
<b>Net increase in cash and cash equivalents</b>	<b>103</b>	<b>-944</b>	<b>-199</b>	<b>75</b>	<b>-98</b>	<b>526</b>	<b>-</b>	<b>-</b>	<b>-194</b>	<b>-344</b>
Cash and cash equivalents at the beginning of the year	9,093	10,037	3,800	3,725	2,116	1,591	-2	-2	15,007	15,351
Cash and cash equivalents at the end of the year	9,196	9,093	3,601	3,800	2,018	2,116	-2	-2	14,813	15,007
<hr/>										
Net cash flows from operating activities	6,724	7,827	3,883	2,922	659	494	-388	-371	10,879	10,872
Net cash flows from investing in non-financial assets	-3,938	-3,784	-6,981	-4,959	-9	-9	-	-	-10,928	-8,752
Dividends paid	-	-	-5	-81	-286	-205	291	287	-	-
<b>Cash surplus/-deficit</b>	<b>2,787</b>	<b>4,043</b>	<b>-3,103</b>	<b>-2,118</b>	<b>364</b>	<b>280</b>	<b>-97</b>	<b>-84</b>	<b>-49</b>	<b>2,120</b>

Note: Columns/rows may not add due to rounding

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## NOTE 36: RELATED PARTY DISCLOSURES

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### General Government

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#### Parent and controlling entity

The general government sector comprises public sector agencies that are wholly-owned and controlled by the Government of Western Australia and which are largely funded by centrally-collected revenue such as taxes, royalties and Commonwealth grants. Agencies in the general government sector are principally engaged in the provision of services outside the normal market mechanism, or provide for the transfer of income for public policy purposes. Related parties of the general government sector include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all public non-financial and public financial corporations, included in Note 38: *Composition of Sectors*;
- all associates and joint ventures; and
- the Government Employees Superannuation Board (GESB)<sup>1</sup>.

#### Key Management Personnel (KMP)

KMP are those people having authority and responsibility for planning, directing and controlling the activities of the State. As the Western Australian Cabinet is the decision making body for the State, all State Cabinet Ministers are considered to be KMP of the State.

Compensation of all Ministers is disclosed later in this note.

#### Significant transactions with government-related entities

Transactions between general government agencies are eliminated on consolidation and are not included in this disclosure. The transactions below represent those between the general government sector and public corporations.

Significant transactions and balances associated with related parties for the year ending 30 June 2024 include:

- taxation revenue:
  - a) loan guarantee fees (\$124.5 million, 2022-23: \$122 million);

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<sup>1</sup> GESB is a public sector entity but is not included in the definition of the public sector used in this report, making it a related party for the purposes of this Note. The public sector also makes superannuation contributions to private sector scheme providers which are not related parties as they are outside government. For more details on the sectoral classification of agencies, refer to Note 38: *Composition of Sectors*.

- b) payroll tax (\$121.6 million, 2022-23: \$115 million);
- c) land tax (\$78 million, 2022-23: \$72 million); and
- d) betting tax (\$49 million, 2022-23: \$50million);
- sales of goods and services:
  - a) services rendered (\$109 million, 2022-23: \$184 million);
  - b) service delivery agreement (\$278 million, 2022-23: \$251 million); and
  - c) other revenue (\$16 million, 2022-23: \$10 million);
- dividend revenue (\$210 million, 2022-23: \$145 million);
- Tax Equivalent Regime revenue (\$912 million, 2022-23: \$705 million);
- other revenue (\$43 million, 2022-23: \$33 million);
- current transfers:
  - a) operating subsidies (\$3,036 million, 2022-23: \$2,621 million);
  - b) Royalties for Regions grants (\$323 million, 2022-23: \$279 million); and
  - c) other recurrent transfers (\$201 million, 2022-23: \$187 million);
- capital appropriations (\$1,978 million, 2022-23: \$1,157 million);
- Government Regional Officers' Housing expenses (\$101 million, 2022-23: \$86 million);
- Public Bank Account interest expense (\$64 million, 2022-23: \$24 million);
- capital transfers (\$310 million, 2022-23: \$205 million);
- insurance premiums (\$498 million, 2022-23: \$396 million);
- water and electricity expenses (\$276 million, 2022-23: \$252 million);
- lease liabilities (\$149 million, 30 June 2023: \$109 million); and
- borrowings (\$24 billion, 30 June 2023: \$23.5 billion).

### **Material transactions with other related parties**

General government agencies make superannuation contributions for some staff to GESB. In 2023-24, these payments totalled \$1.4 billion (2022-23: \$1.3 billion). The Consolidated Account reimburses GESB for the majority of the State's emerging cost defined benefit superannuation payments (\$375 million, 2022-23: \$297.3 million).

The Department of Primary Industries and Regional Development has a number of joint venture arrangements. Further details of these arrangements can be found in the Department's annual report.

There were no other related party transactions (including general citizen-type transactions<sup>2</sup>) with Ministers or their close family members or their controlled (or jointly controlled) entities that are material for disclosure.

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Total Public Sector

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### **Parent and controlling entity**

The total public sector (or whole-of-government) includes agencies across the general government, public non-financial and financial corporations sectors. These agencies are wholly-owned or controlled by the Government of Western Australia and are consolidated to form the total public sector financial statements contained in this report. Details of agencies controlled by the Government and consolidated in the total public sector are shown in Note 38: *Composition of Sectors*.

Related parties of the total public sector include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all associates and joint ventures; and
- GESB.

### **Significant transactions with government-related entities**

Transactions between public sector agencies are eliminated on consolidation and are not included in this disclosure. Intersector transactions are summarised in Note 35: *Other Disaggregated Information*. The significant transactions below represent transactions between public sector agencies and their associates and joint ventures.

### **Material transactions with other related parties**

During the financial year, Synergy purchased goods and services from its related parties to the value of \$228 million (2022-23: \$219.5 million) and sold goods and services to related parties to the value of \$2 million (2022-23: \$13.9 million).

During the financial year, Horizon Power made capital and non-capital purchases from its related parties to the value of \$4.9 million (2022-23: \$7.4 million).

### **Government Employees Superannuation Board**

Public sector agencies make superannuation contributions for some staff to GESB. In 2023-24, these payments totalled \$1.4 billion (2022-23: \$1.4 billion).

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<sup>2</sup> General citizen-type transactions are transactions where Ministers or their close family members interact with a public sector entity under the same terms and conditions as a public citizen, such as paying taxes, levies or other statutory fees/charges and using public services such as hospitals, schools or public transport.

The Insurance Commission of Western Australia and Health Support Services settled a contract dispute to the value of \$2.6 million with a company whose Chief Executive Officer is the son of a current Minister. This relates to a contract dispute from previous financial years. There are no balances owing or further commitments as at 30 June 2024.

There were no other related party transactions (including general citizen-type transactions) with Ministers or their close family members or their controlled (or jointly controlled) entities that are material for disclosure.

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#### KEY MANAGEMENT PERSONNEL COMPENSATION

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Total public sector KMP include all Ministers. Total compensation for the State's KMP for the reporting period is presented in the following bands.

<b>Remuneration (\$)</b>	2023-24 (number)	2022-23 (number)
150,000-200,000	-	2
200,000-250,000	1	1
250,000-300,000	1	1
300,000-350,000	-	-
350,000-400,000	-	1
400,000-450,000	3	10
450,000-500,000	10	4
500,000-550,000	3	1
	2023-24	2022-23
	\$m	\$m
Short-term employee benefits <sup>(a)</sup>	7.3	7.3
Post-employment benefits	0.8	0.7
Termination benefits	-	-
<b>Total compensation of Ministers</b>	<b>8.1</b>	<b>8.0</b>

(a) Short-term employee benefits include salaries, electorate allowances, motor vehicle allowances and accommodation allowances paid to Ministers.

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## NOTE 37: EVENTS OCCURRING AFTER THE REPORTING PERIOD

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### ***Building Cladding Class Action***

The State is a party to a class action brought against specific building cladding manufacturers. This action proceeded to trial in August 2024.

### ***Aboriginal Residential Tenancy Class Action***

Class action proceedings were filed in the Federal Court in August 2024 claiming the State and the Department of Communities (Housing Authority) breached the *Residential Tenancies Act 1987*, various local laws of the Shire of Derby-West Kimberley and the Australian Consumer Law. The plaintiff seeks orders for the Authority to comply with relevant legislation and seeks damages, restitution and legal costs. The plaintiff seeks these orders on behalf of group members consisting of Aboriginal people resident outside the State's South West who entered into a residential tenancy agreement with the Housing Authority or the State and who suffered loss or damage by reason of the alleged failure to comply with the law. The Statement of Claim estimates there to be 3,000 tenancies falling within scope of the action. The value of any potential liability for these claims has not yet been determined.

### ***Other Events***

There have been no other significant events occurring after the reporting period which have had a material financial effect on these statements since 30 June 2024.

An update to the financial outlook for 2024-25 to 2027-28 and incorporating any new Government decisions will be available in the 2024-25 *Government Mid-year Financial Projection Statement* to be released by 31 December 2024.

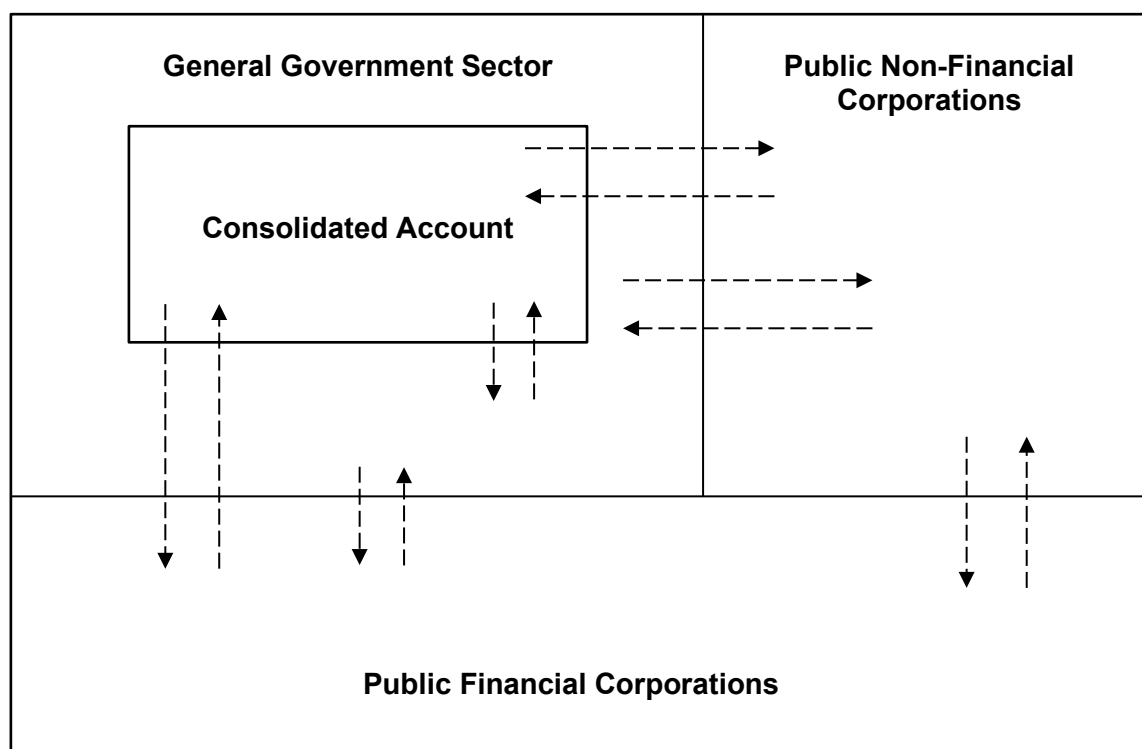
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## NOTE 38: COMPOSITION OF SECTORS

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The following diagram shows the financial relationship between sectors within which agencies are classified using the Australian Bureau of Statistics' Government Finance Statistics manual, which are included in the consolidated financial statements and described in Note 3 to these financial statements.

### TOTAL PUBLIC SECTOR



Each agency produces its own annual report. All agencies controlled by the Government, regardless of funding source or sector classification, have been included in these consolidated financial statements.

The agencies included within each sector are listed below and are wholly-owned or controlled by the Government of Western Australia.

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**NOTE 38: COMPOSITION OF SECTORS (CONT.)**

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**General Government**

Agricultural Produce Commission	North Metropolitan TAFE
Arts and Culture Trust	North Metropolitan Health Service
Building and Construction Industry Training Board	North Regional TAFE
Botanical Gardens and Parks Authority	Office of the Auditor General
Central Regional TAFE	Office of the Director of Public Prosecutions
Chemistry Centre (WA)	Office of the Information Commissioner
Child and Adolescent Health Service	Office of the Inspector of Custodial Services
Combat Sports Commission	Office of the Parliamentary Inspector of the Corruption and Crime Commission
Commissioner for Children and Young People	Parliamentary Commissioner for Administrative Investigations
Commissioner of Main Roads	Parliamentary Services Department
Corruption and Crime Commission	Peel Development Commission
Department of Biodiversity, Conservation and Attractions	Pilbara Development Commission
Department of Communities (including the Disability Services Commission)	Professional Standards Council
Department of Education	Public Sector Commission
Department of Finance	Quadriplegic Centre Board
Department of Fire and Emergency Services	Racing Penalties Appeal Tribunal of Western Australia
Department of Jobs, Tourism, Science and Innovation	Rural Business Development Corporation
Department of Justice	Salaries and Allowances Tribunal
Department of Local Government, Sport and Cultural Industries	School Curriculum and Standards Authority
Department of Energy, Mines, Industry Regulation and Safety	Screenwest Inc.
Department of Planning, Lands and Heritage	Small Business Development Corporation
Department of Primary Industries and Regional Development	South Metropolitan TAFE
Department of Training and Workforce Development	South Metropolitan Health Service
Department of Transport	South Regional TAFE
Department of Treasury	South West Development Commission
Department of the Legislative Assembly	State Solicitor's Office
Department of the Legislative Council	The Aboriginal Affairs Planning Authority
Department of the Premier and Cabinet	The ANZAC Day Trust
Department of the Registrar, Western Australian Industrial Relations Commission	The Board of the Art Gallery of Western Australia
Department of Water and Environmental Regulation	The Burswood Park Board
East Metropolitan Health Service	The Coal Miners' Welfare Board of Western Australia
Economic Regulation Authority	The Library Board of Western Australia
Gascoyne Development Commission	The National Trust of Australia (W.A.)
Gaming and Wagering Commission of Western Australia	The Queen Elizabeth II Medical Centre Trust
Goldfields Development Commission	The Western Australian Museum
Governor's Establishment	Trustees of the Public Education Endowment
Great Southern Development Commission	WA Health (including the Department of Health and public hospitals)
Health and Disability Services Complaints Office	Western Australia Police Force
Health Support Services	Western Australian Country Health Service
Heritage Council of Western Australia	Western Australian Building Management Authority
Infrastructure WA	Western Australian Electoral Commission
Keep Australia Beautiful Council (W.A.)	Western Australian Energy Disputes Arbitrator
Kimberley Development Commission	Western Australian Greyhound Racing Association
Law Reform Commission of Western Australia	Western Australian Health Promotion Foundation
Legal Aid Commission of Western Australia	Western Australian Institute of Sport
Legal Costs Committee	Western Australian Land Information Authority
Local Health Authorities Analytical Committee	Western Australian Meat Industry Authority
Mental Health Commission	Western Australian Planning Commission
Mid West Development Commission	Western Australian Sports Centre Trust
Minerals Research Institute of Western Australia	Western Australian Tourism Commission
	WorkCover Western Australia
	Wheatbelt Development Commission
	Zoological Parks Authority

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## NOTE 38: COMPOSITION OF SECTORS (CONT.)

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### Public Non-Financial Corporations

Animal Resources Authority (wound up on 30 June 2023)	Metropolitan Cemeteries Board
Bunbury Water Corporation	Mid West Ports Authority
Busselton Water Corporation	Pilbara Ports Authority
Department of Communities (Housing Authority)	Public Transport Authority of Western Australia
DevelopmentWA <sup>3</sup>	Racing and Wagering Western Australia
Electricity Networks Corporation (Western Power)	Regional Power Corporation (Horizon Power)
Electricity Generation and Retail Corporation (Synergy)	Rottneest Island Authority
Forest Products Commission	Southern Ports Authority
Fremantle Port Authority	Water Corporation
Gold Corporation and its subsidiaries	Western Australian Coastal Shipping Commission
Kimberley Ports Authority	
Lotteries Commission	

### Public Financial Corporations

Country Housing Authority	RiskCover Fund
Insurance Commission of Western Australia	Western Australian Treasury Corporation
Keystart Housing Scheme, comprising:	
Keystart Loans Ltd	
Keystart Housing Scheme Trust	
Keystart Support Trust	

### Agencies outside the State Public Sector

Some State agencies are not covered by the whole-of-government reporting framework as defined under Australian Accounting Standards and/or the GFS framework. The entities listed below, which administer superannuation and like funds and/or hold private funds in trust or fidelity type funds, are examples of such agencies not included in the definition of the public sector used in the budget. This is because the assets are not available for the benefit of, and/or are not controlled by, the State.

Construction Industry Long Service Leave Payments Board	Legal Contribution Trust
Curtin University and its subsidiaries	Murdoch University and its subsidiaries
Edith Cowan University	Public Trustee
Fire and Emergency Services Superannuation Board	Parliamentary Superannuation Board
Government Employees Superannuation Board	The University of Western Australia and its subsidiaries

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<sup>3</sup> DevelopmentWA includes the Metropolitan Redevelopment Authority and the Western Australian Land Authority.

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**NOTE 39: BUDGETARY INFORMATION - COMPARISON OF FINAL  
OUTCOMES TO ORIGINAL BUDGET**

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Explanations of significant variances between actual results for 2023-24 and the original Budget (presented to the Legislative Assembly on 11 May 2023) for the general government sector and the total public sector are included in Appendix 4 of this report. For the purposes of these financial statements, and the associated notes to the financial statements, the discussion in Appendix 4 meets the requirements of paragraphs 59(f) and 61 of AASB 1049: *Whole of Government and General Government Financial Reporting*.

The *Financial Results* chapter of this report details variations from the estimated outturn contained in the 2024-25 Budget, released on 9 May 2024.

## **Operating Revenue**

The tables in this appendix detail operating revenue of the general government and total public sectors. They provide detailed revenue information consistent with the operating statements presented in Appendix 1: *Financial Statements*.

The total public sector consolidates internal transfers between the general government sector and agencies in the public corporations sectors.

Accordingly, some total public sector revenue aggregates may be smaller than the general government equivalent. For example, the general government sector collects payroll tax from some public corporations. These internal collections are not shown in the total public sector taxation revenue data which is thus smaller than the equivalent general government taxation revenue aggregate.

## OPERATING REVENUE

### General Government

	2022-23		2023-24			Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>TAXATION</b>						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	5,017	4,981	5,474	5,473	5,404	-70
Property taxes						
<i>Land tax</i>	784	842	835	835	844	9
Transfer Duty	2,113	1,847	2,166	2,469	2,575	106
Foreign Buyers Surcharge	29	23	30	30	33	3
Landholder Duty	317	118	161	336	324	-11
<i>Total duty on transfers</i>	2,459	1,989	2,357	2,835	2,932	97
Other stamp duties	-(a)	-(a)	-(a)	-(a)	-(a)	-
Metropolitan Region Improvement Tax	89	97	95	95	95	1
Perth Parking Levy	53	60	60	60	56	-4
Emergency Services Levy	399	398	398	398	401	3
Loan guarantee fees	128	136	134	130	131	1
Building and Construction Industry Training Fund Levy	70	50	50	65	76	11
<i>Total other property taxes</i>	739	741	737	748	760	12
Taxes on provision of goods and services						
Lotteries Commission	221	187	186	224	248	24
Video lottery terminals	-(a)	-(a)	-(a)	-(a)	-(a)	-
Casino Tax	56	54	54	54	59	5
Betting Tax	128	116	118	122	125	2
<i>Total taxes on gambling</i>	405	356	358	400	432	32
Insurance Duty	945	994	979	979	1,000	21
Other	21	20	20	20	20	-
<i>Total taxes on insurance</i>	967	1,015	1,000	1,000	1,020	21
<i>On-demand Transport Levy</i>	-(a)	-	-	-	-	-
Taxes on use of goods and performance of activities						
Vehicle Licence Duty	671	575	737	762	755	-7
Permits - Oversize Vehicles and Loads	11	8	8	8	11	4
Motor Vehicle registrations	1,205	1,263	1,263	1,294	1,293	-1
Other vehicle taxes	37	33	36	36	40	4
<i>Total motor vehicle taxes</i>	1,924	1,879	2,043	2,099	2,099	-
<i>Mining Rehabilitation Levy</i>	41	35	41	41	44	3
<i>Landfill Levy</i>	91	78	78	78	96	19
<b>Total Taxation</b>	<b>12,427</b>	<b>11,915</b>	<b>12,922</b>	<b>13,508</b>	<b>13,631</b>	<b>123</b>

(a) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Table 2.1 (cont.)

## OPERATING REVENUE General Government

	2022-23	2023-24			Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>CURRENT GRANTS AND SUBSIDIES</b>						
General Purpose Grants						
GST grants	6,306	6,484	6,535	6,417	6,565	148
North West Shelf grants	1,366	635	669	656	694	38
Commonwealth compensation for changed crude oil excise arrangements	116	25	27	33	34	1
National Agreements						
Skills and Workforce Development	177	179	89	89	90	-
Skills	-	-	115	115	115	-
Housing and Homelessness	186	178	189	189	191	2
Mental Health and Suicide Prevention	-	3	3	3	3	-
Schools Reform - Quality Schools	1,120	1,217	1,217	1,193	1,221	28
Health Reform	2,754	2,984	2,984	3,034	3,070	36
National Partnerships/Other Grants						
Health	325	128	221	232	230	-2
Transport	127	223	246	241	89	-152
Disability Services	3	1,008	-	1	4	3
Other	337	326	454	471	476	4
<b>Total Current Grants and Subsidies</b>	<b>12,817</b>	<b>13,389</b>	<b>12,749</b>	<b>12,674</b>	<b>12,780</b>	<b>106</b>
<b>CAPITAL GRANTS</b>						
National Partnerships/Other Grants						
Transport	1,701	3,268	3,452	2,066	1,707	-359
Other	380	85	218	240	177	-63
<b>Total Capital Grants</b>	<b>2,081</b>	<b>3,353</b>	<b>3,670</b>	<b>2,306</b>	<b>1,884</b>	<b>-422</b>
<b>SALES OF GOOD AND SERVICES</b>						
WA Health	783	827	838	866	937	71
Department of Transport	292	290	294	296	312	17
Department of Education	203	218	224	228	223	-4
State Training Providers/TAFE Colleges	105	88	88	89	101	12
Department of Training and Workforce Development	21	25	23	25	26	1
Western Australian Land Information Authority	97	80	81	84	86	3
Department of Biodiversity, Conservation and Attractions	138	127	133	140	87	-53
Department of Justice	153	161	161	161	164	3
Department of Mines, Industry Regulation and Safety	192	167	160	160	223	63
All Other	1,310	1,167	1,062	1,090	1,300	210
<b>Total Sales of Goods and Services</b>	<b>3,296</b>	<b>3,149</b>	<b>3,064</b>	<b>3,139</b>	<b>3,460</b>	<b>321</b>
<b>INTEREST INCOME</b>	<b>333</b>	<b>265</b>	<b>348</b>	<b>373</b>	<b>391</b>	<b>18</b>
<b>REVENUE FROM PUBLIC CORPORATIONS</b>						
Dividends	145	1,423	205	211	210	-1
Tax Equivalent Regime	705	785	769	807	912	105
<b>Total Revenue from Public Corporations</b>	<b>850</b>	<b>2,208</b>	<b>974</b>	<b>1,017</b>	<b>1,122</b>	<b>104</b>
<b>ROYALTY INCOME</b>						
Iron ore	9,079	5,972	8,971	9,850	10,365	515
Other	1,966	2,010	1,730	1,393	1,502	109
<b>Total Royalty Income</b>	<b>11,045</b>	<b>7,982</b>	<b>10,701</b>	<b>11,243</b>	<b>11,866</b>	<b>624</b>
<b>OTHER</b>						
Lease Rentals	158	154	170	183	180	-3
Fines	248	218	229	242	239	-4
Revenue not elsewhere counted	346	585	651	389	394	5
<b>Total Other</b>	<b>752</b>	<b>957</b>	<b>1,050</b>	<b>815</b>	<b>813</b>	<b>-1</b>
<b>GRAND TOTAL</b>	<b>43,601</b>	<b>43,218</b>	<b>45,478</b>	<b>45,075</b>	<b>45,947</b>	<b>872</b>

Note: Columns/rows may not add due to rounding.



## OPERATING REVENUE

### Total Public Sector

	2022-23	2023-24			Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>TAXATION</b>						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	4,902	4,872	5,362	5,359	5,282	-77
Property taxes						
<i>Land tax</i>	713	761	754	760	766	6
Transfer Duty	2,113	1,847	2,166	2,469	2,575	106
Foreign Buyers Surcharge	29	23	30	30	33	3
Landholder Duty	317	118	161	336	324	-11
<i>Total duty on transfers</i>	2,459	1,989	2,357	2,835	2,932	97
Other stamp duties	-(a)	-(a)	-(a)	-(a)	-(a)	-
Metropolitan Region Improvement Tax	89	97	95	95	95	1
Perth Parking Levy	53	60	60	60	56	-4
Emergency Services Levy	395	393	393	393	397	5
Loan guarantee fees	6	7	7	6	6	-
Building and Construction Industry Training Fund Levy	70	50	50	65	76	11
<i>Total other property taxes</i>	613	606	604	619	631	13
Taxes on provision of goods and services						
Video lottery terminals	-(a)	-(a)	-(a)	-(a)	-(a)	-
Casino Tax	56	54	54	54	59	5
Betting Tax	78	72	74	74	76	2
<i>Total taxes on gambling</i>	134	126	128	128	136	7
Insurance Duty	945	994	979	979	1,000	21
Other	21	20	20	20	20	-
<i>Total taxes on insurance</i>	967	1,015	1,000	1,000	1,020	21
<i>On-demand Transport Levy</i>	-(a)	-	-	-	-	-
Taxes on use of goods and performance of activities						
Vehicle Licence Duty	671	575	737	762	755	-7
Permits - Oversize Vehicles and Loads	11	8	8	8	11	4
Motor Vehicle registrations	1,205	1,263	1,263	1,294	1,293	-1
Other vehicle taxes	37	33	36	36	40	4
<i>Total motor vehicle taxes</i>	1,924	1,879	2,043	2,099	2,099	-
<i>Mining Rehabilitation Levy</i>	41	35	41	41	44	3
<i>Landfill Levy</i>	91	78	78	78	96	19
<b>Total Taxation</b>	<b>11,843</b>	<b>11,360</b>	<b>12,365</b>	<b>12,918</b>	<b>13,007</b>	<b>88</b>

(a) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Table 2.2 (cont.)

**OPERATING REVENUE**  
Total Public Sector

	2022-23	2023-24				Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<b>CURRENT GRANTS AND SUBSIDIES</b>						
<i>General Purpose Grants</i>						
GST grants	6,306	6,484	6,535	6,417	6,565	148
North West Shelf grants	1,366	635	669	656	694	38
Commonwealth compensation for changed crude oil excise arrangements	116	25	27	33	34	1
<i>National Agreements</i>						
Skills and Workforce Development	177	179	89	89	90	-
Skills	-	-	115	115	115	-
Housing and Homelessness	186	178	189	189	191	2
Mental Health and Suicide Prevention	-	3	3	3	3	-
Schools Reform - Quality Schools	1,120	1,217	1,217	1,193	1,221	28
Health Reform	2,754	2,984	2,984	3,034	3,070	36
<i>National Partnerships/Other Grants</i>						
Health	325	128	221	232	230	-2
Transport	127	223	246	241	89	-152
Disability Services	3	1,008	-	1	4	3
Other	337	326	454	471	476	4
<b>Total Current Grants and Subsidies</b>	<b>12,817</b>	<b>13,389</b>	<b>12,749</b>	<b>12,674</b>	<b>12,780</b>	<b>106</b>
<b>CAPITAL GRANTS</b>						
<i>National Partnerships/Other Grants</i>						
Transport	1,701	3,268	3,452	2,066	1,707	-359
Other	380	85	218	240	177	-63
<b>Total Capital Grants</b>	<b>2,081</b>	<b>3,353</b>	<b>3,670</b>	<b>2,306</b>	<b>1,884</b>	<b>-422</b>
<b>SALES OF GOOD AND SERVICES</b>	<b>38,400</b>	<b>41,622</b>	<b>41,623</b>	<b>41,241</b>	<b>41,789</b>	<b>549</b>
<b>INTEREST INCOME</b>	<b>868</b>	<b>917</b>	<b>983</b>	<b>1,066</b>	<b>986</b>	<b>-80</b>
<b>ROYALTY INCOME</b>						
Iron ore	9,079	5,972	8,971	9,850	10,365	515
Other	1,966	2,010	1,730	1,393	1,502	109
<b>Total Royalty Income</b>	<b>11,045</b>	<b>7,982</b>	<b>10,701</b>	<b>11,243</b>	<b>11,866</b>	<b>624</b>
<b>OTHER</b>						
Lease Rentals	158	154	170	183	180	-3
Fines	248	218	229	242	239	-4
Revenue not elsewhere counted	882	1,113	1,165	908	1,055	147
<b>Total Other</b>	<b>1,288</b>	<b>1,485</b>	<b>1,563</b>	<b>1,333</b>	<b>1,473</b>	<b>140</b>
<b>GRAND TOTAL</b>	<b>78,341</b>	<b>80,108</b>	<b>83,654</b>	<b>82,781</b>	<b>83,785</b>	<b>1,004</b>

Note: Columns/rows may not add due to rounding.

**2023-24 Annual Report on State Finances**

## **Spending by Classification of the Functions of Government**

Under an intergovernmental agreement between the States, Territories and the Commonwealth in the early 1990s, all jurisdictions release whole-of-government and other public sector financial information in a consistent format. This Uniform Presentation Framework (UPF) supports transparency and interjurisdictional comparisons.

Western Australia's whole-of-government financial disclosures, found in its annual Budget Papers, Mid-year Review and quarterly and annual outturn reporting, including this *Annual Report on State Finances* (ARSF), are consistent with the UPF disclosure requirements.

In particular, UPF information in this ARSF includes:

- financial statements by sector of government and for the consolidated total public sector (see Appendix 1: *Financial Statements*);
- information on grants and transfer payments which are available in the notes to the financial statements (see Notes to the Financial Statements, Appendix 1);
- detailed general government sector operating revenue information (disclosed in Appendix 2: *Operating Revenue*); and
- detailed general government expenses and purchases of non-financial assets by function (detailed in this Appendix).

Table 3.1

**CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT**  
General Government

	2022-23	2023-24			Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<b>EXPENSES</b>						
<i>General public services</i>	1,464	1,843	2,103	1,769	1,708	-61
Executive and legislative organs, financial and fiscal affairs, external affairs	306				367	
General services	31				31	
Public debt transactions	1,115				1,288	
Transfers of a general character between different levels of government	-				-	
General public services n.e.c.	12				22	
<i>Public order and safety</i>	4,494	4,432	4,655	4,767	4,839	73
Police services	1,488				1,623	
Civil and fire protection services	634				666	
Law courts	1,168				1,271	
Prisons	1,141				1,206	
Research and development — public order and safety	32				33	
Public order and safety n.e.c.	32				39	
<i>Economic Affairs</i>	2,617	2,769	3,100	2,870	2,769	-100
General economic, commercial and labour affairs	845				724	
General economic and commercial affairs	708				508	
General labour affairs	137				215	
Agriculture, forestry, fishing and hunting	232				259	
Agriculture	138				139	
Forestry	21				37	
Fishing and hunting	73				83	
Fuel and energy	970				1,179	
Petroleum and natural gas	6				8	
Electricity	904				1,039	
Fuel and energy n.e.c.	60				133	
Mining, manufacturing and construction	272				243	
Mining of mineral resources and other than mineral fuels	222				190	
Construction	50				53	
Other industries	164				196	
Distributive trades, storage and warehousing	6				5	
Hotel and restaurants	21				24	
Tourism	137				167	
Research and development — agriculture, forestry, fishing and hunting	81				109	
Research and development — mining, manufacturing and construction	53				59	
<i>Environmental protection</i>	501	622	620	622	593	-30
Pollution abatement	2				2	
Protection of biodiversity and landscape	392				436	
Environmental protection n.e.c.	108				155	
<i>Housing and community amenities</i>	1,547	1,728	1,733	1,523	1,706	184
Housing development	88				60	
Community development	824				838	
Indigenous community development	173				133	
Community development n.e.c.	651				705	
Water supply	635				809	

Note: Columns/rows may not add due to rounding.

Table 3.1 (cont.)

**CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT**  
General Government

	2022-23		2023-24		Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual	Budget	MYR	Estimated		
	\$m	Year \$m	Revision \$m	Actual (EA) \$m (1)		
<i>Health</i>	12,519	12,154	12,521	12,989	13,168	179
Medical products, appliances and equipment	1,095				839	
Pharmaceutical products	424				472	
Other medical products	544				228	
Therapeutic appliances and equipment	127				140	
Outpatient services	2,941				3,136	
General medical services	35				44	
Specialised medical services	2,241				2,428	
Dental services	6				9	
Paramedical services	659				655	
Hospital services	5,039				5,465	
General hospital services	4,376				4,742	
Specialised hospital services	502				556	
Nursing and convalescent home services	161				167	
Mental health institutions	358				393	
Community health services	1,495				1,726	
Community mental health services	701				725	
Patient transport	150				379	
Community health services n.e.c.	644				622	
Public health services	752				789	
Research and development — health	32				52	
Health n.e.c.	807				769	
<i>Recreation, culture and religion</i>	1,089	1,234	1,311	1,216	1,106	-109
Recreational and sporting services	774				781	
Cultural services	315				325	
Film production services	10				8	
Cultural services n.e.c.	304				317	
<i>Education</i>	7,682	7,913	7,998	8,035	8,039	4
Pre-primary and primary education	3,558				3,698	
Government pre-primary education	300				295	
Non-government pre-primary education	8				18	
Government primary education	3,063				3,196	
Non-government primary education	187				189	
Secondary education	2,596				2,701	
Government secondary education	2,311				2,409	
Non-government secondary education	285				292	
Tertiary education	872				953	
University education	27				12	
Vocational education and training (excl apprenticeships and traineeships)	845				941	
Education not definable by level	49				51	
Apprenticeships and traineeships	49				51	
Education not definable by level n.e.c.	-				-	
Subsidiary services to education	186				195	
Transportation of non-urban school students	126				106	
Transportation of other students	35				65	
Subsidiary services to education n.e.c.	25				25	
Special education	420				441	

Note: Columns/rows may not add due to rounding.

Table 3.1 (cont.)

**CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT**  
General Government

	2022-23	2023-24			Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)		
<i>Social protection</i>	3,309	3,365	3,528	3,963	3,846	-117
Sickness and disability	1,323				1,354	
Old age	201				203	
Family and children	1,071				1,333	
Housing	494				666	
Social exclusion n.e.c.	82				93	
Research and development — social protection	3				3	
Social protection n.e.c.	137				193	
Natural disaster relief	-				-	
Social protection n.e.c.	137				193	
<i>Transport</i>	3,258	3,741	4,027	4,013	3,686	-327
Road transport	2,078				2,381	
Road maintenance	1,251				1,447	
Road rehabilitation	139				149	
Road construction	274				312	
Road transport n.e.c.	414				474	
Bus transport	487				508	
Urban bus transport	453				467	
Non-urban bus transport	35				41	
Water transport	115				127	
Urban water transport passenger services	1				1	
Non-urban water transport services	114				126	
Railway transport	554				625	
Urban railway transport services	516				583	
Non-urban railway transport freight services	19				22	
Non-urban railway transport passenger services	19				20	
Air transport	24				45	
<i>Other <sup>(a)</sup></i>	-	125	164	152	-	-152
<b>TOTAL EXPENSES</b>	<b>38,481</b>	<b>39,925</b>	<b>41,760</b>	<b>41,917</b>	<b>41,461</b>	<b>-456</b>
<b>PURCHASES OF NON-FINANCIAL ASSETS</b>						
General public services	110	190	201	178	146	-32
Public order and safety	196	346	274	257	192	-65
Economic affairs	24	143	94	63	34	-29
Environmental protection	90	140	138	124	91	-33
Housing and community amenities	98	126	153	105	94	-10
Health	465	801	659	445	342	-104
Recreation, culture and religion	136	170	163	117	92	-25
Education	620	742	715	761	693	-68
Social protection	5	6	24	23	30	7
Transport	2,125	2,435	3,032	2,670	2,284	-386
Other <sup>(a)</sup>	-	-1,910	-1,956	-1,191	-	1,191
<b>TOTAL PURCHASE OF NON-FINANCIAL ASSETS</b>	<b>3,870</b>	<b>3,189</b>	<b>3,497</b>	<b>3,553</b>	<b>3,997</b>	<b>444</b>

(a) Budget / Mid-year review provisions.

Note: Columns/rows may not add due to rounding.

# **Comparison of Final Outcomes to Original Budget for the Year Ending 30 June 2024**

This appendix contains explanations for material variations in general government and total public sector financial aggregates compared to the original 2023-24 Budget presented to the Legislative Assembly on 11 May 2023, in line with the requirements of AASB 1055: *Budgetary Reporting*<sup>1</sup>.

For the general government operating statement, explanations are provided in this appendix for the three largest revenue sources (taxation, Commonwealth grants and royalties, which account for around 87% of general government revenue in 2023-24) and the three largest categories of expense (salaries, transfers and 'other gross operating expenses', which represent approximately 78% of general government expenses in 2023-24). Based on materiality, explanations are also provided for other revenue and expense items where the variance since the 2023-24 Budget is greater than or equal to \$10 million and 10%, and for key line items that appear on the face of the operating statement.

High-level explanations are also provided for the other financial statements (the general government balance sheet and cash flow statement, and the three financial statements for the total public sector).

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<sup>1</sup> Paragraph 6(f) of this standard requires explanations of major variances between the original Budget estimates and outcomes in the financial statements. Paragraph 9 of the standard indicates that the original Budget is the first Budget presented to Parliament in respect of the reporting period.



## 2023-24 Annual Report on State Finances

Detailed explanations of key variations to the estimates for 2023-24 can also be reviewed in:

- the 2023-24 *Government Mid-year Financial Projections Statement* (or Mid-year Review, released in December 2023), describing changes between the cut-off dates for the original 2023-24 Budget (11 April 2023) and the Mid-year Review (27 November 2023);
- the 2024-25 Budget Paper No. 3: *Economic and Fiscal Outlook* (presented to the Legislative Assembly on 9 May 2024), which updated the estimated actual for 2023-24 for financial revisions since the Mid-year Review cut-off date; and
- the *Financial Results* chapter in this report, which describes variations in final outcomes relative to the estimated actual included in the 2024-25 Budget estimates.

The most recent whole-of-government financial forecasts are available in the 2024-25 Budget Papers, which can be accessed online at [www.ourstatebudget.wa.gov.au](http://www.ourstatebudget.wa.gov.au).

Table 4.1

**GENERAL GOVERNMENT**  
**Operating Statement**

	Notes	2023-24			
		Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
<b>RESULTS FROM TRANSACTIONS</b>					
<b>REVENUE</b>					
Taxation	a	11,915	13,631	1,717	14.4
Current grants and subsidies	b	13,389	12,780	-609	-4.5
Capital grants	b	3,353	1,884	-1,470	-43.8
Sales of goods and services		3,149	3,460	311	9.9
Interest Income	c	265	391	126	47.5
Revenue from public corporations					
Dividends from other sectors	d	1,423	210	-1,213	-85.2
Tax equivalent income	d	785	912	127	16.2
Royalty income	e	7,982	11,866	3,885	48.7
Other	f	957	813	-144	-15.0
<b>Total</b>		<b>43,218</b>	<b>45,947</b>	<b>2,729</b>	<b>6.3</b>
<b>EXPENSES</b>					
Salaries	g	15,671	16,518	847	5.4
Superannuation					
Concurrent costs		1,776	1,781	5	0.3
Superannuation interest cost		165	167	2	1.0
Other employee costs		372	401	29	7.8
Depreciation and amortisation		2,150	2,112	-38	-1.8
Services and contracts		3,754	3,403	-352	-9.4
Other gross operating expenses	h	6,350	7,330	980	15.4
Interest					
Interest on leases	i	133	175	42	31.8
Other interest	i	741	946	204	27.6
Current transfers	j	8,024	8,068	44	0.5
Capital transfers	j	788	560	-228	-29.0
<b>Total</b>		<b>39,925</b>	<b>41,461</b>	<b>1,536</b>	<b>3.8</b>
<b>NET OPERATING BALANCE</b>	k	<b>3,293</b>	<b>4,486</b>	<b>1,193</b>	<b>36.2</b>
<i>Other economic flows - included in the operating result</i>					
Net gains on assets/liabilities		-194	-121	72	-37.4
Provision for doubtful debts		-14	-20	-6	41.0
Changes in accounting policy/adjustment of prior periods		-	-168	-168	-
<b>Total other economic flows</b>	l	<b>-208</b>	<b>-310</b>	<b>-102</b>	<b>48.8</b>
<b>OPERATING RESULT</b>		<b>3,085</b>	<b>4,176</b>	<b>1,092</b>	<b>35.4</b>
<i>All other movements in equity</i>					
<i>Items that will not be reclassified to operating result</i>					
Revaluations		2,379	5,718	3,340	140.4
Net actuarial gains - superannuation		-191	188	379	-198.7
Gains recognised directly in equity		-44	-	44	-99.7
Change in net worth of the public corporations sectors		840	8,411	7,570	900.8
All other		-	-	-	-
<b>Total all other movements in equity</b>	m	<b>2,984</b>	<b>14,318</b>	<b>11,334</b>	<b>379.8</b>
<b>TOTAL CHANGE IN NET WORTH</b>	n	<b>6,068</b>	<b>18,494</b>	<b>12,425</b>	<b>204.8</b>
<b>KEY FISCAL AGGREGATES</b>					
<b>NET OPERATING BALANCE</b>		<b>3,293</b>	<b>4,486</b>	<b>1,193</b>	<b>36.2</b>
<i>Less Net acquisition of non-financial assets</i>					
Purchase of non-financial assets		3,189	3,997	809	25.4
Changes in inventories		-113	-9	105	-92.3
Other movement in non-financial assets		246	22	-224	-91.1
<i>less:</i>					
Sales of non-financial assets		119	60	-59	-49.8
Depreciation		2,150	2,112	-38	-1.8
<b>Total net acquisition of non-financial assets</b>		<b>1,052</b>	<b>1,838</b>	<b>786</b>	<b>74.7</b>
<b>NET LENDING/-BORROWING</b>	o	<b>2,241</b>	<b>2,648</b>	<b>407</b>	<b>18.2</b>

Note: Columns/rows may not add due to rounding.

## General Government Sector Operating Statement

### Revenue

(a) Taxation revenue was \$1.7 billion (or 14.4%) higher than budgeted, including the combined impact of higher collections from:

- total duty on transfers (including transfer duty, landholder duty and the Foreign Buyer Surcharge), up \$943 million (or 47.4%), underpinned by a stronger than expected lift in residential property prices and a number of very high value commercial landholder transactions issued during the year. Demand for housing was very strong in response to higher than expected population growth over the financial year, while the number of properties available for sale remained subdued;
- payroll tax, up \$423 million (or 8.5%), reflecting significantly stronger than expected employment growth in 2023-24, supported by stronger than anticipated growth in the State's domestic economy. The lift in employment during the year has flowed through to higher company payrolls;
- vehicle licence duty, up \$180 million (or 31.3%), primarily due to stronger than anticipated sales of vehicles over the year, particularly for new cars. The rise in vehicle transactions was boosted by the higher than expected population growth noted above; and
- a net increase of \$171 million (or 3.9%) across all other taxes, including taxes on gambling, loan guarantee fees, and various other taxes and levies.

(b) Current and capital grants from the Commonwealth were \$2.1 billion (or 12.4%) lower than budgeted, driven by lower transport grants and net changes across a range of other grants. Key movements included:

- lower transport-related grants, down \$1.7 billion (or 48.6%), largely reflecting delays in the receipt of funding for METRONET and road projects, including Yanchep Rail Extension, Morley-Ellenbrook Line, Tonkin Highway Corridor Upgrades, and Hodges Drive to Hepburn Avenue Mitchell Freeway widening;
- lower disability sector grants, down \$1 billion (or 99.6%), reflecting DisabilityCare Australia Fund revenue that is now expected to be received in 2024-25;
- higher health-related grants, up \$180 million (or 5.8%), primarily for higher public hospital funding under the National Health Reform Agreement, and health and aged care related services under the Multi-Purpose Services Program, partially offset by a reduction in the Community Health and Hospital Program;
- a \$105 million Housing Support Payment received in June 2024, to assist the State with the cost of enabling infrastructure for housing development projects;

- higher GST grants, up \$81 million (or 1.2%), reflecting increases to the estimate of Western Australia's share of the national population. This was partially offset by a smaller pool of national GST collections relative to the estimate at the time of the 2023-24 Budget;
  - higher North West Shelf grants, including Commonwealth compensation for crude oil excise arrangements, up \$68 million (or 10.3%), largely due to the impact of higher crude oil prices (which averaged \$US83.6 per barrel through the year compared to the 2023-24 Budget assumption of \$US79.6 per barrel) and a lower \$US/\$A exchange rate (which averaged US65.6 cents in 2023-24 compared to the US67.7 cents forecast in the 2023-24 Budget); and
  - a net increase of \$186 million (or 9.4%) across all other Commonwealth grants, mainly for the education and training sectors, and for contributions to the State's now completed COVID-19 business support packages.
- (c) Interest income was \$126 million (or 47.5%) higher than budgeted, largely reflecting higher than expected Public Bank Account (PBA) balances, and the impact of higher than assumed average interest rates applying to PBA investment balances (at an average 4% during 2023-24 compared with an estimated average of 3%, following rises in official cash rates during the year).
- (d) Revenue from public corporations (comprising dividends and tax equivalent revenue) was \$1.1 billion (or 49.2%) lower than budgeted, primarily reflecting the Government's decision (announced in the Mid-year Review) for Government Trading Enterprises (with the exception of the Western Australian Treasury Corporation and the Insurance Commission of Western Australia) to retain 2023-24 dividends to fund future infrastructure projects. Partially offsetting lower dividend revenue, tax equivalent revenue was \$127 million higher, mainly attributable to the Insurance Commission (up \$123 million) following a stronger profit outcome for the year.
- (e) Royalty income was \$3.9 billion (or 48.7%) higher than forecast in the 2023-24 Budget, primarily due to higher iron ore royalties (up \$4,392 million or 73.5%), largely reflecting higher iron ore prices (which averaged \$US119.4 per tonne through the year compared to the 2023-24 Budget assumption of \$US74.1 per tonne) and a lower \$US/\$A exchange rate (as noted earlier). Collections of lithium royalties were \$366 million (or 39.4%) lower than budgeted, primarily due to lower than forecast lithium prices as demand growth weakened at the same time as strong growth emerged in global supply.
- (f) 'Other' revenue was \$144 million (or 15%) lower than budgeted, mainly reflecting lower than budgeted assets such as land and roads transferred to the State from the local government and private sectors, which were partly offset by higher collections from lease rentals, traffic infringements, court penalties and other fines, and other miscellaneous revenue categories.

## **Expenses**

(g) Salaries expenses were \$847 million (or 5.4%) higher than budgeted. The largest movements were for:

- WA Health (up \$778 million), primarily due to higher staffing costs to meet expanding services and higher than budgeted leave expenses; and
- the Department of Justice (up \$81 million), mainly reflecting higher staffing costs in corrective services.

(h) 'Other gross operating expenses' (largely made up of the day-to-day non-salaries operating costs of agencies, such as office accommodation costs, building and maintenance costs, electricity and water costs, administration costs, and services purchased from non-government organisations) were \$980 million (or 15.4%) higher than budgeted. This was largely due to the combined impact of higher than budgeted spending by:

- the Department of Communities (up \$314 million), primarily due to increased contract expenditure for emergency and other placements for children in out-of-home care, and for other non-government sector contract costs;
- WA Health (up \$280 million), mainly related to patient support services and reclassification of spending from other expenditure categories;
- the Department of Education (up \$151 million), reflecting higher insurance premiums, higher than expected spending on repairs and maintenance for school infrastructure across the State, additional Commonwealth-funded spending, including on the National Student Wellbeing Boost, and a higher proportion of schools' budgets being spent on goods and services;
- the Department of Justice (up \$104 million), primarily reflecting additional expenditure on prison supplies and services (such as food, medical and educational supplies, and services purchased from non-government organisations) and building maintenance; and
- the inclusion in the original Budget of a \$132 million Royalties for Regions recurrent underspend provision in anticipation of lower spending that would emerge across the general government sector by 30 June 2024.

- (i) Interest expenses were \$247 million (or 28.2%) higher than budgeted, with interest on leases accounting for \$42 million of the increase, and interest on other borrowings representing \$204 million. Higher interest expenses largely reflect higher than expected debt servicing costs for Consolidated Account borrowings driven by higher interest rates (with an average rate of 3.5% compared with the Budget assumption of 3%).

The Budget also included a \$97 million allowance for lower interest costs related to a \$2 billion provision for lower general government infrastructure spending expected to emerge over 2023-24 (but which could not be reliably allocated to individual projects or agencies). The actual outturn for savings on unspent infrastructure investment is reflected as a combination of movements in individual agency interest expenses (where an agency would have borrowed to spend on capital investment), or higher interest revenue (where unspent funds are held by the agency at 30 June 2024 or in the Public Bank Account if appropriation funding was not drawn from the Consolidated Account). Lower than expected infrastructure spending is discussed in the cash flow section later in this appendix.

- (j) In total, transfer expenses (mainly comprising grants and subsidies) were \$185 million (or 2.1%) lower than budgeted, with current transfers \$44 million higher and capital transfers \$228 million lower than forecast. Key changes since the Budget include:
- lower than anticipated capital grants by the Department of Local Government, Sport and Cultural Industries (down \$99 million), primarily due to ongoing constraints in the building and construction industry which have affected the WACA Ground Redevelopment and the Keirnan Park Recreation Precinct, and a decision to retain the Sam Kerr Football Centre (which has been transferred to the Western Australian Sports Centre Trust);
  - lower than expected capital grants by the Department of Water and Environmental Regulation (down \$36 million), mainly due to the deferred grant delivery timing of a range of programs, including the National Partnership on Recycling Infrastructure, Food Waste for Healthy Soils, E-Waste to Landfill Ban, and the Pilbara Environmental Offsets Fund;
  - lower than budgeted capital grants by the Department of Transport (down \$29 million), mainly reflecting reclassification of payments to the Public Transport Authority (PTA) for electric buses and tunnel monitoring from capital to recurrent, and a reduction in expenditure following the transfer of responsibility for the Kenwick Intermodal Terminal project to the PTA; and
  - lower than anticipated residual grants under the State's Building Bonus scheme (down \$28 million), reflecting a higher than expected proportion of applications not meeting the required eligibility criteria.
- (k) The \$4.5 billion net operating balance for 2023-24 was \$1.2 billion higher than forecast in the original Budget. Revenue was \$2.7 billion (or 6.3%) higher than budgeted while expenses were \$1.5 billion (or 3.8%) higher than forecast, as detailed above.

## Other Economic Flows and Movements in Equity

- (l) Unbudgeted changes to 'Other economic flows'<sup>2</sup> resulted in a \$310 million reduction in net worth (\$102 million lower than forecast in the Budget), primarily driven by changes in accounting policies/adjustment of prior periods<sup>3</sup>.
- (m) All other movements in equity equated to an aggregate increase in net worth of \$14.3 billion, a \$11.3 billion increase on 2023-24 Budget expectations. This item accounts for all changes in the net worth of the public sector balance sheet that are not accounted for on the general government sector operating statement, including the operations and valuation changes of public corporations, valuation changes across the sector's other assets and liabilities (including superannuation), and the impact of investing and financing activities. These other sources of variance are discussed throughout the following sections of this appendix.
- (n) Net worth at 30 June 2024 increased by \$18.5 billion on the final outcome for 30 June 2023, representing a \$12.4 billion increase relative to the forecast in the original Budget. This rise in net worth largely reflects the impact of the higher than expected net operating balance, 'other economic flows' and 'all other movements in equity' variances noted above.
- (o) A \$2.6 billion net lending surplus outcome (which includes the net operating balance from transactions, less non-cash depreciation costs, plus the net cost of infrastructure investment activities) compares with a projected \$2.2 billion surplus at the time of the 2023-24 Budget. This \$407 million stronger net position primarily reflects the \$1.2 billion improvement in the net operating balance, and an \$786 million movement in non-financial assets, mainly due to higher purchases of non-financial assets (discussed later in this appendix).

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<sup>2</sup> Changes in the value of assets or liabilities that do not result from transactions are referred to as 'other economic flows'. They include net gains on assets/liabilities, changes in accounting policy/adjustment of prior periods (which are not forecast in the Budget) and provisions for doubtful debts.

<sup>3</sup> Movements in the value of the public sector balance sheet that result from a revaluation or restatement of assets and liabilities are included in equity as reserves. These reserves are used to account for any unrealised gains or losses that would otherwise be recognised in the operating statement.

**GENERAL GOVERNMENT**  
Balance Sheet

Table 4.2

	Notes	2023-24			
		Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
<b>ASSETS</b>					
<i>Financial assets</i>					
Cash and deposits		2,632	2,510	-122	-4.6
Advances paid		763	665	-97	-12.8
Investments, loans and placements		3,983	7,331	3,349	84.1
Receivables		4,064	5,635	1,571	38.7
Shares and other equity					
Investments in other public sector entities - equity method		52,206	63,104	10,898	20.9
Investments in other public sector entities - direct injections		20,939	19,267	-1,672	-8.0
Investments in other entities		39	57	18	46.5
Other financial assets		9	9	-	-2.1
<b>Total financial assets</b>	a	<b>84,635</b>	<b>98,580</b>	<b>13,945</b>	<b>16.5</b>
<i>Non-financial assets</i>					
Land		42,938	46,524	3,586	8.4
Property, plant and equipment		57,130	65,653	8,523	14.9
Right-of-use assets		2,287	2,384	97	4.2
Service concession assets		849	1,067	218	25.7
Biological assets		14	6	-8	-60.1
Inventories					
Land inventories		-	-	-	-
Other inventories		261	243	-19	-7.2
Intangibles		612	726	114	18.7
Assets classified as held for sale		21	22	1	6.5
Investment property		-	-	-	-
Other		403	412	9	2.2
<b>Total non-financial assets</b>	b	<b>104,515</b>	<b>117,036</b>	<b>12,522</b>	<b>12.0</b>
<b>TOTAL ASSETS</b>	c	<b>189,149</b>	<b>215,616</b>	<b>26,467</b>	<b>14.0</b>
<b>LIABILITIES</b>					
Deposits held		2,667	2,728	61	2.3
Advances received		332	256	-77	-23.1
Borrowings					
Lease liabilities		2,681	2,738	57	2.1
Service concession liabilities		-	-	-	-
Other borrowings		23,757	24,436	679	2.9
Superannuation		4,863	4,137	-726	-14.9
Other employee benefits		4,229	4,775	546	12.9
Payables		2,814	2,977	163	5.8
Other liabilities		2,989	3,098	110	3.7
<b>TOTAL LIABILITIES</b>	d	<b>44,333</b>	<b>45,145</b>	<b>813</b>	<b>1.8</b>
<b>NET ASSETS</b>		<b>144,817</b>	<b>170,471</b>	<b>25,654</b>	<b>17.7</b>
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		28,049	29,848	1,799	6.4
Other reserves		116,768	140,623	23,855	20.4
<b>NET WORTH</b>	e	<b>144,817</b>	<b>170,471</b>	<b>25,654</b>	<b>17.7</b>
<b>MEMORANDUM ITEMS</b>					
<i>Net financial worth</i>		40,302	53,435	13,133	32.6
<i>Net financial liabilities</i>		32,842	28,936	-3,906	-11.9
<i>Net debt</i>					
Gross debt liabilities		29,438	30,158	720	2.4
less: liquid financial assets		7,377	10,507	3,130	42.4
<b>Net debt</b>	f	<b>22,060</b>	<b>19,651</b>	<b>-2,410</b>	<b>-10.9</b>

Note: Columns/rows may not add due to rounding.



## General Government Sector Balance Sheet

- (a) General government sector financial assets totalled \$98.6 billion at 30 June 2024, up \$13.9 billion (or 16.5%) from the original Budget. This reflected an increase in the value of investments in other public sector entities (up \$9.2 billion), higher than budgeted holdings of liquid cash investments (up \$3.1 billion, and including cash, advances and investments, loans and placements), mainly due to higher Public Bank Account (PBA) investment holdings<sup>4</sup>, and a higher than expected outturn for receivables<sup>5</sup> (up \$1.6 billion, mainly for yet-to-be received mining revenue collections due to the timing of transactions).
- (b) Non-financial assets (such as land, infrastructure holdings and leased assets) totalled \$117 billion at 30 June 2024, up \$12.5 billion (or 12%) from Budget, largely reflecting higher than budgeted holdings of property, plant and equipment (up \$8.5 billion) and higher year-end values for the sector's land holdings (up \$3.6 billion).
- (c) Total assets were \$215.6 billion at 30 June 2024, up \$26.5 billion (or 14%) compared to the original Budget, reflecting the movements outlined above.
- (d) Total liabilities were \$45.1 billion at 30 June 2024, \$813 million (or 1.8%) higher than forecast in the original Budget. Key movements included:
- debt liabilities (up a net \$720 million), which includes deposits held on behalf of public corporations and other parties, advances from the Commonwealth, and borrowings (inclusive of lease liabilities, service concession liabilities, and other borrowings), with higher borrowings reflecting \$687 million of short-term debt acquired by Main Roads at 30 June 2024 (following delays with receipt of Commonwealth road funding); and
  - non-debt liabilities (up a net \$93 million), reflecting higher than budgeted outcomes for employee benefits such as accruing leave and salary entitlements (up \$546 million, mainly due to higher employee numbers and valuation changes), along with payables<sup>6</sup> (up \$163 million, which are subject to the timing of cash payments by the sector), and 'other' liabilities (up \$110 million). These increases were mostly offset by lower than budgeted unfunded superannuation liabilities (down \$726 million, mainly reflecting an increase in the value of the discount rate used by the actuary for year-end valuation of these obligations).

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<sup>4</sup> The PBA is the central bank account of the Western Australian public sector. Divisions of the PBA include the Consolidated Account, agency and Treasurer's Special Purpose Accounts and other centrally managed bank accounts. The PBA is administered by Treasury with funds management provided by the Western Australian Treasury Corporation. Key components of the PBA are discussed further in Appendix 7: *Public Ledger*.

<sup>5</sup> Accounts for revenue that have been invoiced but for which cash is still to be received.

<sup>6</sup> Payables include short and long-term trade creditors, and accounts payable.

- (e) Net worth (the difference between total assets and total liabilities) was \$170.5 billion at 30 June 2024. This outcome is \$25.7 billion (or 17.7%) higher than the forecast \$144.8 billion in the 2023-24 Budget, reflecting the net impact of the outcomes noted above.
- (f) General government sector net debt was \$19.7 billion at 30 June 2024, \$2.4 billion (or 10.9%) lower than the \$22.1 billion estimate in the original Budget. This was mainly due to the net impact of:
- lower capital and equity contributions to public corporations (down \$2 billion), mainly for lower Consolidated Account contributions for decarbonisation initiatives and the impact of delayed Commonwealth contributions for METRONET works)<sup>7</sup>;
  - the better than expected net outcome at 30 June 2023 (down \$863 million on the estimated actual for 2022-23 as reflected in the 2023-24 Budget, and detailed in the 2022-23 Annual Report on State Finances); and
  - the lower cash surplus outcome for 2023-24, detailed in the next section.

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<sup>7</sup> Consolidated Account appropriations for capital works and other equity contributions to public corporations are funded by general government net debt while the investment of these funds is carried out by agencies in the public corporations sectors.

**GENERAL GOVERNMENT**  
Cash Flow Statement

	Notes	2023-24			
		Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<i>Cash received</i>					
Taxes received		11,931	13,444	1,513	12.7
Grants and subsidies received		19,127	17,024	-2,104	-11.0
Receipts from sales of goods and services		3,133	3,704	571	18.2
Interest receipts		265	354	89	33.6
Dividends and tax equivalents		2,203	1,034	-1,170	-53.1
Other		11,186	14,802	3,617	32.3
<b>Total cash received</b>		<b>47,846</b>	<b>50,362</b>	<b>2,516</b>	<b>5.3</b>
<i>Cash Paid</i>					
Wages, salaries and supplements, and superannuation		-17,732	-18,259	-527	3.0
Payments for goods and services		-10,499	-11,251	-752	7.2
Interest paid		-855	-1,044	-189	22.1
Grants and subsidies paid		-10,815	-10,424	390	-3.6
Dividends and tax equivalents		-	-	-	-
Other payments		-1,672	-2,659	-987	59.0
<b>Total cash paid</b>		<b>-41,574</b>	<b>-43,638</b>	<b>-2,064</b>	<b>5.0</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>a</b>	<b>6,272</b>	<b>6,724</b>	<b>452</b>	<b>7.2</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<i>Cash flows from investments in non-financial assets</i>					
Purchase of non-financial assets	b	-3,189	-3,997	-809	25.4
Sales of non-financial assets	c	119	60	-59	-49.8
<b>Total cash flows from investments in non-financial assets</b>	<b>d</b>	<b>-3,070</b>	<b>-3,938</b>	<b>-868</b>	<b>28.3</b>
<i>Cash flows from investments in financial assets</i>					
<i>Cash received</i>					
For policy purposes		10	71	61	602.5
For liquidity purposes		16	64	48	293.5
<i>Cash paid</i>					
For policy purposes		-5,777	-3,746	2,031	-35.2
For liquidity purposes		-	-97	-97	-
<b>Total cash flows from investments in financial assets</b>		<b>-5,751</b>	<b>-3,708</b>	<b>2,043</b>	<b>-35.5</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>-8,821</b>	<b>-7,646</b>	<b>1,175</b>	<b>-13.3</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<i>Cash received</i>					
Advances received		18	18	-	-
Borrowings		116	619	502	431.3
Deposits received		-	936	936	-
Other financing receipts		37	286	248	667.8
<b>Total cash receipts from financing activities</b>		<b>172</b>	<b>1,858</b>	<b>1,687</b>	<b>982.7</b>
<i>Cash paid</i>					
Advances paid		-18	-18	-	-
Borrowings repaid		-112	-50	63	-56.0
Deposits paid		-	-1	-1	-
Other financing payments		-458	-765	-307	67.1
<b>Total payments for financing activities</b>		<b>-588</b>	<b>-833</b>	<b>-245</b>	<b>41.7</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-417</b>	<b>1,025</b>	<b>1,442</b>	<b>-345.9</b>
<b>Net increase in cash and cash equivalents</b>		<b>-2,966</b>	<b>103</b>	<b>3,069</b>	<b>-103.5</b>
Cash and cash equivalents at the beginning of the year		7,994	9,093	1,099	13.8
Cash and cash equivalents at the end of the year		5,028	9,196	4,168	82.9
<b>KEY FISCAL AGGREGATES</b>					
Net cash flows from operating activities		6,272	6,724	452	7.2
Net cash flows from investing in non-financial assets		-3,070	-3,938	-868	28.3
<b>Cash surplus/-deficit</b>	<b>e</b>	<b>3,202</b>	<b>2,787</b>	<b>-416</b>	<b>-13.0</b>

Note: Columns/rows may not add due to rounding.

## General Government Sector Cash Flow Statement

(a) Net cash flows from operating activities (i.e. the receipts and payments of day-to-day operating activities of general government agencies) were in a net \$6.7 billion cash surplus position in 2023-24, \$452 million stronger than the \$6.3 billion cash operating surplus forecast in the 2023-24 Budget<sup>8</sup>. Operating cash receipts totalled \$50.4 billion in 2023-24, \$2.5 billion (or 5.3%) higher than Budget. Total cash paid in 2023-24 was \$43.6 billion, \$2.1 billion (or 5%) higher than Budget.

The \$452 million stronger net cash operating result reflects similar factors to the improvement for the accrual operating balance on the operating statement (discussed earlier in this appendix). In particular, improvements in revenue, (particularly for taxation and royalty income), were matched broadly by similar increases in operating receipts, while lower Commonwealth grants revenue was matched by lower Commonwealth grant receipts. At the same time, the higher than budgeted accrual expenses (discussed earlier) were also broadly matched by their cash flow equivalents.

(b) Purchases of non-financial assets (i.e. largely land and infrastructure investment) totalled \$4 billion in 2023-24, \$809 million (or 25.4%) higher than the forecast in the 2023-24 Budget. The 2023-24 Budget included a global infrastructure underspend provision for the general government sector of \$2 billion, resulting in a budgeted general government sector infrastructure spend of \$3.2 billion. The actual underspend by general government sector agencies totalled \$1.2 billion.

(c) Receipts from the sale of surplus non-financial assets totalled \$60 million in 2023-24, \$59 million lower than Budget, largely reflecting lower than budgeted land sales by the Western Australian Planning Commission and the Department of Planning, Lands and Heritage, and lower vehicle sales by the Department of Finance.

(d) Net cash flows from investments in non-financial assets totalled \$3.9 billion in 2023-24, \$868 million higher than Budget, reflecting the combined effect of changes in purchases and sales outlined above.

(e) The general government sector recorded a \$2.8 billion cash surplus in 2023-24, \$416 million lower than the \$3.2 billion cash surplus forecast in the original Budget. This reflects the combination of net cash receipts from operations and net investment in non-financial assets described above. The cash surplus/deficit is the key driver of movements in net debt (discussed above and in the *Financial Results* chapter of this ARSF).

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<sup>8</sup> The net cash flow from operating activities is the cash equivalent of the operating balance on the operating statement discussed earlier in this appendix and in the *Financial Results* chapter of this report. This cash flow aggregate is based on cash information only while the accrual operating balance includes non-cash transactions such as depreciation charges, and recognises costs (expenses) and benefits (revenue) as they occur rather than only when cash is paid or received.

**TOTAL PUBLIC SECTOR**  
Operating Statement

	Notes	2023-24			
		Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
<b>RESULTS FROM TRANSACTIONS</b>					
<b>REVENUE</b>					
Taxation		11,360	13,007	1,646	14.5
Current grants and subsidies		13,389	12,780	-609	-4.5
Capital grants		3,353	1,884	-1,470	-43.8
Sales of goods and services		41,622	41,789	168	0.4
Interest income		917	986	69	7.5
Royalty income		7,982	11,866	3,885	48.7
Other		1,485	1,473	-11	-0.8
<i>Total</i>	a	<b>80,108</b>	<b>83,785</b>	<b>3,677</b>	<b>4.6</b>
<b>EXPENSES</b>					
Salaries		17,234	18,118	884	5.1
Superannuation					
Concurrent costs		1,953	1,958	5	0.3
Superannuation interest cost		165	167	2	1.0
Other employee costs		600	784	184	30.6
Depreciation and amortisation		5,283	5,391	108	2.0
Services and contracts		4,645	4,406	-239	-5.1
Other gross operating expenses		39,569	39,140	-429	-1.1
Interest					
Interest on leases		203	243	40	19.6
Other interest		1,638	1,812	174	10.6
Current transfers		5,851	5,561	-290	-5.0
Capital transfers		443	278	-165	-37.2
<i>Total</i>	b	<b>77,585</b>	<b>77,859</b>	<b>274</b>	<b>0.4</b>
<b>NET OPERATING BALANCE</b>	c	<b>2,523</b>	<b>5,926</b>	<b>3,403</b>	<b>134.9</b>
<i>Other economic flows - included in the operating result</i>					
Net gains on assets/liabilities		-193	-158	36	-18.5
Provision for doubtful debts		-57	-34	22	-39.5
Changes in accounting policy/adjustment of prior periods		-	-125	-125	-
<i>Total other economic flows</i>	d	<b>-250</b>	<b>-317</b>	<b>-66</b>	<b>26.6</b>
<b>OPERATING RESULT</b>		<b>2,273</b>	<b>5,610</b>	<b>3,336</b>	<b>146.8</b>
<i>All other movements in equity</i>					
<i>Items that will not be reclassified to operating result</i>					
Revaluations		4,032	12,727	8,695	215.7
Net actuarial gains - superannuation		-189	162	351	-185.4
Gains recognised directly in equity		-47	-5	43	-89.8
All other		-	-	-	-
<i>Total all other movements in equity</i>	e	<b>3,795</b>	<b>12,884</b>	<b>9,089</b>	<b>239.5</b>
<b>TOTAL CHANGE IN NET WORTH</b>	f	<b>6,068</b>	<b>18,494</b>	<b>12,425</b>	<b>204.8</b>
<b>KEY FISCAL AGGREGATES</b>					
<b>NET OPERATING BALANCE</b>		<b>2,523</b>	<b>5,926</b>	<b>3,403</b>	<b>134.9</b>
<i>Less Net acquisition of non-financial assets</i>					
Purchase of non-financial assets		10,405	11,405	1,000	9.6
Changes in inventories		19	985	965	5,025.8
Other movement in non-financial assets		370	191	-179	-48.3
<i>less:</i>					
Sales of non-financial assets		462	477	16	3.4
Depreciation		5,283	5,391	108	2.0
<i>Total net acquisition of non-financial assets</i>		<b>5,049</b>	<b>6,712</b>	<b>1,663</b>	<b>32.9</b>
<b>NET LENDING/-BORROWING</b>	g	<b>-2,526</b>	<b>-786</b>	<b>1,740</b>	<b>-68.9</b>

Note: Columns/rows may not add due to rounding.

## Total Public Sector<sup>9</sup> Operating Statement

- (a) Operating revenue in 2023-24 was \$83.8 billion, \$3.7 billion (or 4.6%) higher than budgeted. This higher outcome includes movements for taxation, royalties and Commonwealth grants, which also appear on the general government operating statement with most of this income received by that sector, as outlined earlier in this appendix<sup>10</sup>.

In addition to the general government revenue movements noted above, other movements in revenue were quite modest, including higher revenue from sales of goods and services (up \$168 million or just 0.4% relative to Budget), and higher than budgeted interest income (up \$69 million).

- (b) Operating expenses in 2023-24 were \$77.9 billion, \$274 million (or just 0.4%) higher than Budget, with lower outcomes for 'other' gross operating expenses (down \$429 million or 1.1%), services and contracts (down \$239 million or 5.1%), and recurrent and capital transfer expenses (mainly grants, down \$454 million or 7.2%). These decreases were more than offset by higher spending on salaries (up \$884 million or 5.1%), other employee costs (up \$184 million or 30.6%), interest (up \$214 million or 11.6%), depreciation and amortisation (up \$108 million or 2%), and superannuation costs (up \$7 million or 0.3%).

In terms of percentage changes, material movements since the 2023-24 Budget include:

- lower capital transfers (down 37.2%), largely resulting from the general government sector changes outlined earlier in this appendix;
- higher than budgeted 'other staffing costs' (up 30.6%), largely driven by higher workers' compensation claims expenses for the RiskCover Fund (\$131 million higher than forecast), reflecting the increased number and projected cost of new claims, with a higher proportion of longer duration and severe lost-time injury claims being received during the financial year (which increased the estimated future claims costs when compared to Budget); and
- higher interest expenses (up 11.6%), largely due to the general government sector changes outlined earlier in this appendix.

<sup>9</sup> The total public sector (also known as the whole-of-government) reflects the consolidation of the general government sector (discussed earlier), the public non-financial corporations sector (which includes entities delivering non-financial services on a predominantly cost recovery basis, like the State's ports, and the electricity and water utilities), and the public financial corporations sector (which includes agencies mainly engaged in financial activities such as the Western Australian Treasury Corporation and the Insurance Commission of Western Australia).

<sup>10</sup> Internal transfers between the general government sector and agencies in the public corporations sectors are eliminated in the whole-of-government consolidation process. Accordingly, some total public sector financial aggregates may be smaller than the general government equivalent. For example, the general government sector collects payroll tax from some public corporations. These internal collections are not shown in the total public sector taxation revenue data which is thus smaller in magnitude than the equivalent general government taxation revenue aggregate.

- (c) The total public sector recorded a \$5.9 billion operating surplus in 2023-24, \$3.4 billion higher than the \$2.5 billion surplus projected at the time of the 2023-24 Budget, reflecting revenue and expense movements detailed above.
- (d) 'Other' economic flows (net gains and losses on assets, doubtful debt provisions and accounting adjustments) resulted in an aggregate decrease in net worth of \$317 million, \$66 million lower than forecast in the 2023-24 Budget. This was predominantly due to a \$125 million change in accounting policies/adjustment of prior periods<sup>11</sup> (which are not forecast in the Budget, reflecting amendments to accumulated operating results from prior period reporting that are brought to book in year-end outcomes).
- (e) All other movements in equity total to an aggregate increase in net worth of \$12.9 billion in 2023-24, up \$9.1 billion from expectations at the time of the Budget. This was primarily driven by higher than expected valuations (such as land and property, plant and equipment valuations) in 2023-24 (up \$8.7 billion), and a net increase in the actuarially valued superannuation liabilities (up \$351 million).
- (f) Relative to 30 June 2023, net worth at 30 June 2024 increased by a total \$18.5 billion, a \$12.4 billion stronger outcome than the 2023-24 Budget forecast. This change is comprised of the changes in the net operating balance, other economic flows and all other movements in equity variances outlined above and in the equivalent general government sector discussion earlier in this appendix, and the final outcome for 30 June 2023 reported in the *2022-23 Annual Report on State Finances*.
- (g) Net lending/borrowing was in a \$786 million deficit position in 2023-24, a \$1.7 billion improvement on the \$2.5 billion net lending deficit projected in the original Budget.

This reflects:

- the stronger total public sector operating surplus discussed earlier in this section (up \$3.4 billion), less the impact of depreciation movements removed in the calculation of net lending/borrowing (\$108 million);
- changes in total public sector purchases (up \$1 billion) and sales (up \$16 million) of non-financial assets detailed later in this appendix (under the cash flow statement); and
- a \$965 million increase on expected inventory levels, primarily due to the volume and value of the Gold Corporation's holdings of precious metals.

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<sup>11</sup> Movements in the value of the public sector balance sheet that result from a revaluation or restatement of assets and liabilities are included in equity as reserves. These reserves are used to account for any unrealised gains or losses that would otherwise be recognised in the operating statement. These adjustments typically arise as a result of movements in annual reports for the previous year that may not be finalised until after last year's *Annual Report on State Finances* was published, or for other valuation changes brought to book this year but which would impact a prior year outcome.

Table 4.5

**TOTAL PUBLIC SECTOR**  
**Balance Sheet**

	Notes	2023-24			
		Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
<b>ASSETS</b>					
<i>Financial assets</i>					
Cash and deposits		5,196	4,774	-423	-8.1
Advances paid		3,500	2,481	-1,019	-29.1
Investments, loans and placements		15,078	18,950	3,872	25.7
Receivables		5,671	7,807	2,136	37.7
Equity - Investments in other entities		2,621	2,936	315	12.0
Other financial assets		16	17	1	3.6
<b>Total financial assets</b>		<b>32,083</b>	<b>36,964</b>	<b>4,881</b>	<b>15.2</b>
<i>Non-financial assets</i>					
Land		52,839	56,659	3,820	7.2
Property, plant and equipment		127,791	146,009	18,218	14.3
Right-of-use assets		2,647	2,836	189	7.1
Service concession assets		3,044	3,616	572	18.8
Biological assets		223	230	7	3.1
Inventories					
Land inventories		1,795	1,440	-355	-19.8
Other inventories		6,771	8,702	1,930	28.5
Intangibles		1,080	1,135	55	5.1
Assets classified as held for sale		33	118	85	255.6
Investment property		14	23	9	67.8
Other		598	1,031	433	72.3
<b>Total non-financial assets</b>		<b>196,835</b>	<b>221,798</b>	<b>24,963</b>	<b>12.7</b>
<b>TOTAL ASSETS</b>		<b>228,918</b>	<b>258,763</b>	<b>29,844</b>	<b>13.0</b>
<b>LIABILITIES</b>					
Deposits held		19	20	1	7.0
Advances received		332	256	-77	-23.1
Borrowings					
Lease liabilities		3,284	3,438	154	4.7
Service concession liabilities		329	298	-31	-9.4
Other borrowings		49,200	50,366	1,166	2.4
Superannuation		4,965	4,209	-757	-15.2
Other employee benefits		4,680	5,338	658	14.1
Payables		10,453	13,032	2,578	24.7
Other liabilities		10,839	11,335	496	4.6
<b>TOTAL LIABILITIES</b>		<b>84,102</b>	<b>88,292</b>	<b>4,190</b>	<b>5.0</b>
<b>NET ASSETS</b>		<b>144,817</b>	<b>170,471</b>	<b>25,654</b>	<b>17.7</b>
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		48,715	50,969	2,254	4.6
Other reserves		96,102	119,502	23,400	24.3
<b>NET WORTH</b>	a	<b>144,817</b>	<b>170,471</b>	<b>25,654</b>	<b>17.7</b>
<b>MEMORANDUM ITEMS</b>					
<i>Net financial worth</i>		-52,018	-51,327	691	-1.3
<i>Net financial liabilities</i>		52,018	51,327	-691	-1.3
<i>Net debt</i>					
Gross debt liabilities		53,164	54,378	1,214	2.3
less: liquid financial assets		23,774	26,205	2,430	10.2
<b>Net debt</b>	b	<b>29,389</b>	<b>28,173</b>	<b>-1,216</b>	<b>-4.1</b>

Note: Columns/rows may not add due to rounding.



## Total Public Sector Balance Sheet<sup>12</sup>

(a) Net worth of the total public sector was \$170.5 billion at 30 June 2024 (up \$25.7 billion, or 17.7% on the Budget-time forecast).

Movements since the original Budget for these balance sheet items largely reflect changes due to operating and investing operations through 2023-24 (discussed in cash flow terms below), movements in the valuation of assets (particularly land and other physical assets) and the impact of the final outturn for 30 June 2023 reported in the *2022-23 Annual Report on State Finances*.

- Assets were \$29.8 billion (or 13%) higher than Budget, reflecting an increase in holdings of non-financial assets (up \$25 billion), and a higher stock of financial assets (up \$4.9 billion).
  - Higher than budgeted non-financial asset outcomes largely reflects an increase in the value of property, plant and equipment (up \$18.2 billion), the impact of upward valuations on land holdings (up \$3.8 billion), an increase in inventories (up a net \$1.6 billion across land and other inventories), and higher than budgeted service concession assets (up \$572 million).
  - For financial assets, holdings of liquid assets were a net \$2.4 billion higher than forecast, largely higher holdings for the Public Bank Account (the change in mix of these holdings reflects better investment returns on these assets), partly offset by lower loans to homebuyers by Keystart. Receivables were \$2.1 billion higher than budget, mainly reflecting an increase in mining revenue receivables noted earlier in this appendix.
- Liabilities were \$4.2 billion (or 5%) higher than Budget, with higher gross debt liabilities (up \$1.2 billion) largely reflecting the final outcome for the Western Australian Treasury Corporation's borrowing program (which included higher than budgeted borrowings for the Public Transport Authority and Main Roads due to delays in Commonwealth funding). The higher liabilities also included increases for payables (up \$2.6 billion), other employee benefits (up \$658 million), and 'other' liabilities (up \$496 million), partly offset by the downward valuation of unfunded superannuation liabilities held in the general government sector (down \$757 million), noted earlier in this appendix.

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<sup>12</sup> Net worth of the total public sector is equivalent to general government sector net worth discussed earlier in this appendix. This is because the net worth of the public corporations is recorded as an asset on the general government sector balance sheet. Accordingly, the variance from original Budget is also the same as for the general government sector. However, total public sector assets and liabilities are different to the general government sector disclosure as the assets and liabilities of the public corporations are disclosed in more detail than the net asset holding in public corporations recorded on the general government sector balance sheet.

- (b) Total public sector net debt was \$28.2 billion at 30 June 2024, \$1.2 billion (or 4.1%) lower than the \$29.4 billion estimate in the 2023-24 Budget. Gross debt liabilities were a net \$1.2 billion higher while holdings of liquid financial assets were up \$2.4 billion. This outcome is largely due to the impact on cash of the stronger than expected operating surplus for 2023-24 (noted in the previous section), and the final outcome for 30 June 2023, reported in the 2022-23 *Annual Report on State Finances*.

**TOTAL PUBLIC SECTOR**  
**Cash Flow Statement**

	Notes	2023-24			
		Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<i>Cash received</i>					
Taxes received		11,373	12,803	1,430	12.6
Grants and subsidies received		19,127	17,024	-2,104	-11.0
Receipts from sales of goods and services		31,348	31,976	628	2.0
Interest receipts		919	909	-10	-1.1
Dividends and tax equivalents		-	-	-	-
Other		12,533	16,594	4,062	32.4
<b>Total cash received</b>		<b>75,299</b>	<b>79,305</b>	<b>4,007</b>	<b>5.3</b>
<i>Cash paid</i>					
Wages, salaries and supplements, and superannuation		-19,462	-20,032	-571	2.9
Payments for goods and services		-31,859	-32,109	-250	0.8
Interest paid		-1,779	-1,908	-129	7.2
Grants and subsidies paid		-7,643	-6,967	677	-8.9
Dividends and tax equivalents		-	-	-	-
Other payments		-5,768	-7,411	-1,643	28.5
<b>Total cash paid</b>		<b>-66,510</b>	<b>-68,427</b>	<b>-1,916</b>	<b>2.9</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	a	<b>8,789</b>	<b>10,879</b>	<b>2,090</b>	<b>23.8</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<i>Cash flows from investments in non-financial assets</i>					
Purchase of non-financial assets	b	-10,405	-11,405	-1,000	9.6
Sales of non-financial assets	c	462	477	16	3.4
<b>Total cash flows from investments in non-financial assets</b>	d	<b>-9,943</b>	<b>-10,928</b>	<b>-985</b>	<b>9.9</b>
<i>Cash flows from investments in financial assets</i>					
<i>Cash received</i>					
For policy purposes		10	68	58	580.1
For liquidity purposes		8,716	10,483	1,767	20.3
<i>Cash paid</i>					
For policy purposes		-10	-67	-57	571.5
For liquidity purposes		-9,005	-10,274	-1,269	14.1
<b>Total cash flows from investments in financial assets</b>		<b>-289</b>	<b>210</b>	<b>499</b>	<b>-172.4</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>-10,233</b>	<b>-10,718</b>	<b>-485</b>	<b>4.7</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<i>Cash received</i>					
Advances received		77	-	-77	-
Borrowings		21,042	22,839	1,796	8.5
Deposits received		-	-	-	-
Other financing receipts		7	283	276	4,110.8
<b>Total cash received</b>		<b>21,126</b>	<b>23,122</b>	<b>1,996</b>	<b>9.4</b>
<i>Cash paid</i>					
Advances paid		-18	-18	-	-
Borrowings repaid		-21,464	-22,613	-1,149	5.4
Deposits paid		-	-	-	-
Other financing payments		-532	-846	-313	58.8
<b>Total cash paid</b>		<b>-22,014</b>	<b>-23,476</b>	<b>-1,462</b>	<b>6.6</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-888</b>	<b>-354</b>	<b>534</b>	<b>-60.1</b>
<b>Net increase in cash and cash equivalents</b>		<b>-2,332</b>	<b>-194</b>	<b>2,139</b>	<b>-91.7</b>
Cash and cash equivalents at the beginning of the period		13,939	15,007	1,068	7.7
Cash and cash equivalents at the end of the period		11,606	14,813	3,206	27.6
<b>KEY FISCAL AGGREGATES</b>					
Net cash flows from operating activities		8,789	10,879	2,090	23.8
Net cash flows from investing in non-financial assets		-9,943	-10,928	-985	9.9
<b>Cash surplus/-deficit</b>	e	<b>-1,155</b>	<b>-49</b>	<b>1,106</b>	<b>-95.8</b>

Note: Columns/rows may not add due to rounding.

## **Total Public Sector Cash Flow Statement**

- (a) Net cash flows from operating activities were in a surplus position of \$10.9 billion in 2023-24, \$2.1 billion higher than the \$8.8 billion cash operating surplus forecast in the 2023-24 Budget. Cash operating receipts in 2023-24 were \$79.3 billion, \$4 billion (or 5.3%) higher than forecast. Cash operating payments in 2023-24 were \$68.4 billion, \$1.9 billion (or 2.9%) higher than Budget. Movements for key cash aggregates including taxes, royalties, Commonwealth grants, and wages and salaries are largely driven by general government outcomes, discussed earlier in this appendix.
- (b) Purchases of non-financial assets, also known as the State's Asset Investment Program (AIP), totalled \$11.4 billion in 2023-24, \$1 billion (or 9.6%) higher than forecast in the 2023-24 Budget. The 2023-24 Budget included a global AIP underspend provision of \$4 billion, resulting in a budgeted AIP of \$10.4 billion. The actual underspend by agencies totalled \$3 billion.
- (c) Sales of non-financial assets were \$477 million in 2023-24, \$16 million higher than Budget.
- (d) Net cash flows from investments in non-financial assets were \$10.9 billion in 2023-24, \$985 million (or 9.9%) higher than Budget, with movements in purchases and sales outlined above.
- (e) The total public sector recorded a \$49 million cash deficit in 2023-24, \$1.1 billion lower than the \$1.2 billion deficit forecast in the 2023-24 Budget. This reflects the combination of the stronger than expected net cash surplus on operations (up \$2.1 billion) and the higher net cash spend on non-financial assets (up \$985 million) discussed earlier.

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## **Special Purpose Accounts**

Special Purpose Accounts (SPAs) are established under various sections of the *Financial Management Act 2006* or by specific legislation (e.g. the Royalties for Regions Fund). Accounts established by legislation are governed by the relevant provisions of the statute, while accounts that are established administratively are governed by a special purpose statement (operating accounts) or a trust statement (other accounts) that outlines the purpose of the account.

The focus of this appendix is on major/material SPAs that were in existence at 30 June 2024 and which were established to deliver priority policy outcomes. Details on other SPAs can be found in agencies' annual reports. The SPA balances and transactions in and out of these accounts form part of the overall consolidated outcomes outlined elsewhere in this report.

## Asset Maintenance Fund

This Fund was established as part of the 2023-24 Budget to fund high priority maintenance works, and ensure risks to service delivery, public safety and asset condition are addressed. Receipts for the year to 30 June 2024 reflect \$250 million appropriated to establish the Fund as part of the Budget.

Funds totalling \$9.4 million were drawn from the Account during 2023-24 for various upgrades, maintenance and repair works being delivered by the Department of Education (\$2.5 million), the Department of Fire and Emergency Services (\$1.7 million), VenuesWest (\$1.6 million), and various other agencies (\$3.6 million).

Table 5.1

ASSET MAINTENANCE FUND		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	-	-
Receipts	250	-
Payments	9	-
<b>Closing Balance</b>	<b>241</b>	-

Note: Columns may not add due to rounding.

## Climate Action Fund

This Fund was established in 2021-22 to hold funds for future climate action and renewable energy initiatives. The balance for the year to 30 June 2024 includes \$869 million in appropriation funding allocated in the 2023-24 Budget.

A total of \$358.4 million was drawn from the Fund during 2023-24, including \$302.9 million to support payments for Synergy's Kwinana Battery Energy Storage System 2; \$33.4 million to the Department of Jobs, Tourism, Science and Innovation to meet the costs associated with the transition away from native forestry, the economic transition of Collie and various hydrogen and climate-related initiatives; \$3.4 million to the Department of Water and Environmental Regulation for climate action and adaptation initiatives, including the Green Energy Approvals project and Sectoral Emissions Reduction Strategies; and \$18.5 million for a number of smaller emission reduction and climate adaptation initiatives.

Table 5.2

CLIMATE ACTION FUND		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	168	167
Receipts	869	500
Payments	358	499
<b>Closing Balance</b>	<b>679</b>	<b>168</b>

Note: Columns may not add due to rounding.

## Debt Reduction Account

The Debt Reduction Account was established in 2017-18 to apply funds to reduce Consolidated Account borrowings. No funds flowed through this Account during 2023-24.

<b>DEBT REDUCTION ACCOUNT</b>		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	-	-
Receipts	-	2,100
Payments	-	2,100
<b>Closing Balance</b>	-	-

Note: Columns may not add due to rounding.

## Digital Capability Fund

This Account was established in 2021-22 to provide funding to public sector entities for the upgrade of ICT systems to improve service delivery, enhance cyber security and mitigate operating risks.

During the 12 months to 30 June 2024, unspent funding of \$5.1 million was returned to the Account by the Department of Communities and Department of Finance.

Over the same period, \$216.9 million was drawn down from the Account to progress a range of projects, including \$99.1 million for WA Health, \$27.8 million for the Western Australia Police Force, \$18.3 million for the Department of the Premier and Cabinet, \$13.3 million for the Department of Energy, Mines, Industry Regulation and Safety, \$12.6 million for the Department of Transport, \$9.6 million for the Department of Planning, Lands and Heritage, \$7.2 million for the Department of Fire and Emergency Services, \$5 million for the Department of Primary Industries and Regional Development and various smaller drawdowns by other agencies (\$24 million).

<b>DIGITAL CAPABILITY FUND</b>		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	645	427
Receipts	5	400
Payments	217	181
<b>Closing Balance</b>	<b>434</b>	<b>645</b>

Note: Columns may not add due to rounding.



## Ecological Thinning Account

This Account was established in December 2023 as part of the 2023-24 Mid-year Review for the purpose of conducting ecological thinning works under the 2024-33 Forest Management Plan to reduce moisture stress and promote forest health. Initial funding of \$20.9 million was provided from the Consolidated Account in January 2024 and revenue from wood sold from ecological thinning activities totalling \$489,746 was also credited to the Account in 2023-24. Drawdowns totalling \$9 million were made from the Account for administration costs and contractor payments during 2023-24.

### ECOLOGICAL THINNING ACCOUNT

Table 5.5

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	-	-
Receipts	21	-
Payments	9	-
<b>Closing Balance</b>	<b>12</b>	<b>-</b>

Note: Columns may not add due to rounding.

## METRONET Account

This SPA was established in 2017-18 to support the planning and construction of METRONET infrastructure projects.

Receipts for the year to 30 June 2024 reflect State and Commonwealth funding and revenue from other government agencies of \$3.2 billion.

Payments of \$3 billion were drawn for infrastructure project planning and delivery, including the Morley-Ellenbrook Line (\$718.4 million), the Yanchep Rail Extension (\$569.1 million) and Victoria Park-Canning Level Crossing Removal projects (\$537.9 million), the Byford Rail Extension Delivery (\$389 million), the Thornlie-Cockburn Link (\$357.3 million), Bayswater Station (\$183.3 million), various other projects (\$244.2 million), and for METRONET Office operating expenses (\$0.2 million).

### METRONET ACCOUNT

Table 5.6

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	33	137
Receipts	3,164	1,734
Payments	2,999	1,838
<b>Closing Balance</b>	<b>197</b>	<b>33</b>

Note: Columns may not add due to rounding.

## METRONET and Westport Roads Account

This Account was established in December 2018 to hold funds for road works associated with METRONET, including projects under development. The purpose of the Account was expanded in September 2023 to also hold funds for the delivery of future road-related Westport infrastructure works and associated costs.

For the year ending 30 June 2024, receipts totalled \$247 million, mainly reflecting motor vehicle licence revenue. Payments totalled \$293.7 million, with funds drawn for the Victoria Park-Canning Level Crossing Removal (\$149.1 million), the Byford Rail Extension (\$74 million) and a range of smaller projects (\$70.6 million).

### METRONET AND WESTPORT ROADS ACCOUNT

Table 5.7

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	84	109
Receipts	247	177
Payments	294	202
<b>Closing Balance</b>	<b>38</b>	<b>84</b>

Note: Columns may not add due to rounding.

## Metropolitan Region Improvement Fund

This Fund was established under the *Metropolitan Region Improvement Tax Act 1959* to hold funds for the management of the Metropolitan Region Scheme, including receipts from the Metropolitan Region Improvement Tax (MRIT).

Receipts in 2023-24 reflect MRIT collections (\$95.8 million), interest revenue (\$16.3 million), rent revenue (\$9.4 million), return of funds from unsettled acquisitions (\$6.6 million), proceeds from the sale of land and buildings (\$6.5 million), refunds of GST on purchases from the Australian Taxation Office (\$4.7 million), reimbursement (from the Department of Education) of infrastructure costs incurred at a school site (\$1.9 million) and scheme certification fees (\$1.4 million).

Drawdowns were used for the acquisition of land and buildings (\$51.5 million), service delivery costs associated with the Fund (\$29.1 million), funding for a range of metropolitan region infrastructure projects (\$7.1 million), compensation of landowners for compulsory property acquisitions (\$5.3 million) and legal and valuation costs related to land acquisition (\$0.9 million).

### METROPOLITAN REGION IMPROVEMENT FUND

Table 5.8

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	403	385
Receipts	144	124
Payments	95	106
<b>Closing Balance</b>	<b>452</b>	<b>403</b>

Note: Columns may not add due to rounding.

## Mining Rehabilitation Fund

The Mining Rehabilitation Fund was established in July 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*.

Receipts for the year ending 30 June 2024 reflect levy contributions from mining operators (\$43.2 million) and interest earnings (\$11.9 million). Payments for the year were for rehabilitation costs (\$24.4 million) and administration costs (\$1.1 million).

Table 5.9

MINING REHABILITATION FUND		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	291	254
Receipts	55	47
Payments	25	10
<b>Closing Balance</b>	<b>321</b>	<b>291</b>

Note: Columns may not add due to rounding.

## National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account

This Account was established in December 2018 to meet the cost of payments associated with the State's participation in the National Redress Scheme, and for civil litigation claims by survivors of historical institutional child sexual abuse.

Payments totalling \$56 million were drawn during 2023-24 to meet National Redress Scheme participation costs, civil litigation claims by victims of historical child sexual abuse, and associated administration costs.

Table 5.10

NATIONAL REDRESS SCHEME AND CIVIL LITIGATION FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	143	27
Receipts	-	185
Payments	56	70
<b>Closing Balance</b>	<b>87</b>	<b>143</b>

Note: Columns may not add due to rounding.

## New Women and Babies Hospital Account

This Account was established in 2021 to support construction of the New Women and Babies Hospital. Funding of \$13.4 million was drawn down in 2023-24 for costs related to the finalisation and approval of the Project Definition Plan.

NEW WOMEN AND BABIES HOSPITAL ACCOUNT		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	1,778	1,787
Receipts	-	-
Payments	13	9
<b>Closing Balance</b>	<b>1,764</b>	<b>1,778</b>

Note: Columns may not add due to rounding.

## Perth Parking Licensing Account

This Account was established in 1999 to hold funds to be used to encourage a balanced transport system and improve the amenity of the Perth city area. Money credited to the Account reflects licence fees, penalties and funding appropriated by the Parliament.

Funds drawn from the Account are spent on the Central Area Transit bus system, the Free Transit Zone public transport services in the Perth Central Business District, improvements to public transport access, enhancements to the pedestrian environment, support for bicycle access, and for the administration of the *Perth Parking Management Act 1999*.

PERTH PARKING LICENSING ACCOUNT		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	209	192
Receipts	56	53
Payments	81	37
<b>Closing Balance</b>	<b>183</b>	<b>209</b>

Note: Columns may not add due to rounding.

## Remote Communities Fund

This Fund was established as part of the 2022-23 Budget to support investment to upgrade and regularise water and power infrastructure, provide new and refurbished housing, and improve municipal services and economic participation in remote communities.

A total of \$45.1 million was drawn from the Fund in 2023-24. This included \$28.2 million for the Water Corporation's Remote Essential Services Program (\$19.3 million for capital works to be prioritised across 141 remote communities based on risk, and \$8.9 million for expenditure supporting these operations), and \$16.9 million for maintenance and regulatory compliance works undertaken by Horizon Power to improve the standard of power services in remote communities.

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**REMOTE COMMUNITIES FUND**

Table 5.13

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	340	-
Receipts	-	350
Payments	45	10
<b>Closing Balance</b>	<b>295</b>	<b>340</b>

Note: Columns may not add due to rounding.

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**Road Trauma Trust Account**

This Account was established to provide for road safety initiatives on Western Australian roads. Receipts for 2023-24 mainly reflect collections from prescribed penalties (\$123.2 million), interest revenue on the Account balance (\$4.6 million), and miscellaneous revenue such as from disposal of seized vehicles and unspent grants (\$0.8 million).

Projects funded from the Account during 2023-24 included initiatives to:

- reduce the number and rate at which vulnerable road users are killed and seriously injured (\$29.3 million);
- manage speed on Western Australian roads (\$26.1 million);
- reduce run-off crashes on regional roads by applying treatments such as shoulder sealing, audible edge lines and installing safety barriers (\$22.5 million); and
- providing post-crash support (\$1.6 million).

A further \$24 million was spent on the operations of the Road Safety Commission, including community education campaigns, community grants, the Infringement Management Reform Program, Safety Camera Program, and a range of other road safety initiatives.

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**ROAD TRAUMA TRUST ACCOUNT**

Table 5.14

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	95	71
Receipts	129	127
Payments	103	103
<b>Closing Balance</b>	<b>120</b>	<b>95</b>

Note: Columns may not add due to rounding.

## Royalties for Regions Fund

The Royalties for Regions Fund was established in December 2008 to set aside a share of the State's annual royalty income to fund investment in regional Western Australia. Under the *Royalties for Regions Act 2009*, the balance held in the Fund at any time cannot exceed \$1 billion.

Receipts during 2023-24 reflect the drawdown of moneys appropriated by the Parliament (\$1.1 billion), interest revenue earned on the account balance (\$23.6 million), and unused funds from associated projects returned to the Fund by agencies (\$8.3 million). A total of \$1.1 billion was disbursed from the Fund to support infrastructure, business and economic development and other regional initiatives (detailed in Chapter 7 of the 2024-25 Budget Paper No. 3).

ROYALTIES FOR REGIONS FUND		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	1,000	1,000
Receipts	1,105	989
Payments	1,105	989
<b>Closing Balance</b>	<b>1,000</b>	<b>1,000</b>

Note: Columns may not add due to rounding.

## Royalties for Regions Regional Reform Fund

This Fund was established in June 2015 to fund strategic reform initiatives in regional Western Australia.

The Department of Communities returned \$308,000 of unused funding to the Fund during 2023-24.

A total of \$12.6 million was drawn down during the year, including \$9.4 million by the Department of Communities for the improvement of essential and municipal services in remote Aboriginal communities (\$4 million), the Hedland Transitional Housing project (\$3.1 million), the East Kimberley Transitional Housing Program (\$1.8 million) and the Jalbi Jiya Program (\$0.4 million). The Kimberley Development Commission also received \$3.2 million for the Marlamanu on-country diversionary youth program.

ROYALTIES FOR REGIONS REGIONAL REFORM FUND		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	18	43
Receipts	- <sup>(a)</sup>	4
Payments	13	28
<b>Closing Balance</b>	<b>6</b>	<b>18</b>

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

## Social and Affordable Housing Investment Fund

The Social and Affordable Housing Investment Fund was established as part of the 2021-22 Budget with \$750 million set aside to fund future dwelling construction projects and other initiatives to increase social and affordable housing supply. The Fund received an additional \$450 million in capital appropriation in the 2023-24 Budget.

Funds totalling \$256 million were drawn in 2023-24 to support various social housing initiatives. This included \$250.4 million to the Department of Communities, with funding to support spot purchases of social housing and shared equity buyback programs (\$137.8 million), investment into new social housing (\$52.6 million), repurposing of affordable housing assets to social housing (\$27.5 million), minor refurbishments and maintenance of social housing assets (\$11.3 million), implementation of the Supportive Landlord Model (\$11 million), and Community Housing Grants for new builds (\$10.2 million). A total of \$5.5 million was also provided to the Department of Planning, Lands and Heritage for operating expenditure relating to the Housing Acceleration Program.

### SOCIAL AND AFFORDABLE HOUSING INVESTMENT FUND

Table 5.17

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	499	750
Receipts	450	-
Payments	256	251
<b>Closing Balance</b>	<b>693</b>	<b>499</b>

Note: Columns may not add due to rounding.

## Softwood Plantation Expansion Fund

This Fund was established as part of the 2021-22 Budget to support expansion of the State's softwood plantation estate, support the Western Australian timber and construction industries into the future, provide a funding source for initiatives to offset carbon dioxide production, and to support associated regional development.

A total of \$65 million was drawn down over 2023-24, supporting plantation land purchases across the State.

### SOFTWOOD PLANTATION EXPANSION FUND

Table 5.18

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	319	350
Receipts	-	-
Payments	65	31
<b>Closing Balance</b>	<b>254</b>	<b>319</b>

Note: Columns may not add due to rounding.

## Strategic Industries Fund

The Government established this Fund as part of the 2024-25 Budget to support the development of Western Australia's 13 Strategic Industrial Areas.

The State has committed \$500 million to the Fund, to be appropriated in 2024-25. The 2024-25 Budget allocated \$186 million of this balance to spending across the forward estimates. It is expected that these funds will be used to acquire and develop industrial land, the provision of water and power supply, and case management of industry proponents.

No funds were received or drawn down from the Fund prior to its establishment in 2023-24.

## Waste Avoidance and Resource Recovery Account

The Waste Avoidance and Resource Recovery Account was established under the *Waste Avoidance and Resource Recovery Act 2007* to hold revenue allocated from the waste (landfill) levy. Funds are drawn from the Account to support programs and other initiatives related to the management, reduction, reuse, recycling, monitoring or measurement of waste.

Receipts totalling \$22.5 million were paid into the Account to 30 June 2024. This included \$20.8 million in waste levy collections allocated to the Account by Ministerial determination under the Act, together with interest and other miscellaneous receipts (\$1.7 million) and the return of unused funds (\$0.1 million).

Drawdowns totalling \$23.1 million were made for waste programs and payment of administration costs incurred by the Department of Water and Environmental Regulation (\$20.1 million), implementing the Waste Export Ban (\$2.1 million), delivering the Recovered Materials and Waste Reform program (\$0.6 million), and for the Container Deposit Scheme costs (\$0.4 million).

Table 5.19

### WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	42	41
Receipts	22	22
Payments	23	20
<b>Closing Balance</b>	<b>41</b>	<b>42</b>

Note: Columns may not add due to rounding.



## Western Australian Future Health Research and Innovation Fund

The Western Australian Future Health Research and Innovation Fund was established by the *Western Australian Future Fund Amendment (Future Health Research and Innovation Fund) Act 2020*. This Act allocates 1% of forecast annual royalties to the Fund each year and applies forecast annual investment income from the Fund to an Account that provides long-term support for medical and health research, innovation, and commercialisation activities.

Receipts totalling \$133.7 million in 2023-24 included the Consolidated Account's annual contribution equivalent to 1% of the 2023-24 Budget forecast of the year's royalty revenue (\$79.8 million) and interest receipts (\$53.9 million). A transfer of \$51.4 million to the Western Australian Future Health Research and Innovation Account was included in the 2023-24 Budget, reflecting projected interest earnings at the time of the Budget.

Table 5.20

### WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION FUND (a)

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	1,682	1,597
Receipts	134	118
Payments	51	32
<b>Closing Balance</b>	<b>1,765</b>	<b>1,682</b>

(a) This Fund is a Treasurer's Special Purpose Account.

Note: Columns may not add due to rounding.

The Western Australian Future Health Research and Innovation Account received \$51.4 million from the Future Health Research and Innovation Fund in the September quarter. Interest income of \$3.3 million on the Account balance through the year, and return of \$72,000 in unused funding, were also received during 2023-24. Grant payments of \$66.5 million were drawn down.

Table 5.21

### WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION ACCOUNT (a)

	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	55	24
Receipts	55	50
Payments	67	20
<b>Closing Balance</b>	<b>43</b>	<b>55</b>

(a) This Account is an agency Special Purpose Account administered by the Minister for Medical Research.

Note: Columns may not add due to rounding.

## Western Australian Student Assistance Payment Fund

This Account was established as part of the 2024-25 Budget to hold funds to be used to support Western Australian families with a one-off payment in 2024 to meet out-of-pocket schooling expenses for enrolled students in Western Australian registered schools.

Appropriation funding of \$94.4 million was allocated to the Account. Drawdowns totalling \$72 million supported eligible Western Australian families with a one-off payment in 2024 of \$150 for each kindergarten and primary student, and \$250 for each secondary student.

Table 5.22

WESTERN AUSTRALIAN STUDENT ASSISTANCE PAYMENT FUND		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	-	-
Receipts	94	-
Payments	72	-
<b>Closing Balance</b>	<b>22</b>	-

Note: Columns may not add due to rounding.

## Westport Account

This Account was established to support land acquisitions and feasibility studies for the Westport project. Receipts for the year to 30 June 2024 reflected \$0.5 million of rental income from Westport properties.

Drawdowns for the year included \$4.4 million for the bulk jetty relocation by the Fremantle Port Authority, \$4 million for land purchases by Main Roads, \$3.5 million for feasibility studies being conducted by the Department of Transport, and \$1.8 million to support the Western Australian Planning Commission's Future of Fremantle project.

Table 5.23

WESTPORT ACCOUNT		
	2023-24 \$m	2022-23 \$m
<i>Balance at 1 July</i>	336	399
Receipts	1	- <sup>(a)</sup>
Payments	15	63
<b>Closing Balance</b>	<b>322</b>	<b>336</b>

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.



## **Quarterly Financial Results - June 2024**

This appendix completes the quarterly data series for the 2023-24 year. Consolidated financial outcomes for the general government sector and for the whole-of-government are published in *Quarterly Financial Results Reports* for the September, December and March quarters in accordance with the requirements of the *Government Financial Responsibility Act 2000*<sup>1</sup>.

Information on the full-year outcomes for the general government and total public sectors are available in the *Financial Results* chapter and Appendix 4: *Comparison of Final Outcomes to Original Budget for the Year Ending 30 June 2024* of this report.

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<sup>1</sup> These publications can be accessed on the Treasury website at [www.wa.gov.au/organisation/department-of-treasury](http://www.wa.gov.au/organisation/department-of-treasury). June quarterly data presented in this appendix are subject to year-end finalisation of audited accounts by agencies submitting source data. They may contain final year-end accruals that differ from estimated accruals submitted by agencies through the year, and reclassification of some aggregates in previously reported, unaudited data. Accordingly, quarterly outcomes for June 2024 may include one-off movements in items relative to previous reports, to move them into line with final audited outcomes.

**GENERAL GOVERNMENT**  
Operating Statement

	2023-24		2022-23	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
<b>RESULTS FROM TRANSACTIONS</b>				
<b>REVENUE</b>				
Taxation	3,291	13,631	3,000	12,427
Current grants and subsidies	3,344	12,780	3,089	12,817
Capital grants	801	1,884	1,130	2,081
Sales of goods and services	919	3,460	864	3,296
Interest income	93	391	120	333
Revenue from public corporations				
Dividends from other sector entities	5	210	3	145
Tax equivalent income	307	912	192	705
Royalty income	2,608	11,866	3,040	11,045
Other	229	813	218	752
<b>Total</b>	<b>11,598</b>	<b>45,947</b>	<b>11,656</b>	<b>43,601</b>
<b>EXPENSES</b>				
Salaries	4,299	16,518	3,983	15,727
Superannuation				
Concurrent costs	346	1,781	477	1,759
Superannuation interest cost	36	167	48	160
Other employee costs	129	401	118	387
Depreciation and amortisation	553	2,112	506	1,977
Services and contracts	951	3,403	848	3,080
Other gross operating expenses	1,873	7,330	1,774	6,620
Interest				
Interest on leases	47	175	37	146
Other interest	265	946	244	809
Current transfers	2,117	8,068	1,917	7,358
Capital transfers	289	560	178	458
<b>Total</b>	<b>10,906</b>	<b>41,461</b>	<b>10,129</b>	<b>38,481</b>
<b>NET OPERATING BALANCE</b>	<b>692</b>	<b>4,486</b>	<b>1,527</b>	<b>5,120</b>
<i>Other economic flows - included in the operating result</i>				
Net gains on assets/liabilities	-112	-121	-243	-302
Provision for doubtful debts	-19	-20	-36	-41
Changes in accounting policy/adjustment of prior periods	-271	-168	18	63
<b>Total other economic flows</b>	<b>-402</b>	<b>-310</b>	<b>-261</b>	<b>-280</b>
<b>OPERATING RESULT</b>	<b>289</b>	<b>4,176</b>	<b>1,266</b>	<b>4,841</b>
<i>All other movements in equity</i>				
<i>Items that will not be reclassified to operating result</i>				
Revaluations	4,905	5,718	9,619	9,712
Net actuarial gains - superannuation	86	188	177	100
Gains recognised directly in equity	-	-	-	-
Change in net worth of the public corporations sectors	5,316	8,411	3,440	5,340
All other	-	-	-	-
<b>Total all other movements in equity</b>	<b>10,307</b>	<b>14,318</b>	<b>13,236</b>	<b>15,153</b>
<b>TOTAL CHANGE IN NET WORTH</b>	<b>10,596</b>	<b>18,494</b>	<b>14,502</b>	<b>19,993</b>
<b>KEY FISCAL AGGREGATES</b>				
<b>NET OPERATING BALANCE</b>	<b>692</b>	<b>4,486</b>	<b>1,527</b>	<b>5,120</b>
<i>Less Net acquisition of non-financial assets</i>				
Purchase of non-financial assets	1,249	3,997	1,212	3,870
Changes in inventories	-5	-9	-190	-349
Other movement in non-financial assets	18	22	22	10
<i>less:</i>				
Sales of non-financial assets	18	60	49	86
Depreciation	553	2,112	506	1,977
<b>Total net acquisition of non-financial assets</b>	<b>691</b>	<b>1,838</b>	<b>489</b>	<b>1,468</b>
<b>NET LENDING/-BORROWING</b>	<b>1</b>	<b>2,648</b>	<b>1,037</b>	<b>3,652</b>

Note: Columns/rows may not add due to rounding.

Table 6.2

**GENERAL GOVERNMENT**  
Operating Revenue

	2023-24		2022-23	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
<b>Taxation</b>				
Taxes on employers' payroll and labour force				
<i>Payroll tax</i>	1,349	5,404	1,267	5,017
Property taxes				
<i>Land tax</i>	2	844	-(a)	784
Transfer duty	767	2,575	520	2,113
Foreign Buyers Surcharge	9	33	10	29
Landholder duty	146	324	212	317
<i>Total duty on transfers</i>	921	2,932	741	2,459
Other stamp duties	-(a)	-(a)	-(a)	-(a)
Metropolitan Region Improvement Tax	-1	95	-(a)	89
Perth Parking Levy	2	56	2	53
Emergency Services Levy	27	401	38	399
Loan guarantee fees	-13	131	31	128
Building and Construction Industry Training Fund Levy	14	76	15	70
<i>Total other property taxes</i>	29	760	85	739
Taxes on provision of goods and services				
Lotteries Commission	108	248	88	221
Video lottery terminals	-(a)	-(a)	-(a)	-(a)
Casino tax	20	59	18	56
Betting Tax	33	125	33	128
<i>Total taxes on gambling</i>	161	432	139	405
Insurance duty	240	1,000	219	945
Other	5	20	5	21
<i>Total taxes on insurance</i>	245	1,020	224	967
<i>On-demand Transport Levy</i>	-	-	-	-(a)
Taxes on use of goods and performance of activities				
Vehicle licence duty	199	755	186	671
Permits - Oversize Vehicles and Loads	4	11	4	11
Motor vehicle registrations	347	1,293	317	1,205
Other Vehicle taxes	10	40	9	37
<i>Total motor vehicle taxes</i>	559	2,099	517	1,924
<i>Mining Rehabilitation Levy</i>	-(a)	44	-(a)	41
<i>Landfill Levy</i>	25	96	27	91
<b>Total Taxation</b>	<b>3,291</b>	<b>13,631</b>	<b>3,000</b>	<b>12,427</b>

(a) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Table 6.2 (cont.)

**GENERAL GOVERNMENT**  
Operating Revenue

	2023-24		2022-23	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
<b>Current Grants and Subsidies</b>				
General Purpose Grants				
GST grants	1,741	6,565	1,557	6,306
North West Shelf grants	175	694	197	1,366
Commonwealth compensation for changed crude oil excise arrangements	8	34	10	116
National Agreements				
Skills and Workforce Development	-4	90	44	177
Skills	46	115	-	-
Housing and Homelessness	49	191	50	186
Mental Health and Suicide Prevention	-	3	-	-
Schools Reform - Quality Schools	308	1,221	291	1,120
Health Reform	776	3,070	726	2,754
National Partnerships/Other Grants				
Health	72	230	62	325
Transport	10	89	23	127
Disability Services	2	4	1	3
Other	161	476	129	337
<b>Total Current Grants and Subsidies</b>	<b>3,344</b>	<b>12,780</b>	<b>3,089</b>	<b>12,817</b>
<b>Capital Grants</b>				
National Partnerships/Other Grants				
Transport	652	1,707	812	1,701
Other	148	177	318	380
<b>Total Capital Grants</b>	<b>801</b>	<b>1,884</b>	<b>1,130</b>	<b>2,081</b>
<b>Sales of Goods and Services</b>	<b>919</b>	<b>3,460</b>	<b>864</b>	<b>3,296</b>
<b>Interest Income</b>	<b>93</b>	<b>391</b>	<b>120</b>	<b>333</b>
<b>Revenue from Public Corporations</b>				
Dividends	5	210	3	145
Tax Equivalent Regime	307	912	192	705
<b>Total Revenue from Public Corporations</b>	<b>312</b>	<b>1,122</b>	<b>195</b>	<b>850</b>
<b>Royalty Income</b>				
Iron ore	2,459	10,365	2,357	9,079
Other	150	1,502	683	1,966
<b>Total Royalty Income</b>	<b>2,608</b>	<b>11,866</b>	<b>3,040</b>	<b>11,045</b>
<b>Other</b>				
Lease Rentals	35	180	37	158
Fines	66	239	79	248
Revenue not elsewhere counted	128	394	102	346
<b>Total Other</b>	<b>229</b>	<b>813</b>	<b>218</b>	<b>752</b>
<b>TOTAL REVENUE</b>	<b>11,598</b>	<b>45,947</b>	<b>11,656</b>	<b>43,601</b>

Note: Columns/rows may not add due to rounding.

Table 6.3

**GENERAL GOVERNMENT**  
Cash Flow Statement

	2023-24		2022-23	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<i>Cash received</i>				
Taxes received	3,559	13,444	3,266	12,622
Grants and subsidies received	5,030	17,024	5,057	17,235
Receipts from sales and goods and services	1,144	3,704	879	3,338
Interest receipts	82	354	110	287
Dividends and tax equivalents	265	1,034	289	1,023
Other receipts	3,722	14,802	3,673	13,797
<i>Total cash received</i>	<i>13,804</i>	<i>50,362</i>	<i>13,273</i>	<i>48,303</i>
<i>Cash paid</i>				
Wages, salaries and supplements, and superannuation	-4,413	-18,259	-4,075	-17,339
Payments for goods and services	-2,839	-11,251	-2,421	-10,066
Interest paid	-285	-1,044	-257	-885
Grants and subsidies paid	-3,474	-10,424	-2,639	-9,837
Dividends and tax equivalents	-	-	-	-
Other payments	-799	-2,659	-628	-2,350
<i>Total cash paid</i>	<i>-11,810</i>	<i>-43,638</i>	<i>-10,020</i>	<i>-40,476</i>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>1,994</b>	<b>6,724</b>	<b>3,252</b>	<b>7,827</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<i>Cash flow from investment in non-financial assets</i>				
Purchase of non-financial assets	-1,249	-3,997	-1,212	-3,870
Sales of non-financial assets	18	60	49	86
<i>Total cash flows from investments in financial assets</i>	<i>-1,230</i>	<i>-3,938</i>	<i>-1,163</i>	<i>-3,784</i>
<i>Cash flows from investments in financial assets</i>				
<i>Cash received</i>				
For policy purposes	38	71	13	114
For liquidity purposes	22	64	14	48
<i>Cash paid</i>				
For policy purposes	-1,373	-3,746	-1,158	-2,738
For liquidity purposes	-23	-97	-2	-75
<i>Total cash flows from investments in financial assets</i>	<i>-1,336</i>	<i>-3,708</i>	<i>-1,134</i>	<i>-2,651</i>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-2,567</b>	<b>-7,646</b>	<b>-2,296</b>	<b>-6,435</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<i>Cash received</i>				
Advances received	18	18	18	18
Borrowings	568	619	150	188
Deposit received	936	936	-	-
Other financing receipts	23	286	138	316
<i>Total cash received</i>	<i>1,545</i>	<i>1,858</i>	<i>306</i>	<i>522</i>
<i>Cash paid</i>				
Advances paid	-18	-18	-18	-18
Borrowings repaid	-16	-50	-520	-2,151
Deposits paid	-1	-1	-	-
Other financing payments	-174	-765	-166	-689
<i>Total cash paid</i>	<i>-208</i>	<i>-833</i>	<i>-704</i>	<i>-2,858</i>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>1,337</b>	<b>1,025</b>	<b>-398</b>	<b>-2,336</b>
<b>Net increase in cash and cash equivalents</b>	<b>765</b>	<b>103</b>	<b>558</b>	<b>-944</b>
Cash and cash equivalents at beginning of the period	8,431	9,093	8,535	10,037
Cash and cash equivalents at end of the period	9,196	9,196	9,093	9,093
<b>KEY FISCAL AGGREGATES</b>				
Net cash flows from operating activities	1,994	6,724	3,252	7,827
Net cash flows from investing in non-financial assets	-1,230	-3,938	-1,163	-3,784
<b>Cash surplus/-deficit</b>	<b>764</b>	<b>2,787</b>	<b>2,089</b>	<b>4,043</b>

Note: Columns/rows may not add due to rounding.



**TOTAL PUBLIC SECTOR**  
Operating Statement

	2023-24		2022-23	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
<b>RESULTS FROM TRANSACTIONS</b>				
<b>REVENUE</b>				
Taxation	3,125	13,007	2,819	11,843
Current grants and subsidies	3,344	12,780	3,089	12,817
Capital grants	801	1,884	1,130	2,081
Sales of goods and services	11,651	41,789	10,394	38,400
Interest Income	224	986	281	868
Royalty income	2,608	11,866	3,040	11,045
Other	408	1,473	389	1,288
<i>Total revenue</i>	<i>22,161</i>	<i>83,785</i>	<i>21,142</i>	<i>78,341</i>
<b>EXPENSES</b>				
Salaries	4,707	18,118	4,359	17,169
Superannuation				
Concurrent costs	388	1,958	522	1,920
Superannuation interest cost	36	167	48	160
Other employee costs	274	784	188	637
Depreciation and amortisation	1,449	5,391	1,239	5,120
Services and contracts	1,307	4,406	1,138	4,144
Other gross operating expenses	10,527	39,140	10,819	37,135
Interest				
Interest on leases	65	243	54	217
Other interest	489	1,812	433	1,490
Current transfers	1,310	5,561	1,423	5,337
Capital transfers	91	278	63	274
<i>Total expenses</i>	<i>20,643</i>	<i>77,859</i>	<i>20,286</i>	<i>73,604</i>
<b>NET OPERATING BALANCE</b>	<b>1,519</b>	<b>5,926</b>	<b>856</b>	<b>4,738</b>
<i>Other economic flows - included in the operating result</i>				
Net gains on assets/liabilities	-356	-158	-247	12
Provision for doubtful debts	-32	-34	-43	-57
Changes in accounting policy/adjustment of prior periods	-276	-125	26	137
<i>Total other economic flows</i>	<i>-664</i>	<i>-317</i>	<i>-264</i>	<i>92</i>
<b>OPERATING RESULT</b>	<b>854</b>	<b>5,610</b>	<b>593</b>	<b>4,830</b>
<i>All other movements in equity</i>				
<i>Items that will not be reclassified to operating result</i>				
Revaluations	9,704	12,727	13,754	15,118
Net actuarial gains - superannuation	60	162	160	80
Gains recognised directly in equity	-22	-5	-4	-35
All other	-	-	-	-
<i>Total all other movements in equity</i>	<i>9,742</i>	<i>12,884</i>	<i>13,910</i>	<i>15,164</i>
<b>TOTAL CHANGE IN NET WORTH</b>	<b>10,596</b>	<b>18,494</b>	<b>14,502</b>	<b>19,993</b>
<b>KEY FISCAL AGGREGATES</b>				
<b>NET OPERATING BALANCE</b>	<b>1,519</b>	<b>5,926</b>	<b>856</b>	<b>4,738</b>
<i>Less Net acquisition of non-financial assets</i>				
Purchase of non-financial assets	3,571	11,405	3,162	9,235
Changes in inventories	686	985	-337	311
Other movement in non-financial assets	52	191	76	196
<i>less:</i>				
Sales of non-financial assets	69	477	164	483
Depreciation	1,449	5,391	1,239	5,120
<i>Total net acquisition of non-financial assets</i>	<i>2,790</i>	<i>6,712</i>	<i>1,498</i>	<i>4,139</i>
<b>NET LENDING-BORROWING</b>	<b>-1,271</b>	<b>-786</b>	<b>-642</b>	<b>599</b>

Note: Columns/rows may not add due to rounding.

Table 6.5

**TOTAL PUBLIC SECTOR**  
Operating Revenue

	2023-24		2022-23	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
<b>Taxation</b>				
Taxes on employers' payroll and labour force				
<i>Payroll tax</i>	1,318	5,282	1,236	4,902
Property taxes				
<i>Land tax</i>	-23	766	-17	713
Transfer Duty	767	2,575	520	2,113
Foreign Buyers surcharge	9	33	10	29
Landholder Duty	146	324	212	317
<i>Total duty on transfers</i>	921	2,932	741	2,459
Other stamp duties	_(a)	_(a)	_(a)	_(a)
Metropolitan Region Improvement Tax	-1	95	_(a)	89
Perth Parking Levy	2	56	2	53
Emergency Services Levy	23	397	34	395
Loan guarantee fees	_(a)	6	_(a)	6
Building and Construction Industry Training Fund Levy	14	76	15	70
<i>Total other property taxes</i>	39	631	51	613
Taxes on provision of goods and services				
Video lottery terminals	_(a)	_(a)	_(a)	_(a)
Casino Tax	20	59	18	56
Betting Tax	21	76	20	78
<i>Total taxes on gambling</i>	41	136	39	134
Insurance Duty	240	1,000	219	945
Other	5	20	5	21
<i>Total taxes on insurance</i>	245	1,020	224	967
<i>On-demand Transport Levy</i>	-	-	-	_(a)
Taxes on use of goods and performance of activities				
Vehicle Licence Duty	199	755	186	671
Permits - Oversize Vehicles and Loads	4	11	4	11
Motor Vehicle registrations	347	1,293	317	1,205
Other Vehicle taxes	10	40	9	37
<i>Total motor vehicle taxes</i>	559	2,099	517	1,924
<i>Mining Rehabilitation Levy</i>	_(a)	44	_(a)	41
<i>Landfill Levy</i>	25	96	27	91
<b>Total Taxation</b>	<b>3,125</b>	<b>13,007</b>	<b>2,819</b>	<b>11,843</b>

(a) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Table 6.5 (cont.)

**TOTAL PUBLIC SECTOR**  
Operating Revenue

	2023-24		2022-23	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
<b>Current Grants and Subsidies</b>				
General Purpose Grants				
GST grants	1,741	6,565	1,557	6,306
North West Shelf grants	175	694	197	1,366
Commonwealth compensation for changed crude oil excise arrangements	8	34	10	116
National Agreements				
Skills and Workforce Development	-4	90	44	177
Skills	46	115	-	-
Housing and Homelessness	49	191	50	186
Mental Health and Suicide Prevention	-	3	-	-
Schools Reform - Quality Schools	308	1,221	291	1,120
Health Reform	776	3,070	726	2,754
National Partnerships/Other Grants				
Health	72	230	62	325
Transport	10	89	23	127
Disability Services	2	4	1	3
Other	161	476	129	337
<b>Total Current Grants and Subsidies</b>	<b>3,344</b>	<b>12,780</b>	<b>3,089</b>	<b>12,817</b>
<b>Capital Grants</b>				
National Partnerships/Other Grants				
Transport	652	1,707	812	1,701
Other	148	177	318	380
<b>Total Capital Grants</b>	<b>801</b>	<b>1,884</b>	<b>1,130</b>	<b>2,081</b>
<b>Sales of Goods and Services</b>	<b>11,651</b>	<b>41,789</b>	<b>10,394</b>	<b>38,400</b>
<b>Interest Income</b>	<b>224</b>	<b>986</b>	<b>281</b>	<b>868</b>
<b>Royalty Income</b>				
Iron ore	2,459	10,365	2,357	9,079
Other	150	1,502	683	1,966
<b>Total Royalty Income</b>	<b>2,608</b>	<b>11,866</b>	<b>3,040</b>	<b>11,045</b>
<b>Other</b>				
Lease Rentals	35	180	37	158
Fines	62	239	76	248
Revenue not elsewhere counted	311	1,055	276	882
<b>Total Other</b>	<b>408</b>	<b>1,473</b>	<b>389</b>	<b>1,288</b>
<b>TOTAL REVENUE</b>	<b>22,161</b>	<b>83,785</b>	<b>21,142</b>	<b>78,341</b>

Note: Columns/rows may not add due to rounding.

Table 6.6

**TOTAL PUBLIC SECTOR**  
**Cash Flow Statement**

	2023-24		2022-23	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<i>Cash received</i>				
Taxes received	3,202	12,803	2,955	12,035
Grants and subsidies received	5,030	17,024	5,056	17,235
Receipts from sales and goods and services	9,007	31,976	9,170	30,454
Interest receipts	191	909	226	786
Dividends and tax equivalents	-	-	-	-
Other receipts	4,188	16,594	4,097	15,288
<i>Total cash received</i>	<b>21,618</b>	<b>79,305</b>	<b>21,504</b>	<b>75,798</b>
<i>Cash paid</i>				
Wages, salaries and supplements, and superannuation	-4,884	-20,032	-4,450	-18,922
Payments for goods and services	-8,801	-32,109	-9,280	-30,998
Interest paid	-369	-1,908	-382	-1,658
Grants and subsidies paid	-2,280	-6,967	-1,912	-7,013
Dividends and tax equivalents	-	-	-	-
Other payments	-1,951	-7,411	-1,509	-6,336
<i>Total cash paid</i>	<b>-18,284</b>	<b>-68,427</b>	<b>-17,533</b>	<b>-64,926</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>3,334</b>	<b>10,879</b>	<b>3,971</b>	<b>10,872</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<i>Cash flow from investment in non-financial assets</i>				
Purchase of non-financial assets	-3,571	-11,405	-3,162	-9,235
Sales of non-financial assets	69	477	164	483
<i>Total cash flows from investments in financial assets</i>	<b>-3,501</b>	<b>-10,928</b>	<b>-2,998</b>	<b>-8,752</b>
<i>Cash flows from investments in financial assets</i>				
<i>Cash received</i>				
For policy purposes	35	68	13	114
For liquidity purposes	1,863	10,483	1,114	9,157
<i>Cash paid</i>				
For policy purposes	-13	-67	88	-110
For liquidity purposes	-1,914	-10,274	-2,882	-8,851
<i>Total cash flows from investments in financial assets</i>	<b>-29</b>	<b>210</b>	<b>-1,666</b>	<b>310</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-3,530</b>	<b>-10,718</b>	<b>-4,664</b>	<b>-8,442</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<i>Cash received</i>				
Advances received	-	-	-	-
Borrowings	6,856	22,839	7,561	22,051
Deposit received	-	-	-	-
Other financing receipts	25	283	5	290
<i>Total cash received</i>	<b>6,881</b>	<b>23,122</b>	<b>7,566</b>	<b>22,341</b>
<i>Cash paid</i>				
Advances paid	-18	-18	-18	-18
Borrowings repaid	-5,534	-22,613	-6,007	-24,313
Deposits paid	-	-	-	-
Other financing payments	-205	-846	-265	-785
<i>Total cash paid</i>	<b>-5,757</b>	<b>-23,476</b>	<b>-6,290</b>	<b>-25,115</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>1,125</b>	<b>-354</b>	<b>1,276</b>	<b>-2,774</b>
<b>Net increase in cash and cash equivalents</b>	<b>928</b>	<b>-194</b>	<b>583</b>	<b>-344</b>
Cash and cash equivalents at beginning of the period	13,885	15,007	14,424	15,351
Cash and cash equivalents at end of the period	14,813	14,813	15,007	15,007
<b>KEY FISCAL AGGREGATES</b>				
Net cash flows from operating activities	3,334	10,879	3,971	10,872
Net cash flows from investing in non-financial assets	-3,501	-10,928	-2,998	-8,752
<b>Cash surplus/-deficit</b>	<b>-168</b>	<b>-49</b>	<b>973</b>	<b>2,120</b>

Note: Columns/rows may not add due to rounding.



## Public Ledger

The Public Ledger, established by section 7 of the *Financial Management Act 2006* (FMA), includes those transactions and operations that are conducted through the Consolidated Account, the Treasurer's Advance Account and the Treasurer's Special Purpose Accounts (TSPAs). Together with agency Special Purpose Accounts, the total of these accounts forms the Public Bank Account.

<b>PUBLIC LEDGER BALANCES AT 30 JUNE</b>				Table 7.1
	2024 \$m	2023 \$m	Variance \$m	
<b>THE PUBLIC LEDGER</b>				
Consolidated Account <sup>(a)</sup>	-27,803	-23,976	-3,827	
Treasurer's Special Purpose Accounts	28,001	25,709	2,292	
Treasurer's Advance Account – Net Recoverable Advances	-26	-118	92	
<b>TOTAL</b>	<b>172</b>	<b>1,615</b>	<b>-1,443</b>	
Agency Special Purpose Accounts	9,762	7,827	1,935	
<b>TOTAL PUBLIC BANK ACCOUNT</b>	<b>9,934</b>	<b>9,442</b>	<b>492</b>	

(a) The balance of the Consolidated Account at 30 June 2024 includes non-cash appropriations of \$20.1 billion (30 June 2023: \$18.5 billion), representing the non-cash cost of agency services. These appropriations are credited to agency Holding Accounts that are included in the TSPAs balance. In cash terms, the Consolidated Account was in a \$7.7 billion deficit position at 30 June 2024 (compared with a deficit position of \$5.5 billion at 30 June 2023).

Note: Columns/rows may not add due to rounding.

## Consolidated Account

The *Constitution Act 1889* requires that all revenue of the Crown that is not permanently appropriated by legislation to another entity, shall be credited to the Consolidated Account. The Act also requires that payments out of the Account must be appropriated by the Parliament.

Accordingly, Consolidated Account revenue is not available for use by agencies that collect it, and such receipts must be paid directly to the credit of the Account. Expenditure is authorised by the Parliament, with both the amount and the purpose of the associated appropriation clearly specified.

The Consolidated Account accumulated accrual deficit position increased by \$3.8 billion during 2023-24, to be \$27.8 billion at 30 June 2024 (see following table). This included \$20.1 billion associated with non-cash appropriations for depreciation and leave entitlements, matched by equivalent non-cash TSPA balances in agency Holding Accounts (see table later in this Appendix).

In cash terms, the Consolidated Account recorded an accumulated deficit of \$7.7 billion at 30 June 2024, up from the \$5.5 billion deficit balance at 30 June 2023.

Receipts totalled \$34.8 billion in 2023-24, up \$1 billion on 2022-23, mainly due to:

- higher royalty collections (up \$621 million), mainly reflecting iron ore royalties (up \$979 million), partly offset by lower lithium collections (down \$220 million);
- higher tax collections by Revenue WA (up \$670 million), mainly payroll tax and transfer duty;
- higher 'other' receipts from agencies (up \$309 million), mainly due to higher motor vehicle licence collections by the Department of Transport;
- lower Commonwealth grants (down \$533 million), mainly due to lower North West Shelf grants and Commonwealth crude oil excise compensation grants (down \$793 million), partially offset by higher GST grants (up \$259 million);
- lower 'other' receipts (down \$164 million), mainly for the return of appropriation funding from prior years to the Consolidated Account; and
- the return of \$100 million from the Public Bank Account Interest Earned Account.

Consolidated Account spending (including accrual service and other cash appropriations) totalled \$38.6 billion in 2023-24, \$1.9 billion higher than in 2022-23. This was mainly due to:

- higher recurrent funding (up \$2.4 billion) approved under *Appropriation Act (No. 1)* and higher capital funding (up \$1.4 billion) approved under *Appropriation Act (No. 2)*, supporting funding requirements outlined in the 2023-24 Budget; and
- repayment of \$2.1 billion in State borrowings in 2022-23, following the application of higher than expected operating surpluses to debt retirement during the year ending 30 June 2023.

State borrowings held by the Consolidated Account totalled \$22.9 billion at 30 June 2024 (unchanged from the balance at 30 June 2023). Total proceeds from gross borrowings (i.e. excluding repayments of borrowings) stood at \$27.5 billion at 30 June 2024, which remains below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding Loan Acts<sup>1</sup>.

Further detail on the broader impact of these issues on the whole-of-government is available in the *Financial Results* chapter.

<b>CONSOLIDATED ACCOUNT TRANSACTIONS</b>			
	2024 \$m	2023 \$m	Variance \$m
<b>REVENUE</b>			
<i>Operating Activities</i>			
Taxation	11,024	10,355	670
Commonwealth grants	8,300	8,834	-533
Government enterprises	1,036	1,020	16
Royalty receipts	12,006	11,385	621
Other receipts from agencies	1,713	1,404	309
Other receipts	550	714	-164
<i>Total Operating Activities</i>	<b>34,629</b>	<b>33,710</b>	<b>919</b>
<i>Financing Activities</i>			
Transfers from the Debt Reduction Account	-	-	-
Borrowings	-	-	-
Public Bank Account Interest Earned Account	100	-	-
Other receipts	21	12	9
<i>Total Financing Activities</i>	<b>121</b>	<b>12</b>	<b>109</b>
<b>TOTAL REVENUE</b>	<b>34,751</b>	<b>33,722</b>	<b>1,028</b>
<b>EXPENDITURE</b>			
<i>Recurrent</i>			
Authorised by other statutes	2,782	2,612	171
Appropriation Act (No. 1)	26,909	24,511	2,398
Recurrent expenditure under the Treasurer's Advance	2,258	2,398	-139
<i>Total Recurrent Expenditure</i>	<b>31,950</b>	<b>29,521</b>	<b>2,429</b>
<i>Investing Activities</i>			
Authorised by other statutes	438	321	117
Appropriation Act (No. 2)	5,941	4,496	1,446
Investing expenditure under the Treasurer's Advance	230	274	-44
<i>Total Investing Activities</i>	<b>6,609</b>	<b>5,091</b>	<b>1,518</b>
<i>Financing Activities</i>			
Funding for loan repayments (through the Debt Reduction Account)	-	2,100	-2,100
Appropriation Act (No. 2)	-	-	-
Other financing	18	10	8
<i>Total Financing Activities</i>	<b>18</b>	<b>2,110</b>	<b>-2,092</b>
<b>TOTAL EXPENDITURE</b>	<b>38,577</b>	<b>36,721</b>	<b>1,856</b>
<b>NET MOVEMENT (REVENUE LESS EXPENDITURE)</b>	<b>-3,827</b>	<b>-2,999</b>	<b>-828</b>
<b>Consolidated Account Balance</b>			
Opening balance at 1 July	-23,976	-20,977	-2,999
Closing balance at 30 June	-27,803	-23,976	-3,827
Of which:			
Appropriations payable	-20,111	-18,511	-1,600
Cash balance at 30 June	-7,692	-5,465	-2,227
<b>Memorandum item: Consolidated Account Borrowings at 30 June</b>	<b>22,887</b>	<b>22,887</b>	<b>-</b>

Note: Columns/rows may not add due to rounding.

<sup>1</sup> Proceeds of borrowings by the Consolidated Account (i.e. gross borrowings excluding debt repayments) cannot exceed the cumulative limit authorised by the Loan Acts.



## Treasurer's Special Purpose Accounts

The Treasurer's Special Purpose Accounts (TSPAs) consist of:

- any account established by the Treasurer as a TSPA for the purposes determined by the Treasurer;
- suspense accounts established for the purposes of section 26 of the FMA;
- any account established to hold money transferred under section 39(5) of the FMA;
- the Public Bank Account Interest Earned Account, established for the purpose of holding money credited to that Account under section 38(9) of the FMA pending its allocation and payment as required or permitted under the FMA or another written law;
- any account established under written law and determined by the Treasurer to be a TSPA; and
- any other account established to hold money and determined by the Treasurer to be a TSPA.

Aggregate TSPA balances at 30 June 2024 were \$2.3 billion higher than at the same time last year. This reflects:

- higher non-cash Holding Account balances for agency depreciation costs and accrued leave entitlements (up \$1.6 billion);
- the top-up (in the 2023-24 Budget) of the Climate Action Fund to support the Government's emissions reduction target and other climate-related initiatives (\$869 million), less drawdowns from the Fund over the last 12 months (\$358 million);
- the establishment of the Asset Maintenance Fund in the 2023-24 Budget (\$250 million) to support targeted investment in maintenance works for general government sector agencies, less drawdowns from the Fund (\$9 million);
- a \$212 million decrease in the balance of the Digital Capability Fund, largely reflecting drawdowns to progress a range of approved projects by agencies;
- a \$194 million net increase in the Social and Affordable Housing Investment Fund, including a \$450 million top-up as part of the 2023-24 Budget, partly offset by drawdowns of \$256 million over the last 12 months to support various social housing initiatives;
- an increase in the balance of the Western Australian Future Health Research and Innovation Fund, reflecting appropriation of 1% of forecast annual royalty receipts (\$80 million) and interest earnings on the balance of the Fund over the last 12 months (\$54 million), partly offset by the transfer of \$51 million to the Western Australian Future Health Research and Innovation Account;
- an increase in the balance of agency accounts that hold cash for the cost of an extra pay period which falls due every 11 years (up \$69 million);

- a \$65 million reduction in the Softwood Plantation Expansion Fund for drawdowns supporting land purchases over the last year;
- a \$56 million decrease in funds held in the National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account, reflecting payments to cover Scheme expenditure, civil litigation costs and associated administration costs;
- a \$45 million decrease in the Remote Communities Fund, reflecting drawdowns for the regularisation and upgrade of water and electricity services in remote communities;
- a \$22 million decrease in the Public Bank Account Interest Earned Account, reflecting the return of surplus funds to the Consolidated Account (\$100 million), partly offset by interest earned on Public Bank Account balances through the year (\$78 million);
- a \$13 million decrease in the New Women and Babies Hospital Account, for costs related to the finalisation and approval of the Project Definition Plan;
- the establishment of the Ecological Thinning Account as part of the 2023-24 Mid-year Review (\$12 million); and
- a \$4 million decrease across all other TSPAs.

A number of movements in these TSPAs and other agency accounts are discussed in more detail in Appendix 5: *Special Purpose Accounts* and in agency annual reports.

The following table summarises the position of TSPAs at 30 June 2024 and 2023.

<b>TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 30 JUNE</b>			
	2024	2023	Variance
	\$m	\$m	\$m
Agency Holding Accounts	20,111	18,511	1,600
Western Australian Future Health Research and Innovation Fund	1,764	1,682	82
New Women and Babies Hospital Account	1,764	1,778	-13
Royalties for Regions Fund	1,000	1,000	-
Social and Affordable Housing Investment Fund	693	499	194
Climate Action Fund	679	168	511
Digital Capability Fund	434	645	-212
Accrued Salaries Account	416	347	69
Remote Communities Fund	295	340	-45
Softwood Plantation Expansion Fund	254	319	-65
Asset Maintenance Fund	241	-	241
Public Bank Account Interest Earned Account	186	208	-22
National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account	87	143	-56
Ecological Thinning Program	12	-	12
Other Treasurer's Special Purpose Accounts	64	69	-4
<b>TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 30 JUNE</b>	<b>28,001</b>	<b>25,709</b>	<b>2,292</b>

Note: Columns/rows may not add due to rounding.

## Treasurer's Advance

The Treasurer's Advance allows for repayable advances to agencies for working capital purposes (known as 'net recoverable advances'), a short-term advance for any overdrawn agency Special Purpose Accounts, and the provision of supplementary appropriation funding for unforeseen and/or extraordinary events during the year (known as 'excesses and new items').

A total limit of \$3.2 billion was authorised for the year ended 30 June 2024. The original \$909.9 million authority (established by section 29 of the FMA) was increased by \$2.3 billion with the passage of the *Treasurer's Advance Authorisation Bill 2024*, which provided for additional appropriation funding expected to emerge during 2023-24.

Of the \$3.2 billion authorised limit, \$2,515 million was drawn by 30 June 2024. This included \$2,488.5 million for excesses and new items (which are included in the Consolidated Account outcome detailed earlier in this appendix and in detailed agency information later in this section). The remaining \$26.2 million was drawn against net recoverable advances as shown in the following table.

Table 7.4

<b>TREASURER'S ADVANCE AT 30 JUNE</b>			
	2024 \$m	2023 \$m	Variance \$m
<b>AUTHORISED LIMIT</b>	<b>3,209.9</b>	<b>3,077.5</b>	<b>132.4</b>
<i>Total Drawn Against Treasurer's Advance Account</i>	<i>2,514.7</i>	<i>2,789.6</i>	<i>-274.9</i>
Comprising:			
<i>Net recoverable advances</i>	<i>26.2</i>	<i>117.8</i>	<i>-91.6</i>
Regional Road Safety Program	-	107.2	-107.2
Sundry Debtors	2.4	3.2	-0.9
Homebuyers Assistant Account	-	2.5	-2.5
Suitors Fund	2.5	2.5	-
Petroleum and Geothermal Energy Safety	2.0	2.0	-
Western Australian Energy Disputes Arbitrator	-	0.4	-0.4
Biosecurity Incident and Emergency Responses	19.4	-	19.4
<i>Excesses and new items</i>	<i>2,488.5</i>	<i>2,671.8</i>	<i>-183.3</i>
- recurrent	2,258.4	2,397.5	-139.1
- capital	230.1	274.3	-44.2

Note: Columns/rows may not add due to rounding.

## Transfers, Excesses and New Items

The following table summarises transfers of appropriations between agencies (and which have no impact on the Treasurer's Advance), and excesses and/or new items approved by the Treasurer under the authority of section 27 of the FMA.

Table 7.5

### TRANSFERS, EXCESSES AND NEW ITEMS

For the Twelve Months to 30 June 2024

	Treasurer's Advance					Draw n against Treasurer's Advance to 30 June 2024 \$m
	Budget \$m	Transfers <sup>(a)</sup> \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
<b>Recurrent Appropriations</b>						
<i>Legislative Council</i>						
Item 1: Delivery of Services	6.2	-	-	-(b)	6.2	-(b)
<i>Parliamentary Services</i>						
Item 3: Delivery of Services	21.3	-	-	0.1	21.4	-
<i>Premier and Cabinet</i>						
Item 5: Delivery of Services	168.4	0.3	-	13.8	182.5	13.8
Item 6: Amount provided for Administered Grants,	94.6	-	-	90.6	185.1	84.9
<i>Western Australian Electoral Commission</i>						
Item 9: Delivery of Services	11.3	-	-	1.1	12.4	1.1
<i>Office of the Information Commissioner</i>						
Item 12: Delivery of Services	2.8	-	-	0.1	3.0	0.1
<i>Treasury</i>						
Item 14: Delivery of Services	53.0	0.5	-	1.4	54.9	-
Item 15: Bunbury Water Corporation	2.3	-	-	2.4	4.7	2.4
Item 16: Busselton Water Corporation	0.7	-	-	0.1	0.8	0.1
Item 17: Electricity Generation and Retail Corporation (Synergy)	925.1	-	-	34.6	959.7	14.8
Item 20: Public Transport Authority	1,112.4	20.6	-	83.0	1,216.0	83.0
Item 21: Regional Power Corporation (Horizon Power)	31.1	-	-	16.2	47.2	13.6
Item 22: Water Corporation	621.1	-	-	73.2	694.3	73.2
Item 32: Provision for Wages Policy Outcomes not yet Finalised	123.6	-161.7	-	39.4	1.3	38.1
Item 35: State Property - Emergency Services Levy	20.5	-	-	-(b)	20.5	-(b)
Item 36: WA Health	14.6	-	-	14.2	28.8	-
Item 37: Amount provided for Administered Grants,	29.3	-	-	20.2	49.5	3.6
New Item: Metropolitan Redevelopment Authority (DevelopmentWA)	-	-	0.6	-	0.6	0.6
New Item: Ecological Thinning Program Account	-	-	20.9	-	20.9	20.9
<i>Office of the Auditor General</i>						
Item 38: Delivery of Services	12.8	-	-	0.3	13.2	0.3
<i>Jobs, Tourism, Science and Innovation</i>						
Item 41: Delivery of Services	398.0	0.4	-	-	398.4	-
Item 42: Amount provided for Administered Grants,	21.7	-	-	2.3	24.0	2.3
<i>Primary Industries and Regional Development</i>						
Item 43: Delivery of Services	249.7	-(b)	-	37.1	286.8	37.1
<i>Energy, Mines, Industry Regulation and Safety</i>						
Item 45: Delivery of Services	205.2	-0.1	-	10.9	216.0	10.9
Item 46: Amount provided for Administered Grants,	19.0	-	-	29.0	48.0	15.4
<i>Small Business Development Corporation</i>						
Item 47: Delivery of Services	15.5	-	-	1.5	17.0	1.5
<i>Infrastructure WA</i>						
Item 50: Delivery of Services	5.0	-	-	0.1	5.1	0.1
<i>WA Health</i>						
Item 51: Delivery of Services	6,472.2	49.9	-	547.5	7,069.7	547.5

Note: Columns/rows may not add due to rounding.

Table 7.5 (cont.)

**TRANSFERS, EXCESSES AND NEW ITEMS**  
For the Twelve Months to 30 June 2024

	Treasurer's Advance					Drawn against Treasurer's Advance to 30 June 2024 \$m
	Budget \$m	Transfers <sup>(a)</sup> \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
<b>Recurrent Appropriations</b>						
<i>Mental Health Commission</i>						
Item 52: Delivery of Services	962.2	0.2	-	-	962.3	-
Item 55: Office of the Chief Psychiatrist	4.7	- <sup>(b)</sup>	-	-	5.7	-
<i>Education</i>						
Item 57: Delivery of Services	4,842.3	1.2	-	108.1	4,951.7	108.1
Item 58: Amount provided for Administered Grants,	462.2	-	-	101.6	563.8	101.6
<i>Western Australia Police Force</i>						
Item 60: Delivery of Services	1,607.3	46.0	-	11.3	1,664.6	11.3
Item 61: Amount provided for Administered Grants,	0.5	-	-	19.7	20.2	19.7
<i>Justice</i>						
Item 62: Delivery of Services	1,421.3	34.5	-	135.1	1,591.0	135.1
<i>State Solicitors Office</i>						
Item 63: Delivery of Services	44.3	-0.4	-	-	44.0	-
<i>Fire and Emergency Services</i>						
Item 64: Delivery of Services	103.7	8.2	-	58.3	170.2	58.3
Item 65: Amount provided for Administered Grants,	89.1	-	-	404.8	493.9	275.5
<i>Office of the Director of Public Prosecutions</i>						
Item 66: Delivery of Services	51.4	-	-	0.3	51.7	0.3
<i>Communities</i>						
Item 71: Delivery of Services	1,261.8	-9.9	-	478.3	1,730.2	478.3
<i>Local Government, Sport and Cultural Industries</i>						
Item 73: Delivery of Services	233.6	0.1	-	-	233.7	-
Item 75: Art Gallery of Western Australia	9.9	-	-	0.2	10.1	0.2
Item 76: Arts and Culture Trust	12.1	-	-	4.6	16.6	4.6
Item 79 Western Australian Museum	36.9	-	-	1.7	38.6	1.7
<i>Western Australian Sports Centre Trust</i>						
Item 80: Delivery of Services	102.1	-	-	10.0	112.1	10.0
<i>Commissioner of Main Roads</i>						
Item 83: Delivery of Services	582.8	9.1	-	76.3	668.1	76.3
<i>Water and Environmental Regulation</i>						
Item 84: Delivery of Services	126.7	-0.1	-	-	126.5	-
<i>Biodiversity, Conservation and Attractions</i>						
Item 85: Delivery of Services	370.7	1.0	-	1.3	373.1	1.3
<i>Planning, Lands and Heritage</i>						
Item 86: Delivery of Services	138.4	-	-	10.7	149.1	10.7
<b>Total Recurrent</b>		-	<b>21.5</b>	<b>2,441.6</b>		<b>2,258.4</b>
<b>Capital Appropriations</b>						
<i>Western Australian Electoral Commission</i>						
Item 98: Capital Appropriation	- <sup>(b)</sup>	-	-	0.3	0.4	0.3
<i>Treasury</i>						
Item 101: Capital Appropriation	0.1	-	-	0.5	0.5	0.5
Item 109: Pilbara Ports Authority	21.7	-	-	65.9	87.5	10.8
Item 111: Provision for Construction Cost Relief	63.7	-56.1	-	-	7.6	-
New Item: Forest Products Commission	-	-	15.9	-	15.9	15.9
New Item: Southern Ports Authority	-	-	1.4	-	1.4	1.4
<i>Office of the Auditor General</i>						
Item 123: Capital Appropriation	0.3	-	-	0.5	0.8	0.5

Note: Columns/rows may not add due to rounding.

**TRANSFERS, EXCESSES AND NEW ITEMS**  
For the Twelve Months to 30 June 2024

Table 7.5 (cont.)

	Treasurer's Advance					Draw n against Treasurer's Advance to 30 June 2024 \$m
	Budget \$m	Transfers <sup>(a)</sup> \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
<b>Capital Appropriations</b>						
<i>Primary Industries and Regional Development</i>						
Item 126: Capital Appropriation	74.9	-	-	- <sup>(b)</sup>	74.9	-
<i>Energy, Mines, Industry Regulation and Safety</i>						
Item 127: Capital Appropriation	3.9	-	-	0.1	4.0	-
<i>WA Health</i>						
Item 129: Capital Appropriation	340.0	11.5	-	-	351.5	-
<i>Mental Health Commission</i>						
Item 130: Capital Appropriation	24.3	-11.5	-	-	12.8	-
<i>Education</i>						
Item 132: Capital Appropriation	564.5	40.3	-	-	604.8	-
<i>Training and Workforce Development</i>						
Item 133: Capital Appropriation	87.8	2.6	-	14.5	104.9	14.5
<i>Western Australia Police Force</i>						
Item 134: Capital Appropriation	140.5	4.3	-	-	144.8	-
<i>Justice</i>						
Item 135: Capital Appropriation	114.0	4.0	-	21.1	139.1	-
<i>Office of the Director of Public Prosecutions</i>						
Item 138: Capital Appropriation	0.1	-	-	2.1	2.3	2.1
<i>Communities</i>						
Item 141: Capital Appropriation	222.2	4.0	-	102.6	328.8	102.3
<i>Local Government, Sport and Cultural Industries</i>						
Item 142: Capital Appropriation	72.5	0.1	-	-	72.5	-
Item 144: Western Australian Museum	1.9	-	-	1.2	3.1	1.2
<i>Western Australia Sports Centre Trust</i>						
Item 145: Capital Appropriation	38.8	-	-	0.5	39.3	0.5
<i>Main Roads</i>						
Item 147: Capital Appropriation	239.0	0.6	-	64.8	304.4	64.2
<i>Biodiversity, Conservation and Attractions</i>						
Item 151: Capital Appropriation	94.4	0.1	-	-	94.5	-
<i>Planning, Lands and Heritage</i>						
Item 152: Capital Appropriation	4.0	-	-	15.8	19.9	15.8
<b>Total Capital</b>		-	<b>17.3</b>	<b>290.0</b>		<b>230.1</b>
<b>TOTAL</b>						<b>2,488.5</b>

(a) Authorised under section 25 of the FMA.

(b) Amount less than \$50,000.

Note: Columns/rows may not add due to rounding.

## Transfers

Transfers of appropriation funds are for the provision of an approved service which is now delivered by an alternative agency. These transfers are authorised under section 25 of the FMA or by specific enabling legislation, and do not impact the Treasurer's Advance.

In 2023-24, appropriation transfers included:

- \$161.7 million from the appropriation administered by Treasury for Provision for Wages Policy Outcomes Not Yet Finalised to various agencies to meet the costs of industrial agreements finalised after the 2023-24 Budget (see following table);

Table 7.6

## 2023-24 PROVISION FOR WAGES POLICY OUTCOMES NOT YET FINALISED

Item	Transfer from Appropriation Item 32
	\$m
5 Department of the Premier and Cabinet	0.3
20 Public Transport Authority	20.6
43 Department of Primary Industries and Regional Development	<sup>(a)</sup>
51 WA Health	37.9
52 Mental Health Commission	0.2
55 Office of the Chief Psychiatrist	<sup>(a)</sup>
57 Department of Education	1.2
60 Western Australia Police Force	46.0
62 Department of Justice	34.2
64 Department of Fire and Emergency Services	8.2
71 Department of Communities	2.8
73 Department of Local Government, Sport and Cultural Industries	0.1
83 Commissioner of Main Roads	9.1
85 Department of Biodiversity, Conservation and Attractions	1.1
<b>TOTAL</b>	<b>161.7</b>

(a) Amount less than \$50,000.

Note: Columns/rows may not add due to rounding.

- \$56.1 million has been allocated from the \$63.7 million Provision for Construction Cost Relief to:
  - the Western Australia Police Force and the Departments of Education; Training and Workforce Development; and Biodiversity, Conservation and Attractions to assist construction companies, including to complete projects impacted by the collapse of FIRM Construction; and
  - various agencies to provide financial relief to head contractors that entered into fixed priced contracts prior to sudden and unforeseeable increases in market costs;
- \$12 million from the Department of Communities to WA Health following the transfer of administrative responsibility for the Community Aids and Equipment Program (\$7.5 million) and Continence Subsidy Scheme (\$4.5 million) from 1 July 2023);
- \$11.5 million from the Mental Health Commission to WA Health following the transfer of two step up/step down facilities;
- \$666,000 from the Department of Communities to the Department of Treasury for a new Housing Supply Unit that was established from January 2024 to work across government agencies and with industry on policies to boost housing supply and affordability in Western Australia;

- \$356,000 from the State Solicitor's Office to the Department of Justice following the transfer of the Solicitor General's office and functions;
- \$269,000 to the Department of Jobs, Tourism, Science and Innovation from the Departments of Water and Environmental Regulation and Biodiversity, Conservation and Attractions for the transfer of Streamline WA employees; and
- \$109,000 from the Department of Energy, Mines, Industry Regulation and Safety to the Department of Jobs, Tourism, Science and Innovation to establish a Coordinator General function to oversee and fast-track priority project approvals and recommend reforms.

### **Excess and New Items**

Funds drawn against the Treasurer's Advance for excesses and new items were for the purposes outlined below. Unless otherwise stated, the approved funding was drawn in full by 30 June 2024.

#### **Legislative Council**

Item 1: **Delivery of Services** (\$1,000), for revised motor vehicle lease costs.

#### **Parliamentary Services**

Item 3: **Delivery of Services** (\$147,000), reflecting higher leasing costs for the Parliamentary Precinct Project. The approved excess was not drawn down due to later payment timing.

#### **Premier and Cabinet**

Item 5: **Delivery of Services** (\$13.8 million), funding for:

- an increase in the State's annual Telethon donation (\$6 million);
- salaries and other employment costs for additional staff required to modernise the Department's ICT systems, enhance the protection of sensitive digital information, coordinate energy decarbonisation matters, support the Whole-of-Government Communication team and the Tourism Investment Committee of Cabinet (\$3.5 million);
- the administration and renegotiation of the Griffin Coal Process Agreement (\$1 million);
- support of Western Australian regional papers (\$1 million);
- delivery through ServiceWA of the WA Student Assistance Payment initiative (\$1 million);
- the assessment of options to enhance non-compulsory early learning for three and four-year-old children (\$940,000);
- higher office accommodation lease expenditure (\$397,500);
- establishment of the Western Australian Hub in Canberra (\$381,000); and



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- support for the Resources Community Investment Initiative Advisory Committee (\$100,000).

These increases were partially offset by lower spending across a number of other Departmental services and activities (\$447,000).

Item 6: **Administered Grants, Subsidies and Other Transfer Payments** (\$90.6 million), for financial support to Griffin Coal to ensure continuity of coal supply in the short term (\$84.2 million), and to meet the State's various obligations in relation to Aboriginal engagement and Native Title matters (\$6.4 million). Of the approved excess, only \$84.9 million was drawn down due to timing changes associated with payment of Native Title-related expenditure.

### Western Australian Electoral Commission

Item 9: **Delivery of Services** (\$1.1 million), to implement and administer amended reporting provisions for the disclosure of political contributions (\$475,000), to develop and implement documentation following changes to voting provisions in the *Electoral Act 1907* (\$143,000), and to conduct the Rockingham By-election (\$875,000). These increases were partially offset by lower costs (\$364,000), following delays in amendments to the above Act and the Electoral (Political Finance) Regulations 1996, and reduced office accommodation and fleet lease expenditure (\$14,000).

Item 98: **Capital Appropriation** (\$342,000), for the procurement, development and implementation of an online system for the disclosure of political contributions (\$350,000), partially offset by reduced fleet lease expenditure (\$8,000).

### Office of the Information Commissioner

Item 12: **Delivery of Services** (\$146,000), reflecting additional salaries expenditure approved to assist with establishing an Interim Privacy function.

### Treasury

Item 14: **Delivery of Services** (\$1.4 million), primarily for:

- consultancies to assist the Government in its assessment of financing and cost recovery options for the proposed new network infrastructure requirements in the South West Interconnected System and the Pilbara (\$1.3 million);
- additional accommodation and electricity expenses (\$1.1 million);
- the establishment of a new Performance Monitoring Unit to monitor and review the delivery of key Government priorities, and working with agencies to review, progress and develop solutions to effectively address barriers to delivery (\$915,000); and
- additional resources to assist in the delivery of various Government priorities (\$871,000).

These higher funding needs were partially offset by various reflows of salary and non-salary expenses (\$2.6 million) from 2023-24 to 2024-25. The approved excess was fully offset by the return of \$1.4 million in unused funding for the Griffin Coal project to the Consolidated Account.

Item 15: **Bunbury Water Corporation** (\$2.4 million), reflecting tariff subsidies to meet revenue shortfalls for delivering non-residential services (\$1.6 million) and residential services (\$724,000), and funding for higher pensioner and seniors concessions claims (\$37,000). The funding was fully drawn in 2023-24.

Item 16: **Busselton Water Corporation** (\$52,000), supporting higher than expected annual pensioner and seniors concessions claims. The funding was fully drawn by 30 June 2024.

Item 17: **Electricity Generation and Retail Corporation (Synergy)** (\$34.6 million), primarily to meet the cost of the Customer Offset resulting from breaches of the Wholesale Electricity Market rules in 2016 and 2017 (distributed as a further energy credit to eligible customers in 2023-24, and higher levels of other subsidised activities. These increased funding factors were partially offset by a combination of lower than expected rebates and concessions (driven by lower than anticipated customer volumes), project underspending on the Smart Energy for Social Housing project, and invoice timing variances for the Customer Engagement platform, Hardship Response, electric vehicle charging network and Energy Solar Management. Reflecting these net movements, only \$14.8 million of the approved increase was drawn by 30 June 2024.

Item 20: **Public Transport Authority of Western Australia** (\$83 million), mainly for higher interest expenses as a result of higher borrowings (mainly due to delays in receiving Commonwealth funding), the provision of free public transport as part of the Government's cost of living initiatives, and to meet higher RiskCover insurance premiums, partly offset by increased fare revenue.

Item 21: **Regional Power Corporation (Horizon Power)** (\$16.2 million), reflecting higher than expected tender and contract negotiations outcomes (\$7 million), costs to deploy and operate emergency electricity generation in the Kimberley region during recent flooding events (\$5.5 million), additional expenditure associated with the delivery of renewable energy (\$1.7 million), land acquisition costs (\$1.4 million) and the implementation of priority improvements to the Corporation's retail business (\$584,000). Reflecting the timing of Horizon Power's funding needs, \$13.6 million of the approved funding was drawn by 30 June 2024.

Item 22: **Water Corporation of Western Australia** (\$73.2 million), largely due to the reimbursement of subsidised costs for the delivery of country water that was incurred in late 2022-23.

Item 32: **Provision for Wages Policy Outcomes not yet Finalised** (\$39.4 million), reflecting the carryover of funds from 2022-23 for industrial agreements that had not reached settlement by 30 June 2023. A total of \$38.1 million of the approved funding was drawn down in 2023-24 and then transferred to agencies to meet higher costs associated with finalised industrial agreements.

Item 35: **State Property – Emergency Services Levy** (\$33,000), to meet a higher than expected Emergency Services Levy liability on State-owned properties, with \$32,000 of the funding being drawn in 2023-24.

Item 36: **WA Health** (\$14.2 million), largely to meet a number of contract cost pressures that were subject to negotiation. This funding was not drawn down in 2023-24.

Item 37: **All Other Grants, Subsidies and Transfer Payments** (\$20.2 million), mainly for the carryover of grants for the COVID-19 Business Assistance Package program from 2022-23, as not all payments were processed and paid prior to 30 June 2023. A total of \$3.6 million of this funding was subsequently drawn in 2023-24 with the additional costs of the COVID-19 Business Assistance Package mostly offset by savings in other administered grant, subsidy and other transfer payment items (predominantly the Commonwealth COVID-19 Support Payments).

New Item: **Metropolitan Redevelopment Authority (DevelopmentWA)** (\$573,000), for work to be undertaken at Mardalup Park in East Perth to ensure compliance with environmental standards (originally expected to be drawn in 2021-22).

New Item: **Ecological Thinning Program Account** (\$20.9 million), to establish a recurrent funding source in a new Treasurer's Special Purpose Account in support of ecological thinning works to be conducted by the Forest Products Commission under the 2024-33 Forest Management Plan.

Item 101: **Capital Appropriation** (\$463,000), mainly for the reclassification of recurrent spending on software development (\$403,000), and an accommodation fit-out (\$65,000), partially offset by lower than expected motor vehicle lease costs (\$5,000).

Item 109: **Pilbara Ports Authority** (\$65.9 million), to on-pass \$69.3 million in Commonwealth funding to deliver common user port upgrades at Lumsden Point (that will be provided to the State following achievement of milestones) and additional funding of \$11.6 million for the continuation of the Port Hedland Voluntary Buy-Back Scheme, partly offset by a \$15 million reduction in the amount to be paid to the Authority for Spoilbank Marina operating costs in 2023-24 (which is now expected to be paid in 2024-25). Of the approved net funding increase, \$10.8 million was drawn down, largely reflecting delays in meeting common use port upgrade milestones.

New Item: **Forest Products Commission** (\$15.9 million), to offset losses on the Native Forest segment of the Commission's activities, and to maintain a suitable cash position to meet ongoing financial obligations.

New Item: **Southern Ports Authority** (\$1.4 million), to compensate the Authority for the transfer of 12 hectares of land, seabed and waters to the Department of Transport, to facilitate Stage 3 of the Government's Transforming Bunbury's Waterfront Project.

### **Office of the Auditor General**

Item 38: **Delivery of Services** (\$309,000), to meet higher employee costs following settlement of industrial agreements.

Item 123: **Capital Appropriation** (\$478,000), to replace critical ICT infrastructure, including a new firewall (\$304,000) and additional software licenses (\$174,000) to support delivery of audits.

### **Jobs, Tourism, Science and Innovation**

Item 42: **Administered Grants, Subsidies and Other Transfer Payments** (\$2.3 million), consisting of expected support of eligible builders through the Builders Support Facility (\$4 million), partially offset by a downward revision in funding to the Pilbara Ports Authority for the Burrup Port subsidy (\$1.7 million).

### **Primary Industries and Regional Development**

Item 43: **Delivery of Services** (\$37.1 million), largely for increased spending on biosecurity and emergency management responses (\$28.9 million), higher utilities, maintenance and accommodation lease costs (\$6.9 million), increased funding to offset the reduction in own-source revenue from Managed Fisheries Access Fees (\$6.5 million), additional Yamatji Nation Indigenous Land Use Agreement expenditure including the recoup of funds for expenditure incurred in 2022-23 (\$4.5 million), additional expenditure for ICT services and upgrades (\$4 million), funding support for the Australian Export Grains Innovation Centre (\$3 million), improvements to the Department's financial management information system (\$2 million), a 25% ticket subsidy for the 2023 Perth Royal Show (\$1.9 million) and a top-up to the West Coast Demersal Scalefish Resource Managed Fishery Voluntary Fisheries Adjustment Scheme (\$1.6 million).

These increases were partially offset by the revised timing of spending across a number of initiatives such as the Western Australia Agricultural Research Collaboration (\$8.2 million), the Australian Underwater Discovery Centre (\$6 million), the Carbon Farming and Land Restoration Program (\$3.4 million), the Digital Foundation Program (\$1.9 million) and the Yalgorup National Park Ecotourism Development (\$1.3 million) and a range of other programs.

Item 126: **Capital Appropriation** (\$30,000), to improve the Department's financial management systems. The approved excess was not drawn following lower overall spending across a number of other projects.

### **Energy, Mines, Industry Regulation and Safety**

Item 45: **Delivery of Services** (\$10.9 million), primarily to support the stability and decarbonisation of the electricity system including the establishment of PoweringWA, the implementation of the Pilbara Energy Transition Plan, and an updated grant payment schedule for Energy Ahead (formerly the Household Energy Efficiency Scheme (\$16.7 million)), for the implementation and administration of the Short Term Rental Accommodation (STRA) Registration Scheme (\$2.5 million), establishment of the STRA Incentive Scheme, including grant payments to eligible property owners that convert their STRA to a long-term rental property for a minimum of 12 months (\$1.4 million), additional ICT expenditure related to the administration and payment of grants for the Vacant Property Rental Incentive Scheme (\$340,000), additional resources to support the renegotiation of key industrial agreements (\$254,000) and to administer the Heritage Survey Assistance Program (\$177,000).

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These increases were partially offset by the reprofiling of grants funding for workplace electric vehicle charging infrastructure (\$10 million) and other minor expense reflows and revisions (\$450,000).

Item 46: **Administered Grants, Subsidies and Other Transfer Payments** (\$29 million), reflecting the establishment of the rent relief program to assist eligible tenants in private rental homes who are experiencing rental stress, are in rental arrears and at risk of eviction (\$9 million), cashflow and revenue revisions associated with the Koolyanobbing and Potash Rebate Schemes (\$5.9 million) and other items, subject to finalising commercial arrangements. Of the approved excess, only \$15.4 million was drawn down to meet associated expenditure for the rent relief program and the Koolyanobbing and Potash Rebate Schemes.

Item 127: **Capital Appropriation** (\$72,000), for revised Government Regional Officer Housing costs. The approved excess was fully offset by the return of \$105,000 in unused funding related to reviews by the Western Australian Energy Disputes Arbitrator.

### Small Business Development Corporation

Item 47: **Delivery of Services** (\$1.5 million), primarily for the Small Business Electricity Credit (\$1 million) and costs associated with the administration of the Builder's Support Facility (\$290,000).

### Infrastructure WA

Item 50: **Delivery of Services** (\$92,000), with additional funding for higher employee costs as a result of a Salaries and Allowances Tribunal determination (\$152,000), partially offset by costs now met under the *Salaries and Allowances Act 1975* (\$60,000).

### WA Health

Item 51: **Delivery of Services** (\$547.5 million), primarily to sustain public hospital workforce and additional bed capacity to meet higher activity levels (\$301 million), boost regional healthcare service delivery (\$176 million), and address cost and demand pressures for non-hospital services (\$30.2 million).

### Education

Item 57: **Delivery of Services** (\$108.1 million), reflecting revisions in student enrolment projections (\$46.4 million), additional spending on repairs and maintenance in schools (\$35.8 million), Government Regional Officer Housing and staff relocation costs (\$18.9 million), costs associated with the administration of the WA Student Assistance Payment (\$7.2 million), temporary attraction and retention incentives (\$3.9 million), accounting treatment and unavoidable parameter adjustments (\$1.1 million), maintenance of subsidised interest rates for Low Interest Loans Scheme loans (\$1.2 million), and to change service providers for after-hours security services in public schools (\$1.1 million), partially offset by a realignment of State and Commonwealth funding contributions under the National School Reform Agreement and minor recurrent carryovers (\$7.4 million).

Item 58: **Administered Grants, Subsidies and Other Transfer Payments** (\$101.6 million), reflecting the budgeted value of payments to parents and carers under the WA Student Assistance Payment initiative (\$94.4 million), and an increase in grants to non-government schools mainly for higher than forecast enrolments (\$7.2 million).

#### **Western Australia Police Force**

Item 60: **Delivery of Services** (\$11.3 million), primarily reflecting the net impact of additional funding provided for finalisation of the Western Australia Police Force Industrial Agreement (\$7.3 million), higher police medical expenses (\$4.7 million), and Police Compensation Scheme payments (\$1.7 million), partly offset by deferred payments for the Helicopter Replacement project in line with revised payment schedules (\$2.5 million), and a range of smaller reflows across a number of projects.

Item 61: **Administered Grants, Subsidies and Other Transfer Payments** (\$19.7 million), for additional funding for a voluntary firearms buyback scheme (\$20 million), partly offset by the slightly lower than expected spending outcomes of the prohibited firearms buyback scheme (\$254,000).

#### **Justice**

Item 62: **Delivery of Services** (\$135.1 million), mainly for general cost pressures associated with growth in the prison population (\$61.6 million), additional salaries expenditure (\$42.3 million), higher spending on programs and services for youth in detention (\$11.4 million), Legal Aid payments (\$5.3 million), higher RiskCover insurance premiums (\$4.5 million), Government Regional Officer Housing (\$3.1 million) and a shortfall in collections from court fees (\$2.8 million).

Item 135: **Capital Appropriation** (\$21.1 million), mainly for infrastructure upgrades at Casuarina Prison and Banksia Hill Detention Centre. The approved excess was not drawn due to timing changes for other projects.

#### **Fire and Emergency Services**

Item 64: **Delivery of Services** (\$58.3 million), mainly to meet fire suppression for significant bush fire incidents and State Emergency Services response and recovery operating costs (\$42.2 million), cost increases associated with aviation services, fuel and utilities, fleet and equipment maintenance, and ICT services (\$13.3 million), additional salaries, superannuation, overtime, and regional housing costs (\$2.4 million), and interest expenditure (\$395,000).

Item 65: **Administered Grants, Subsidies and Other Transfer Payments** (\$404.8 million), primarily for additional funding to assist communities in the Kimberley recover from the impacts associated with Ex-Tropical Cyclone Ellie, including to replace and enhance the resilience of the Fitzroy River Bridge and to repair other roads (\$252.6 million), to establish longer-term temporary accommodation for flood-affected residents (\$4.6 million), costs to support community access to social and legal assistance (\$6.6 million), funding for a number of grant programs to assist small and medium business owners, primary producers, homeowners and for recovery of the environmental, heritage and cultural assets (\$6 million), costs for the provision of temporary accommodation facilities for workers undertaking community recovery (\$3 million), and for the National and Conservation Parks Clean-up Program (\$2.2 million). Of the approved excess, only \$275.5 million was drawn down, following timing changes for the delivery of recovery packages to communities impacted by Ex-Tropical Cyclone Ellie.

#### **Office of the Director of Public Prosecutions**

Item 66: **Delivery of Services** (\$336,000), reflecting cost pressures related to increased demand for prosecution services (\$1.1 million), legal brief-out expenses (\$776,000), and ICT-related expenses (\$459,000), partly offset by a number of accounting adjustments (\$2 million).

Item 138: **Capital Appropriation** (\$2.1 million), for higher than expected office accommodation fit-out expenditure (\$1.8 million), and ICT-related expenses (\$411,000).

#### **Communities**

Item 71: **Delivery of Services** (\$478.3 million), largely due to additional costs for out-of-home care services reform and the transition to a new model of care and contract arrangements for these services (\$249.7 million), the increased cost of delivering maintenance works for the Department's housing assets (\$87.6 million), higher funding to address higher than budgeted salaries for frontline staff, and contracts and other non-salaries expenditure (\$82.6 million) and revenue backfill for the Housing Authority following a write-down of revenue for its 2023-24 affordable housing sales program and reduced dividends received from Keystart (\$33.8 million).

Item 141: **Capital Appropriation** (\$102.6 million), largely due to an equity contribution to the Department to offset reduced dividend receipts from Keystart (\$76.3 million), a drawdown of Social Housing Accelerator Payment funding received from the Commonwealth Government and held in the Consolidated Account (\$10.9 million), a cash injection to ensure compliance with mandatory cash management requirements (\$9.9 million), and delivery of additional Government Regional Officer Housing units in 2023-24 (\$7.5 million), partly offset by minor reflows of several capital items due to project delays. Of the approved excess, a total of \$102.3 million was drawn down, with \$293,000 now expected to be spent during 2024-25.

#### **Local Government, Sport and Cultural Industries**

Item 75: **Art Gallery of Western Australia** (\$220,000), for an enhanced security presence at the Art Gallery of Western Australia.

Item 76: **Art and Culture Trust** (\$4.6 million), mainly to cover the shortfall in operating revenue for 2022-23 (\$2.6 million) following lower than expected attendance rates and to address unforeseen operating issues across venues operated by the Trust (\$1.7 million).

Item 79: **Western Australian Museum** (\$1.7 million), to meet a shortfall in projected admission fee revenue in 2023-24 attributable to lower than expected visitations.

Item 144: **Capital Appropriation** (\$1.2 million), to fund additional costs to replace aluminium composite panels at the Western Australian Maritime Museum.

### **Western Australian Sports Centre Trust**

Item 80: **Delivery of Services** (\$10 million), reflecting higher interest rate costs under the Optus Stadium management contract (\$3.2 million), higher operating costs associated with co-managing the Sam Kerr Football Centre (SKFC) with Football West (\$1.9 million), costs associated with the HBF Arena pool closure (\$1.9 million), higher operational expenditure at Optus Stadium (\$1.3 million), expenditure on a Football Festival Event held to open the SKFC (\$1 million), and financial assistance measures for Perth Glory and the Western Force (\$584,000).

Item 145: **Capital Appropriation** (\$482,000), for the reinstatement of food and beverage services at HBF Park that were previously removed to facilitate the hosting of the Women's FIFA World Cup in July 2023.

### **Commissioner of Main Roads**

Item 83: **Delivery of Services** (\$76.3 million), primarily for increased State funding for the Moorine Rock to Mt Holland Road Upgrade following the withdrawal of funding by the Commonwealth Government, additional road maintenance costs and the delivery of works on behalf of the Public Transport Authority, partially offset by a reduction in depreciation costs.

Item 147: **Capital Appropriation** (\$64.8 million), reflecting increased State funding to address cost increases for a number of road projects. Of the approved excess, a total of \$64.2 million was required to be drawn.

### **Biodiversity, Conservation and Attractions**

Item 85: **Delivery of Services** (\$1.3 million), primarily to meet unforeseen expenditure relating to bushfire suppression activities (\$29.6 million), largely offset through:

- a: \$24 million reduction of appropriation in 2023-24 for works relating to the ecological thinning component of the Forest Management Plan 2024-33, which will now be undertaken by the Forest Products Commission; and
- deferral of \$4.3 million of recurrent appropriation from 2023-24 to 2024-25 (and later years) for various projects, including cashflow adjustments for the current Plan for Our Parks program.



### **Planning, Lands and Heritage**

Item 86: **Delivery of Services** (\$10.7 million), mainly for the impacts of the new *Aboriginal Heritage Legislation Amendment and Repeal Act 2023* (\$27.4 million), commencement of Mira Mar landslide remediation actions (\$1.2 million), finalisation of the closure and demolition of the former Wittenoom townsite (\$724,000), funding to support the Pilbara Energy Transition (\$385,000), evaluation of major project initiatives (\$300,000), change in Service Delivery Agreement with the Department of Transport (\$241,000) and Government Regional Officer Housing expenditure (\$214,000), partially offset by funding deferred from 2023-24 to 2024-25 for the Infrastructure Development Fund (\$20 million) and METRONET Precinct Infrastructure Fund (\$119,000).

Item 152: **Capital Appropriation** (\$15.8 million), mainly for acquisition of properties impacted by the Mira Mar landslide (\$9.9 million) and reconfigurations to the Department's existing Aboriginal cultural heritage technology platform to reflect the requirements under the new *Aboriginal Heritage Legislation Amendment and Repeal Act 2023*, and integration with the Keeping Place platform cloud-based information management system which enables Aboriginal organisations to digitally capture, protect and share cultural knowledge (\$5.2 million).

### **Training and Workforce Development**

Item 133: **Capital Appropriation** (\$14.5 million), primarily reflecting reflow of project spending originally projected to be incurred in 2022-23 (\$15.7 million), partly offset by reflows out of 2023-24 into 2024-25 (\$1.2 million).

# **General Government Sector Salaries**

Salaries represent the single largest component of general government sector expenses (39.8% in 2023-24, or 44.1% if concurrent superannuation costs are also included).

At \$16.5 billion, general government salaries spending increased by \$791 million or 5% in 2023-24. This increase was primarily due to higher staff numbers in the health and education sectors, with the resulting increase in salaries costs being partially offset by once-off cost of living payments made in 2022-23.

The following table summarises 2023-24 salaries outcomes for general government agencies.

## SALARIES COSTS

### General Government Sector

	2022-23	2023-24			Actual \$m	Variation on EA \$m (2) - (1)	Annual Growth %
	Actual \$m	Budget Year \$m	MYR Revision \$m	Estimated Actual (EA) \$m (1)			
WA Health	6,272	5,861	6,007	6,242	6,638	397	5.8
Education	4,301	4,432	4,452	4,472	4,397	-75	2.2
Western Australia Police Force	1,074	1,135	1,150	1,151	1,114	-37	3.8
Justice	816	768	777	818	848	30	4.0
Communities	592	610	615	619	646	27	9.0
Fire and Emergency Services	219	228	235	235	235	- <sup>(a)</sup>	7.5
Biodiversity, Conservation and Attractions	228	229	235	239	226	-13	-0.9
Primary Industries and Regional Development	212	214	216	223	225	2	6.3
Energy, Mines, Industry Regulation and Safety	191	209	212	212	199	-12	4.3
Transport	149	172	175	175	159	-16	6.2
North Metropolitan TAFE	131	135	135	139	139	- <sup>(a)</sup>	6.0
South Metropolitan TAFE	130	129	129	134	136	2	4.8
Finance	121	132	132	129	133	4	10.2
Local Government, Sport and Cultural Industries	112	110	113	133	125	-8	11.6
Planning, Lands and Heritage	101	110	112	112	124	12	23.4
Commissioner of Main Roads	92	110	110	110	119	9	28.7
Water and Environmental Regulation	110	120	121	120	117	-4	6.4
Premier and Cabinet	103	107	108	111	108	-2	5.7
WA Sports Centre Trust (VenuesWest)	67	60	60	60	70	9	3.6
Jobs, Tourism, Science and Innovation	55	58	60	63	63	- <sup>(a)</sup>	13.1
Mental Health Commission	51	55	55	55	55	-1	6.9
Training and Workforce Development	52	56	60	60	54	-6	4.7
South Regional TAFE	47	44	44	47	53	6	13.2
Land Information Authority (Landgate)	50	52	54	53	51	-3	0.2
Legal Aid Commission of WA	45	49	54	54	49	-5	9.0
Office of the Director of Public Prosecutions	41	44	47	47	45	-2	8.8
Central Regional TAFE	39	41	41	44	43	- <sup>(a)</sup>	9.7
North Regional TAFE	34	43	43	39	39	- <sup>(a)</sup>	12.8
Treasury	35	40	41	39	38	-2	6.8
State Solicitor's Office	36	43	43	42	37	-5	4.0
Office of the Auditor General	23	26	27	27	25	-2	7.1
Legislative Assembly	23	23	24	24	24	- <sup>(a)</sup>	5.3
Public Sector Commission	18	20	20	20	19	-1	2.7
Corruption and Crime Commission	18	20	20	20	18	-2	2.0
Legislative Council	16	16	17	17	16	- <sup>(a)</sup>	4.7
Chemistry Centre (WA)	16	17	17	17	16	-1	3.1
WorkCover WA Authority	15	15	15	16	16	-1	3.2
Parliamentary Services Department	12	12	12	12	12	- <sup>(a)</sup>	7.6
All other agencies (with salaries costs below \$10 million)	79	87	89	88	85	-3	7.6
Provisions	-	39	56	40	-	-40	-
<b>Total salaries</b>	<b>15,727</b>	<b>15,671</b>	<b>15,931</b>	<b>16,259</b>	<b>16,518</b>	<b>258</b>	<b>5.0</b>

(a) Amount is less than \$0.5 million.

Note: Columns/rows may not add due to rounding.

## Expense Limit Outcomes

Compared with 2022-23, general government expenses increased by \$3 billion or 7.7% in 2023-24. The recurrent spending outcome of 2023-24 was \$456 million lower than the estimated outturn contained in the 2024-25 Budget.

The Government's spending management is focused through approved expense limits that are included in annual Resource Agreements for appropriation-funded agencies (see discussion of Financial Targets in *Financial Results* chapter of this report). The following table summarises expense limit outcomes for all agencies with Resource Agreements for the 2023-24 year.

Table 9.1

**TOTAL COST OF SERVICES**  
Agency Resource Agreements

	2023-24					Variation on EA \$m (2) - (1)
	Budget Year	MYR Revision	Estimated Actual (EA)	Actual		
	\$m	\$m	\$m (1)	\$m (2)		
WA Health	11,782	12,140	12,617	12,844	226	
Education	6,425	6,532	6,609	6,667	58	
Communities	2,654	2,793	2,962	2,946	-16	
Justice	1,890	1,969	2,071	2,156	85	
Public Transport Authority	1,962	2,165	2,226	2,093	-134	
Commissioner of Main Roads	2,149	2,356	2,295	2,090	-205	
Western Australia Police Force	1,893	1,926	1,928	1,961	33	
Finance	1,689	1,735	1,688	1,653	-35	
Mental Health Commission	1,358	1,361	1,355	1,338	-17	
Training and Workforce Development	833	882	855	850	-5	
Transport	715	750	717	635	-82	
Fire and Emergency Services	565	606	595	625	29	
Primary Industries and Regional Development	657	726	640	606	-34	
Biodiversity, Conservation and Attractions	566	560	581	511	-71	
Local Government, Sport and Cultural Industries	675	733	601	503	-98	
Jobs, Tourism, Science and Innovation	636	679	490	445	-45	
Energy, Mines, Industry Regulation and Safety	397	420	433	426	-7	
WA Sports Centre Trust (VenuesWest)	299	306	310	324	14	
Planning, Lands and Heritage	284	296	258	249	-7	
Water and Environmental Regulation	293	298	270	241	-29	
Premier and Cabinet	208	223	226	213	-13	
WA Planning Commission	56	57	62	91	29	
Office of the Director of Public Prosecutions	65	68	69	69	-1	
Treasury	61	67	63	60	-3	
State Solicitor's Office	64	66	65	60	-5	
Public Sector Commission	32	32	32	30	-2	
Corruption and Crime Commission	33	33	33	30	-2	
Western Australian Electoral Commission	18	20	22	22	1	
Small Business Development Corporation	17	22	18	17	-1	
Economic Regulation Authority	18	18	17	16	-0	
Parliamentary Commissioner for Administrative Investigations	16	16	16	14	-1	
Registrar, WA Industrial Relations Commission	14	13	13	12	-1	
Governor's Establishment	8	9	9	8	-(a)	
Heritage Council of Western Australia	2	2	2	8	6	
National Trust of Australia (W.A.)	7	8	8	7	-1	
Infrastructure WA	6	7	7	6	-1	
Office of the Inspector of Custodial Services	4	4	4	4	-(a)	
Health and Disability Services Complaints Office	4	4	4	4	-1	
Commissioner for Children and Young People	3	3	4	3	-(a)	
Office of the Information Commissioner	3	3	3	3	-(a)	
Parliamentary Inspector, Corruption and Crime Commission	1	1	1	1	-(a)	
Salaries and Allowances Tribunal	1	1	1	1	-(a)	
Rural Business Development Corporation	-(a)	-(a)	-(a)	1	-(a)	

(a) Amounts are less than \$0.5 million.

Note: Columns/rows may not add due to rounding.

# **Key Terms Used in the Financial Report**

## **Accrual accounting**

Accounting method that records revenue and expenses when they are incurred, regardless of when cash is exchanged. The term 'accrual' refers to any individual entry recording revenue or expense regardless of a cash transaction.

## **Advances Paid**

Loans acquired for policy rather than liquidity management purposes. These include long and short-term loans, non-marketable debentures and long and short-term promissory agreements (bonds and bills) issued by public sector entities to achieve government policy objectives.

## **Advances Received**

Loans/borrowings received from other levels of government or from government entities.

## **Asset Investment Program**

Total public sector purchases of non-financial physical assets (i.e. Western Australia's public sector infrastructure program).

## **Australian Bureau of Statistics - Government Finance Statistics Manual**

The Australian Bureau of Statistics' publication *Australian System of Government Finance Statistics: Concepts, Sources and Methods 2015* contains a comprehensive and definitive guide to the classification of financial aggregates for National Accounts and Government Finance Statistics purposes. Except where a conflict with a current accounting standard arises, the same classifications are applied to the whole-of-government financial data prepared under AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

### **Balance sheet**

A financial statement that presents the financial position of a sector by detailing the stock of assets, liabilities and equity at the end of a reporting period.

### **Biological Assets**

Biological assets may include commercial forests and any living animal, plant or agricultural produce that is the harvested product of biological assets.

### **Borrowings**

Borrowings refer to interest bearing liabilities mainly raised from public borrowings raised through the Western Australian Treasury Corporation, leases and other interest-bearing arrangements. Borrowings exclude liabilities raised from other government entities (which are recorded as Advances Received).

### **Capital grants (transfers)**

Transactions in which the ownership of an asset (other than cash and inventories) is transferred from one entity to another, to enable the recipient to acquire another asset or in which cash is transferred to enable the recipient to acquire an asset other than inventories, for which no economic benefits of equal value are receivable in return.

### **Cash flow statement**

A financial statement that presents a summary of all cash receipts and payments for a sector in a reporting period.

### **Cash flow from operating activities**

Receipts and payments of cash relating to a reporting entity's operating activities.

### **Cash flow from investing activities**

Relates to the purchase or sale of assets, such as land, buildings and equipment.

## **Cash flow from financing activities**

Shows the cash receipts and payments related to transactions with the providers of finance.

## **Cash surplus/deficit**

Reported in the cash flow statement, the cash surplus/deficit measures the net impact of cash flows (excluding financing activities) during the period. It equals net cash flows from operating activities (things that agencies do on a daily basis as part of their operations) plus net cash flows from the acquisition and disposal of non-financial assets (i.e. infrastructure activities), less distributions paid (i.e. dividends). The Commonwealth Government refers to this aggregate as the 'underlying cash balance' in its publications and is the headline Budget measure for that tier of government. A cash surplus is generally consistent with declining levels of net debt while a cash deficit indicates a need for more borrowing and/or to draw on cash reserves.

## **Change in net worth**

Change in net worth (also known as the 'comprehensive result') is revenue from transactions, less expenses from transactions, plus other economic flows, and measures the variation in the public sector's accumulated assets and liabilities.

## **Classification of the Functions of Government**

The Classification of the Functions of Government classifies expenses and acquisitions of non-financial assets of the public sector and general government sector in terms of the purposes for which the transactions are made. AASB 1049 requires that total assets of the State and the general government sector are also to be allocated to this functional classification where possible to do so (see Notes to the Financial Statements in Appendix 1 of this report). The major groups reflect the broad objectives of government and the groups and sub-groups details the means by which these broad objectives are met.

## **Consolidated Account**

The *Constitution Act 1889* creates the Consolidated Account. Under section 64 of the *Constitution Act 1889*, all moneys due to the State from taxes, charges, imposts, and other sources, and that are not hypothecated by separate legislation, must be credited to the Consolidated Account and can only be expended if authorised by an Appropriation Act or other statute authorising appropriation. The legislation does not impose any restrictions on the purposes for which the Consolidated Account may be appropriated. See also Public Bank Account below.

## **Consolidated financial statements**

The aggregate financial statements for the whole-of-government (and its sub-sectors), including the financial outcomes of public sector agencies. Transactions, assets and obligations between agencies are eliminated on consolidation.



## **Consumer Price Index**

The Consumer Price Index (CPI) measures changes in the price of a 'basket' of goods and services purchased by households. Growth in the CPI is often used as a benchmark estimate of inflation.

## **Contingent asset**

A possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised on the balance sheet. For example, the State may expect to receive a cash benefit if it delivers on various obligations in the future.

## **Contingent liability**

A potential financial obligation arising out of a condition, situation, guarantee or indemnity, the ultimate effect of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events. Contingent liabilities are not recorded on the balance sheet. Examples include the potential outcomes of pending legal proceedings and items covered by government guarantees, sureties and indemnities.

## **Convergence difference**

The difference between the amounts recognised in the financial statements (prepared under Australian Accounting Standards) compared with the amounts determined for Government Finance Statistics purposes as a result of differences in definition, recognition, measurement, classification and consolidation principles and rules.

## **Current grants (transfers)**

The provision of something of value for no specific return or consideration (e.g. grants, subsidies and donations).

## **Defined contribution superannuation plans**

Post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

## **Defined benefit superannuation plans**

Post-employment benefit plans other than defined contribution plans.

## **Derivatives**

Financial instruments that are held for trading and valued at fair value at the balance sheet date, in accordance with AASB 9: *Financial Instruments*.

## **Employee expenses**

These expenses include all costs related to employment including wages and salaries, Fringe Benefits Tax, leave entitlements, separation payments, defined benefits superannuation plans and defined contribution superannuation plans.

## **Expenses**

Expenses are defined as transactions that reduce net worth. They represent the cost of day-to-day operations. Purchases of services (other than those that are capitalised as infrastructure) are expenses because the services are consumed when provided and net worth is reduced by the cost of the services. For example, the purchase of labour services (commonly known as 'salaries') is an expense.

## **Fair Value**

The price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

## **Fair value through other comprehensive income**

Financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

## **Fair value through profit and loss**

Financial assets are classified and measured at fair value through profit unless they are measured at amortised cost or at fair value through other comprehensive income.

## **Financial asset**

Any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments.

Some highly liquid assets (such as cash or very short-term investments that convert to cash very easily) are treated as an offset to borrowings and other financial instruments, to derive net debt.

## **Financial liability**

Financial obligations to a third party. Includes deposits held on behalf of third parties, advances (loans) received from the Commonwealth, borrowings (including leases), employee entitlements (such as unfunded superannuation liabilities), accounts payable, etc.

## ***Financial Management Act 2006***

The Act that sets out the framework for most public sector financial management in Western Australia.

## **Fiscal aggregates**

Analytical balances that are useful for macroeconomic analysis purposes, including assessing the impact of a government and its sectors on the economy. Key fiscal aggregates defined under ABS Government Finance Statistics manual are required to be disclosed under AASB 1049: *Whole of Government and General Government Sector Financial Reporting*. They are net operating balance, net lending-borrowings, net worth, change in net worth due to revaluations, change in net worth due to other changes in the volume of assets, total change in net worth, and the cash surplus/-deficit.

## **Forward estimates**

Estimates of financial aggregates for future years. These assume that there will be no significant change in government policy and are designed to provide a longer-term perspective to the budget process.

## **Full-time equivalents**

One full-time equivalent staff member is the same as one person working full time for one financial year.

## **General government sector**

Defined in Government Finance Statistics as an entity or group of entities which are mainly engaged in the production of goods and/or services outside the normal market mechanism. Government departments are usually recognised as general government sector agencies.

## ***Government Financial Responsibility Act 2000***

Western Australian legislation that establishes a framework for government financial planning with a view to improving government financial outcomes and facilitates public scrutiny of government financial policy and performance.

## **Government Finance Statistics**

Refers to statistics that measure the financial transactions of governments and reflect the impact of those transactions on other sectors of the economy. Government Finance Statistics in Australia are developed by the ABS, are maintained in conjunction with all governments, and are based on international statistical standards developed by the International Monetary Fund in consultation with member countries.

### **Grants and subsidies**

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be of a current or capital nature (see current grants and capital grants).

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive benefits directly of approximately equal value. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers.

Grants can be paid as general purpose grants which refers to grants which are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

### **Gross borrowing**

Loans and debt obligations liabilities, other than advances, created through direct agreements with lenders, the sale of securities and acquisition of leases. Gross borrowing is the largest component of gross debt, used to calculate the State's net debt.

### **Gross debt**

A component of net debt. Gross debt includes borrowings, deposits held on behalf of third parties, and advances (loans) from the Commonwealth. Net debt is derived from gross debt less liquid financial assets.

### **Gross State Product**

Gross State Product (GSP) measures the value of all final goods and services produced within a State. GSP is a common measure of economic activity.

### **Key fiscal aggregates**

Financial aggregates that are important for analysis purposes, including assessing the impact of a government and its sectors on the economy. For example, the net operating balance and net debt which are a focus of the discussion in Western Australia's Budget, Mid-year Review and in this *Annual Report on State Finances*.

## **Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For example, public sector agencies often lease buildings and vehicles, and record such leased assets on the balance sheets. All related costs and the total remaining lease liability is also recorded in the financial statements.

## **National partnership payment**

A Commonwealth government grant to a State and/or Territory to support the delivery of specified outputs or projects, to facilitate reforms or to reward the delivery of nationally significant reforms. Each National partnership payment is supported by a National Partnership Agreement which defines mutually agreed objectives, outputs and performance benchmarks.

## **Net acquisition (disposal) of non-financial assets from transactions**

Includes purchases (or acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Purchases and sales (or net acquisitions) of non-financial assets generally include accrued expenses and payables for capital items. Purchases exclude non-produced assets and valuables which are included in other movements in non-financial assets.

## **Net cash flows from investments in financial assets (liquidity management purposes)**

Includes cash receipts from liquidation or repayment of investments in financial assets for liquidity management purposes less cash payments for such investments. Investment for liquidity management purposes means making funds available to others with no policy intent and with the aim of earning a commercial rate of return.

## **Net cash flows from investments in financial assets (policy purposes)**

Includes cash receipts from the repayment and liquidation of investments in financial assets for policy purposes less cash payments for acquiring financial assets for policy purposes. Acquisition of financial assets for policy purposes is distinguished from investments in financial assets (liquidity management purposes) by the underlying motivation for acquiring the assets. Acquisition of financial assets for policy purposes is motivated by Government policies such as encouraging the development of certain industries or assisting citizens affected by natural disaster.

**Net debt**

Net debt measures the public sector's net stock of selected gross financial liabilities less liquid financial assets. Net debt is derived from the balance sheet as the sum of deposits held, advances received, government securities, loans and borrowings (including lease liabilities), less the sum of cash and deposits, advances paid and investments, loans and placements.

**Net financial liabilities**

Equals total liabilities less financial assets (other than equity in public corporations and other entities). This measure is broader than net debt as it includes significant liabilities, other than borrowings (for example, accrued employee liabilities such as superannuation and long service leave entitlements).

**Net financial worth**

Measures the public sector's net holdings of financial assets. It is calculated from the Uniform Presentation Framework balance sheet as financial assets less liabilities. Net financial worth is a broader measure than net debt, as it incorporates provisions (such as superannuation, but excludes depreciation and doubtful debts) as well as holdings of equity. Net financial worth includes all classes of financial assets and liabilities.

**Net gain on equity investments in other sector entities**

Net gain on equity investments in other sector entities measured at proportional share of the carrying amount of net assets/liabilities represents the net gains relating to the equity held by the general government sector in other sector entities. It arises from a change in the carrying amount of net assets of the subsidiaries. The net gains are measured based on the proportional share of the subsidiary's carrying amount of net assets/liabilities before elimination of inter-sector balances.

**Net lending/borrowing**

An operating statement measure which includes the net operating balance and spending on capital items. The net lending/borrowing measure more accurately reflects the cash requirements of the public sector in any given year. A net lending (or fiscal surplus) balance indicates that the public sector is saving more than enough to finance all its investment spending. A net borrowing (or fiscal deficit) position indicates that the public sector's level of investment is greater than its level of savings.

**Net operating balance**

This key financial aggregate is calculated as income from transactions (or revenue) less expenses from transactions. It is a summary measure of the ongoing sustainability of operations and excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to revenue and expense transactions.

## **Net worth**

It is an economic measure of wealth and provides a relatively comprehensive picture of the public sector's overall financial position. It is calculated as total assets less total liabilities less shares and other contributed capital. For the general government sector, net worth is assets less liabilities, since no shares or ownership contribution of capital from a third party exist for the central government.

## **Operating statement**

A financial statement that presents the operating performance of a reporting entity by detailing all items of revenue and expense recognised as they accrue during a reporting period. Also known as the income statement. Cash flows for these accruing operating activities may occur in the same or subsequent reporting period.

## **Operating result**

A measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'.

## **Other economic flows**

The change in the volume or value of assets and liabilities that does not result from operating transactions.

## **Other revenue**

Revenue not elsewhere classified or disclosed.

## **Public Bank Account**

The Public Bank Account (PBA) is administered by the Department of Treasury and forms the central bank account of the Government of Western Australia. The PBA is created by the *Financial Management Act 2006*, and is divided into component parts and includes the Consolidated Account, Treasurer's Advance and Treasurer's Special Purpose Accounts (collectively referred to as the Public Ledger and detailed in Appendix 7 of this report), and agency Special Purpose Accounts.

## **Public corporations**

Those agencies that are primarily operating in a market and seek to recover a substantial portion of their costs through user charges. They comprise public financial corporations and public non-financial corporations (see below).

## **Public financial corporations sector**

The sector comprises government controlled entities mainly engaged in financial activities, such as providing banking and insurance services. They are able to incur financial liabilities on their own account (e.g. taking deposits, issuing securities or providing insurance services).

## **Public non-financial corporations sector**

The public non-financial corporations sector comprises those non-financial public sector agencies engaged mainly in the production of non-financial goods and services for sale in the market, with an objective to recover at least a significant proportion of operating costs through charges for goods and services.

## **Public Private Partnerships**

A term used to describe a method of procuring government infrastructure and associated services through private sector involvement. Public Private Partnership (PPPs) create opportunities with the private sector for increasing investment in social and economic infrastructure. The accounting rules for PPPs are complex and are based on case-by-case circumstances. However, they often result in recognition of a lease or other form of borrowing for the public sector balance sheet (which contribute to the calculation of gross and net debt).

## **Revenue**

Revenue is defined as operating transactions that increase net worth or are associated with the acquisition of an economic benefit. Examples include tax collections, Commonwealth grants, royalty income, and fees for goods and services.

## **Right-of-use asset**

Represents a lessee's right to use an asset over the life of a lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, less any lease incentives received.

## **Sales of goods and services**

Refers to revenue from the direct provision of goods and services, and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land.

## **Securities other than shares**

Negotiable financial instruments serving as evidence of the obligations to settle by means of providing cash, a financial instrument, or some other item of economic value. The security normally specifies a schedule for interest payments and principal repayments. Examples include bills, bonds and debentures, commercial paper, and securitised mortgage loans.



### **Service concession arrangement**

A service concession arrangement arises where a government or other public sector body contracts with a private operator to develop (or upgrade), operate and maintain infrastructure assets such as prisons or hospitals.

### **Superannuation concurrent cost**

The annual current service cost of accruing employee superannuation entitlements.

### **Superannuation interest cost**

Represents the carrying cost of unfunded superannuation liabilities. Unfunded superannuation is essentially a debt owing to employees which attracts a carrying (or interest) cost. The State of Western Australia has concurrently funded the superannuation costs of almost all of its employees since 1998-99. As a result, superannuation interest costs are anticipated to decline over the next decade as the majority of unfunded entitlements are gradually paid out.

### **Taxation revenue**

Taxation revenue represents revenue received from the State's taxpayers and includes payroll tax, land tax, duties levied principally on conveyances and land transfers, gambling taxes levied mainly on private lotteries and racing, insurance duty relating to compulsory third party policies, motor vehicle taxes, including registration fees and duty on registrations and transfers, levies on statutory corporations in other sectors of government and other taxes, including landfill levies, licence and concession fees.

### **Tax equivalents regime**

The mechanism to ensure that public corporations incur similar tax liabilities as privately owned organisations that are exposed to the tax system. Under these arrangements, greater parity exists between the cost structures of public sector trading entities and the private sector, aiding in the achievement of competitive neutrality.

### **Total change in net worth**

The net result of all items of income and expense recognised for the period. This is sometimes also referred to as the 'Comprehensive Result'. It is the aggregate of operating result and other movements in equity, other than transactions with owners as owners. It is equivalent to the change in the total value of assets less the total value of liabilities on the balance sheet.

### **Total non-financial assets**

Assets that are not 'financial assets', predominantly land and other fixed assets.

## **Total non-financial public sector**

The total non-financial public sector represents the consolidated transactions and assets and liabilities of the general government and public non-financial corporations sectors. In compiling statistics for the total non-financial public sector, transactions and debtor/creditor relationships between sub-sectors are eliminated.

### **Transactions**

Transactions are those economic flows that are considered to arise from an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset.

Taxation is regarded as mutually agreed interactions between the public sector and tax payers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is in cash.

### **Uniform Presentation Framework**

The Uniform Presentation Framework (UPF) was first agreed by the Australian Loan Council in 1993. The current UPF incorporates the use of accounting standard AASB 1049: *Whole of Government and General Government Sector Financial Reporting* and specifies that Commonwealth, State and Territory governments will present a minimum set of budget and financial outcome information on AASB 1049 and Government Finance Statistics bases according to an agreed format specified by Australian Loan Council reporting arrangements.

### **Whole-of-government financial report**

A financial report prepared by a government that is prepared in accordance with Australian Accounting Standards and thereby separately recognises assets, liabilities, income, expenses and cash flows of all entities under the control of the government on a line-by-line basis.

