



# Western Australian Meat Industry Authority



Annual Report 2017/18

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**Accessibility**

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## Statement of Compliance

For year ended 30 June 2018

**HON. ALANNAH MACTIERNAN MLC**

**MINISTER FOR REGIONAL DEVELOPMENT; AGRICULTURE AND FOOD; MINISTER  
ASSISTING THE MINISTER FOR STATE DEVELOPMENT, JOBS AND TRADE**

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Western Australian Meat Industry Authority for the financial year ended 30 June 2018.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*



**D. Lock**

Chair of the Western Australian Meat Industry Authority

14 September 2018



**M. Panizza**

Member of the Western Australian Meat Industry Authority

14 September 2018

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## Chair's Report 2017/18

To all Industry Stakeholders, it is my pleasure to present the Chair's Report for the Western Australian Meat Industry Authority (WAMIA) for the year ended 30 June 2018.

Consistent with previous years, 2018 has been one of significant change for WAMIA. This included the integration of a number of functions which were previously managed by a joint venture, Livestock Logistics WA, as well as employment of their staff.

We saw considerable change in the mix of livestock through the Muchea Livestock Centre (MLC) during the year. This had an impact on our mix of revenue. Private sales increased by 3,807 head (13%) over the prior year. Transhipment cattle decreased by 11,693 head (16%). Sale of cattle through the yards was lower than the prior year by 5,585 head (6%). Sheep volumes, on the other hand, were strong, being 32,169 head, an increase of 5%. Part of the change we experienced was a move away from live export animals moving through the yards.

Costs were higher than the prior year by \$158,709. The most significant items were staff redundancy costs, as we restructured the operations, costs of a consulting report into South West Saleyards and external assistance to improve safety standards at MLC.

WAMIA also experienced increased wages costs due to Sunday overtime. As a result, WAMIA sought industry consensus about moving the cattle sale day from Monday to Wednesday to endeavour to eliminate overtime costs. Industry did not support the sale-day change, however, so the cattle sale day remains on a Monday. A restructure of responsibilities between WAMIA and Livestock Agents, however, will reduce WAMIA's costs.

As mentioned above and also as flagged in last year's report, WAMIA commissioned a report by Deloitte Access Economics entitled "Replacement of Boyanup Saleyards Final Report October 2017". The purpose of the report was to determine the demand for a replacement for the Boyanup Saleyard when its lease from Shire of Capel expires in 2022. As a consequence of that report, and following industry engagement, a Tender process will commence in August 2018 to identify potential builders and operators of a replacement South West saleyard solution.

WAMIA did not meet its safety KPIs during the year, with one significant injury occurring. The Board of WAMIA takes safety very seriously and is currently seeking to improve safety at MLC using external safety advisors. Much of our challenge relates to the operation of gates within the MLC.

WAMIA maintained its compliance role during the year, in relation to the licencing of WA abattoirs and the retail sale of meat. Work continues with other government departments to explore ways to reduce the cost of this function.

After 3 ½ years at the helm of WAMIA, our Chief Executive, Andrew Williams, decided to leave the organisation. On behalf of the board, I would like to thank Andrew for his service and contribution to WAMIA. He has overseen a number of

major changes which leave the organisation in a better position for the future. We are currently in a recruitment process to find a new Chief Executive.

During the year, WAMIA's Deputy Chairman, Warren Robinson, retired after 24 years' service. I would like to thank Warren for his significant contribution to the organisation and his willingness to step up and take on demanding roles when asked. We wish Warren every success in his retirement.

Finally, I would like to thank my fellow Board members who have all contributed significant amounts of time during the year to ensure that WAMIA delivers the service to our stakeholders that is expected. In particular I would like to acknowledge Sally O'Brien, who stepped into the role of Deputy Chairman and assumed a significantly increased workload, with very little notice.

As always, the Board of WAMIA welcomes any feedback in relation to the performance of the Western Australian Meat Industry Authority.

A handwritten signature in black ink, appearing to read "David Lock".

**David Lock**

**Chairman**

14 September 2018

## Overview

### Executive Summary

#### Performance Highlights

- The Muchea Livestock Centre processed 93,310 cattle for auction sales (5,689 below last year's throughput of 98,990) and 655,241 sheep (47,219 above last year's throughput of 608,002).
- 32,226 cattle were weighed for private sale at The Muchea Livestock Centre, 3,807 above last year's volume of 28,419.
- Transhipment of cattle for the year was 60,328 cattle days (11,693 cattle days below last year's volume of 72,021).
- WAMIA has incurred a full year loss of \$1,460,131 primarily due to lower than anticipated throughput of cattle for auction and transhipment as well as significant restructure costs from staff redundancy. Earnings before Interest, Tax, Depreciation and Amortisation was a loss of \$395,686.

## Operational Structure

### About us

The Western Australian Meat Industry Authority (The Authority) is established by the Western Australian Meat Industry Authority Act 1976 (the Act). The Authority is subject to the direction of the Minister for Agriculture and Food; (the Minister) in the performance of its functions. The functions of The Authority under the Act are:

- to review facilities for, and the operation of, establishments related to the sale, slaughter and processing of animals and meat
- manage the Muchea Livestock Centre
- undertake any other functions as directed by the Minister.

The activities of the Authority are funded through charges at the Muchea Livestock Centre, revenue from livestock services, and rentals and fees charged for the approval of meat processing establishments. The Authority's financial accounting system is subject to the Financial Administration and Audit Act and a Chief Executive appointed under the *Public Sector Management Act (1994)* manages the Authority.

### Enabling Legislation

The Authority was established as an authority on 18 October 1976, under the Western Australian Meat Industry Authority Act 1976

### Responsible Minister

The Authority's responsible Minister is the Hon. Alannah MacTiernan MLC, Minister for Regional Development; Agriculture and Food; Minister assisting the Minister for State Development, Jobs and Trade.

## Board

The Authority consists of eight members appointed by the Minister and the Director General or an officer of the Department of Agriculture and Food (DAFWA) nominated by the Director General. The Authority Members at 30 June 2018 were:

David Lock (Chair)	Representing the Minister
Sally O'Brien (Deputy Chair)	Representing the Producers of Meat
Belinda Murray	Representing the Producers of Meat
Damien Hills	Representing the Director General of DAFWA
Kim McDougall	Representing Private Abattoirs
Mark Panizza	Representing Private Abattoirs
Andrew Kennedy	Representing Employees of the Meat Industry
Vacant	Representing the Wholesale and Retail Meat Industry

Mr Robinson (Representing the Wholesale and Retail Meat Industry) chose not to seek renewal of his membership to the Board and departed when his term expired in March 2018. A new representative is to be appointed.

## Board Profiles

### David Lock (Chairman)

Mr Lock has been appointed Chairman of the Western Australian Meat Industry Authority since March 2012. Mr Lock has extensive experience in the Australian Agribusiness industry, having been the Chief Executive of the Craig Mostyn Group for 12 years. In 2016 and 2017, Mr Lock was Managing Director and CEO of Mareterram Limited, an agribusiness company listed on the ASX.

Mr Lock is currently Chairman of Mareterram Limited and Chairman of Australian Pork Limited, Deputy Chairman of Water Corporation, a director of Odeum Produce Pty Ltd, a director of Food Fibre Land International Pty Ltd and a member of the Curtin Business School Advisory Council. He is also Chairman of the Audit & Risk Committee of Water Corporation. He has previously been Chairman of the West Australian Food Industry Association.

### Sally O'Brien

Ms O'Brien was reappointed to the Board for a third three-year term in April 2017 and was appointed Deputy Chairman in June 2018. She operates a family mixed broad acre agricultural business located at Irwin in WA's Midwest producing grain, beef cattle, wool and prime lambs. Ms O'Brien was Vice Chairman of the Mingenew Irwin

Group (2010-2017) (1998-2001 Treasurer). Ms O'Brien is a founding board member of MIGO (Mingenew Irwin Group Operations) a commercial division of the Mingenew Irwin Group.

### **Belinda Murray**

Ms Murray was appointed to the Board for a three-year term commencing 31 March 2017 as a representative of producers of meat. Ms Murray is currently the Executive Director at Kunmallup Pastoral Co, a family owned agricultural enterprise located in Katanning. Previously, Ms Murray was a Genetics Research Officer at the Department of Agriculture and Food WA and a Policy Director at Pastoralists and Graziers Association. Ms Murray holds a Bachelor of Animal Science, First Class Hons, from the University of Western Australia. Since 2015, Ms Murray has been a director of Sheep Alliance of WA (formerly Sheep Industry Leadership Council).

### **Damien Hills**

Mr Hills was appointed as the Delegate of the Director General of the Department of Agriculture and Food in October 2016. Mr Hills is currently Acting Director, Agribusiness Development (South) for the Department of Primary Industries and Regional Development. Mr Hills' has worked in both Western Australian and Victorian State Government in various roles including agriculture, water resource management, regional community engagement and development and salinity management. Mr Hills' was Chief Executive Officer for the South West Catchments Council for 5 years, a private consultant for 2 years, before entering the Oil and Gas Peak National Industry Association (APPEA) in the environment, safety and regulation field.

### **Kim McDougall**

Mr McDougall was reappointed to the Board as the representative for Private Abattoirs for a three-year term in April 2017. His career has spanned in excess of 30 years in the Western Australian livestock industry principally dealing with producers in the marketing of both cattle and sheep. Mr McDougall has represented the agribusiness agency sector at "WALSA" (Western Australian Livestock Salesmen's Association) as well as in the role of a management committee member of "Livestock Logistics WA". Mr McDougall is currently the General Manager for Livestock, of the Forrest families "Harvest Road Group", which include the procurement strategy for Harvey Beef and the management of the vast pastoral properties held by Forrest family. Mr McDougall is currently on the Red Meat Advisory Councils (RMAC) "sustainability steering group" a national group that provides the overarching vision for Australia's beef and cattle industry. Mr McDougall was awarded a scholarship sponsored by (AMPC) Australian Meat Processors Corporation to participate in the prestigious Australian Rural Leadership Program. Mr

McDougall holds an advanced diploma in leadership and management from the University of Western Australia.

### **Mark Panizza**

Mr Panizza was reappointed to the Board for a third three-year term in April 2016. Mr Panizza is a CPA and represents the interests of private abattoirs. He has worked in various regional areas throughout the State as an accountant in public practice before taking up a position in the private sector. Mr Panizza is currently a Director and CEO of Dardanup Butchering Company. He is the Chairman of the Australian Meat Industry Association's Western Australian Processor Council and is the State's representative to that organisation's national body, the Australian Processor Council.

### **Andrew Kennedy**

Mr Kennedy was appointed to the Board in May 2016. Mr Kennedy commenced his legal career in London before moving to Melbourne to work in the field of workplace relations and safety for a national law firm. In 2006, Mr Kennedy moved from Melbourne to Perth with the same national law firm before commencing in an in-house legal role with a multinational mining company. In that role he was responsible managing the Asia Pacific region legal team. In March 2017, Mr Kennedy was appointed to the role of Australian Regional Group Executive, Legal Services, with Newmont Mining Corporation. In that role Mr Kennedy has overall responsibility for the legal, company secretary, land and records management functions. Prior to becoming a lawyer Mr Kennedy pursued a career in Agriculture and spent several years working in the sector in England and in the United States.

### **Authority Meetings**

Eleven Authority meetings were held during 2017/18. Members' attendance at the meetings is detailed below.

Name of Member	Meetings Attended	Maximum Attendance
David Lock (Chairman)	11	11
Warren Robinson	6	8
Sally O'Brien	10	11
Belinda Murray	8	11
Damien Hills	8	11
Kim McDougall	9	11
Mark Panizza	10	11
Andrew Kennedy	9	11

## Organisational Structure

### Mission

The Authority's mission is to increase vendor returns, attract the maximum number of buyers and sellers and employ best practice animal welfare, environmental and occupational health and safety.

### Values

- Honest and Ethical
- Leadership and accountability at all levels
- The provision of accurate information in a timely fashion
- Animal welfare and safety focused
- Customer service with a positive attitude

### Management Team

#### ***Andrew Williams*** (Chief Executive)

Mr Williams has extensive experience within both the Private and Public Sector, holding a variety of commercial and management roles in various industries. Mr Williams joined WAMIA in February 2015.

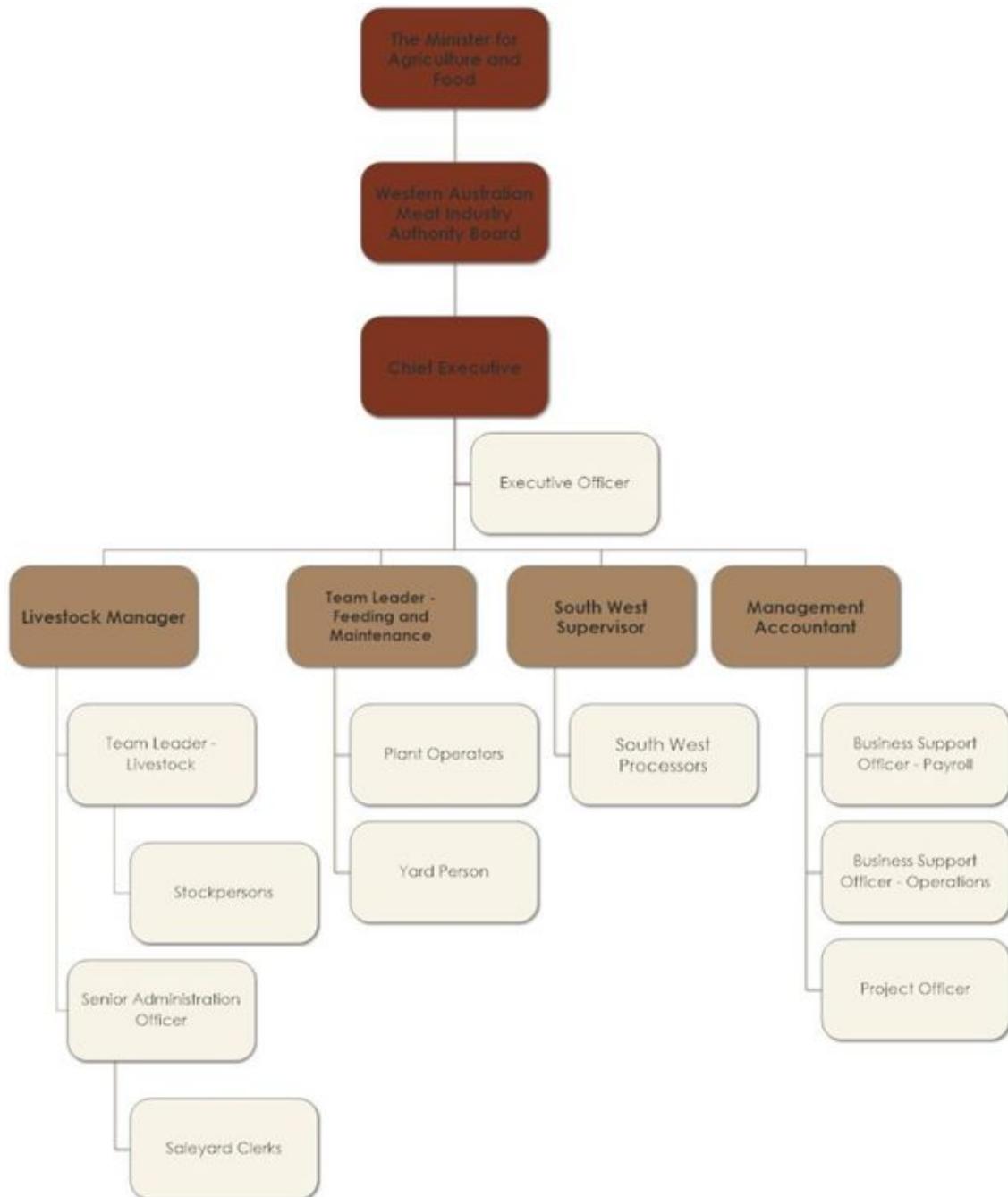
#### ***Sidney Pinto*** (Management Accountant)

Mr Pinto's extensive accounting experience spreads over various industries including manufacturing, mining, retail and services. Mr Pinto received his associate member of CPA in July 2011. Mr Pinto joined WAMIA in May 2016.

#### ***Brian Langford*** (Livestock Manager)

Mr Langford managed several farms during his career, working extensively with cattle and sheep throughout Western Australia and Queensland, along with managing a cattle feedlot. Mr Langford joined WAMIA in May 2017.

## Organisational Chart



## Administered Legislation

The Authority assists the Minister in administration of the following Act:

- *Western Australian Meat Industry Authority Act 1976.*

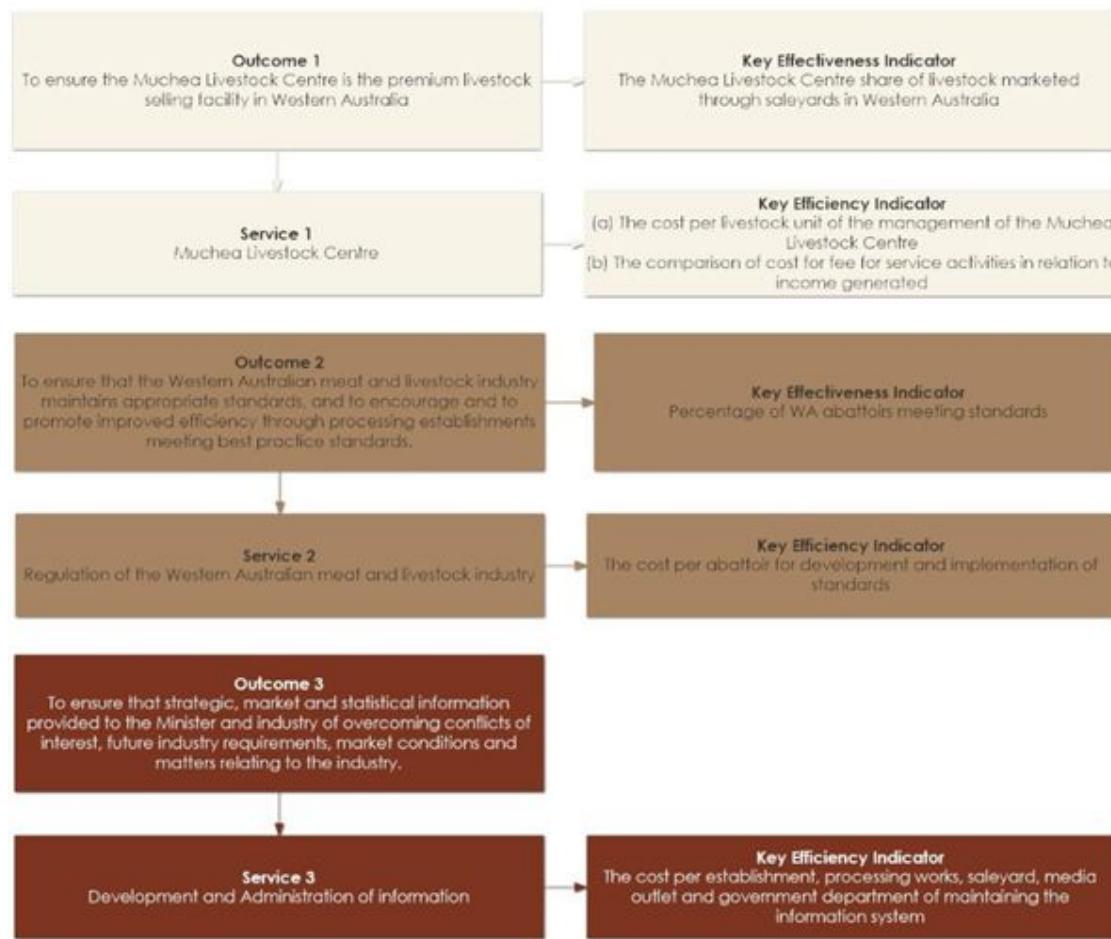
## Other Key Legislation Impacting on the Western Australian Meat Industry Authority's Activities

In the performance of its functions, the Western Australian Meat Industry Authority complies with the following relevant written laws:

- *Auditor General Act 2006;*
- *Contaminated Sites Act 2003;*
- *Disability Services Act 1993;*
- *Equal Opportunity Act 1984;*
- *Financial Management Act 2006;*
- *Freedom of Information Act 1992;*
- *Industrial Relations Act 1979;*
- *Minimum Conditions of Employment Act 1993;*
- *Occupational Safety and Health Act 1984;*
- *Public Sector Management Act 1994;*
- *Salaries and Allowances Act 1975;*
- *State Records Act 2000; and*
- *State Supply Commission Act 1991.*

# Performance Management Framework

## Outcome-based Management Framework



## Changes to Outcome-based Management Framework

The Authority's outcome-based management framework did not change during 2017-18.

## Shared Responsibilities with Other Agencies

The Western Australian Meat Industry Authority did not share any responsibilities with other agencies in 2017/18.

# Agency Performance

## Report on Operations

### Actual Results versus Budget Targets

#### Financial Targets

	2017/18 Target <sup>(1)</sup> \$	2017/18 Actual \$	Variation <sup>(2)</sup> \$
Total cost of services(a)	5,461,446	5,629,470	(168,024)
Total Income(b)	4,471,641	4,169,341	(302,300)
Total equity(c)	59,378,573	56,336,855	(3,041,718)
Net increase / (decrease) in cash held(d)	594,613	(2,692,088)	(3,286,701)
Approved salary expense(e)	2,439,076	2,682,873	(243,797)

(1) As specified in the Budget Statements.

- (2) Further explanations are contained in "Note 9.9 Explanatory statement" to the financial statements.
- a. The variation is mainly due to staff redundancies.
  - b. Income under budget mainly due to lower cattle volume than expected.
  - c. The negative variation caused by higher than expected net loss.
  - d. Investment of \$1,500,000 in term deposit and additional payments on non-current assets purchase.
  - e. Increase in salary expenses due to staff redundancies and additional salaries & wages costs incurred on saleyard operations staff.

## Summary of Key Performance Indicators

	2017/18 Target <sup>(1)</sup>	2017/18 Actual	Variation <sup>(2)</sup>
Outcome 1: To ensure the Muchea Livestock Centre is the premium livestock selling facility in Western Australia.  Key Effectiveness Indicator(s): <b>The volume of livestock for cattle</b>	101,000	93,310	(7,690)
Outcome 2: The lowering of the cost of maintaining the Muchea Livestock Centre  Key Effectiveness Indicator(s): <b>The lowering of the per unit cost</b>	\$2.30	\$2.25	\$0.05
Outcome 3: Providing fee for service activities on a financially viable basis  Key Effectiveness Indicator(s): <b>The cost to the authority in carrying out these functions is paid by industry through fees and charges</b>	\$2,129,964	\$2,216,598	(\$86,634)

(1) As specified in the Budget Statements.

(2) Explanations for the variations between target and actual results are presented in "Note 9.9 Explanatory statement" to the financial statements.

## Significant Issues Impacting the Agency

### Current and emerging issues and trends

Attracting and retaining a flexible, efficient and commercially orientated workforce remains challenging within a Public Sector context. The handing over of the presentation of cattle to Livestock Agents in 2018/19 will considerably reduce the number of casual employees employed by the Authority.

### Economic and social trends

There will continue to be a strong focus on animal welfare and occupational health and safety in line with community expectations.

### Changes in written law

There were no changes in any written law that affected the Authority during the financial year.

### Likely developments and forecast results of operations

Volumes during the 2018/19 year are expected to be in line with 2017/18 with continued focus on improving the efficiency and effectiveness of the services provided by the Western Australian Meat Industry Authority.

# Performance

## Strategic Planning

The Authority Board redeveloped the Strategic Plan after an intensive workshop in February 2016. The Plan covers the period 2017 to 2021. Key elements of the Plan are outlined below.

### Purpose

To administer the Western Australian Meat Industry Authority Act 1994 (including efficient and relevant compliance activities) while managing a best practice, viable, valuable and relevant Livestock Centre.

### Values

The Authority aims to always:

- Be honest and ethical
- Display leadership and accountability at all levels
- Provide accurate information in a timely fashion
- Focus on animal welfare and safety
- Provide customer service with a positive attitude

### Strategic Issues

The Authority has identified seven strategic issues to be addressed in order to meet the ongoing objectives of the organisation. These Strategic Issues are:

- The WAMIA compliance function is not adequately defined;
- The MLC site is not currently used to its full potential;
- The operations of the MLC are constrained by government processes;
- The technology used in the livestock centre is out dated;
- Animal welfare issues are becoming more prominent and have greater consequence; and
- There is a reducing number of livestock available to the MLC; and
- Ensuring the MLC remains a safe place for all staff users.

A range of detailed strategies with agreed execution timeframes have been developed by the organisation to address these issues over the timeframe of the Plan. Progress of the strategies is monitored and reported to the Members of the Authority on a quarterly basis.

## Compliance

The Authority currently operates under a Compliance Policy approved in December 2012 which includes:

### Approval of Abattoirs

- Approval to construct
- Granting or refusing applications
- Conditions of approval
- Revocation of approval

### Product description

- Permission to use commercial brands
- Permission to use regulatory brands
- Revocation of approval to use commercial or regulatory brands
- Auditing of abattoirs
- Monitoring of Retail Outlets
- Monitoring of Pet Food establishments, illegal slaughter operations, boning rooms & small goods establishments
- Offences under the Act & Regulations
- Advice to Applicants/Operators

In October 2013, the Board considered and endorsed the following policy for Illegal Slaughter:

- The Authority has a zero tolerance to illegal slaughter;
- The Authority will investigate all allegations of illegal slaughter referred to it;
- All investigations will be fully documented;
- Investigations will be carried out in conjunction with other regulatory agencies where appropriate;
- Where an investigation establishes clear evidence of illegal slaughter, the Authority will refer the matter to the State Solicitors Office for prosecution;
- The Minister will be apprised of cases of illegal slaughter at the periodic briefings with the Authority's Chairman and Chief Executive.

### Industry Standards

The Authority maintains close liaison with the relevant inspection bodies to ensure that all required standards are maintained. Where appropriate, joint visits to establishments are made with other relevant regulatory agencies. At 30 June 2018 the Authority is not aware of any establishments in Western Australia which are failing to comply with the relevant Australian Standards.

To ensure that adequate personnel are available to implement Hazard Analysis and Critical Control Points (HACCP), the Authority requires a minimum of two persons in supervisory positions in processing establishments to have completed approved training.

The Authority applies a number of tests and enquiries to ensure that only fit and proper persons are in charge of meat processing establishments.

### **Compliance Functions**

As outlined in the Strategic Plan, the Authority is currently reviewing its compliance function to ensure that duplication to industry is avoided; activities are risk based and target areas of concern as well as maintaining awareness of the Authority's functions within the industry.

### **Industry Liaison for Compliance**

During the period, the Authority continued to maintain contact with officers from industry organisations such as the Federal Department of Agriculture and Water Resources (DAWR), Department of Primary Industries and Regional Development (DPIRD), Department of Health (DOH), AUS-MEAT, and the Australian Meat Industry Council (AMIC) in areas of regulatory and industry development.

The Authority keeps regular contact with staff at an operational level. The Authority's Board acknowledges the valuable contribution of these officers from the DAWR, DPIRD, DOH, AUS-MEAT and AMIC.

### **Illegal Slaughter**

The Authority maintained close liaison with other regulatory authorities to ensure that only approved establishments processed meat for human consumption. It investigated a number of illegal slaughter complaints in conjunction with the DOH and local government officers.

Upon receipt of sufficient evidence, the matter is referred to the State Solicitor's Office (SSO). Should the SSO believe that a *prima facie* case exists and that the matter is of sufficient importance to warrant further action, the Authority will request the commencement of legal proceedings.

### **Carcase Branding Activity**

The Authority's Act and Regulations specify certain requirements for operators with respect to carcase roller branding of Lamb, Hogget and Gold Beef. While almost all branded product is derived from AUS-MEAT accredited establishments, all abattoirs are required to have relevant quality assurance procedures. If a works is not AUS-MEAT accredited this function is undertaken by the Authority's Compliance Officer.

## Branding Compliance

All establishments that carry out carcase roller branding do so under the supervision of full time government meat inspection services or an approved arrangement. All carcase brands are held under the security of the inspection service. There is regular communication between the Authority and the inspection service on branding activities.

Close liaison is maintained with AUS-MEAT regarding the status of these programs and any difficulties are addressed immediately.

## Establishment Approvals

The Authority has established a policy of approving establishments to operate according to categories based on construction and operating standards. All establishments are required to meet the Australian Standard for the Construction of Processing Establishments.

Table 1: Establishments by Category

Category	Standard/Inspection	Market Access	Numbers as 30/06/17	Numbers as 30/06/18
Export	Export standards and importing country requirements AQIS Inspection	No restrictions in Australia	11	12
Domestic (unrestricted)	Australian Standard. Health Dept/ Local Govt Inspection	No restrictions in Australia.	6	6
Domestic (no government meat inspection)	Australian standard. Special conditions apply	Distribution and capacity restrictions	1	1
Special Prison farm and Agricultural Colleges.	Australian standard. Health Dept/ Local Govt Inspection	Internal supply and capacity restrictions	5	5
Closed with current approval	Required to maintain basic environmental standards	Nil	4	3
Under construction	Non operational	Non operational	0	0
<b>Total</b>			27	27

## Applications for Approvals

The Authority considered the following applications as detailed in the table below.

Table 2: Applications by year

	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018
Applications to construct an establishment	0	0	0	0
Applications to operate	0	1	0	2
Applications for variation to approval	0	1	0	0

Table 3: WAMIA Approved Abattoirs by Category as at 30 June 2018

Category	Abattoir	Location
<b>Export</b>	Wellard Animal Production Pty Ltd	Beaufort River
	Derby Industries Pty Ltd	Wooroloo
	Harvey Industries Pty Ltd	Harvey
	Fletcher International Pty Ltd	Narrikup
	Geraldton Meat Exports Pty Ltd *	Moonyoonooka
	Hillside Meat Processors Pty Ltd	Narrogin
	Western Meat Processors Pty Ltd	Cowaramup
	V and V Walsh Pty Ltd	Bunbury
	WAMMCo International Pty Ltd	Katanning
	Central Agri Group Pty Ltd	Esperance
	Gingin Meatworks	Gingin
	Kimberley Meat Company Pty Ltd	Derby
<b>Domestic Unrestricted</b>	Kimberley Freerange Beef Pty Ltd *	Gingin
	Great Eastern Abattoir	Tammin
	Avon Valley Abattoir	Northam
	Dardanup Butchering Company	Picton
	Food Security International	Corrigin
<b>Domestic Restricted</b>	Goodchild Abattoirs	Australind
	Hagan Bros	Greenough
<b>Other Species</b>	Kellerberrin Butchery	Kellerberrin
<b>Special Abattoirs</b>	Konyen Farm (Rabbits)	Baldivis
	Cunderdin Agricultural College	Cunderdin
	Denmark Agricultural College	Denmark
	Narrogin Agricultural College	Narrogin
	Morawa Agricultural College	Morawa
	Karnet Prison Farm	Serpentine
	Murdoch University*	Murdoch

\*Currently closed

## Current Construction Approvals

There are no current approvals to construct.

## State Processing Statistics

The Authority maintains processing statistics for the State by type of animal and category of processing establishment.

Table 4: Abattoir throughput by category (cattle, sheep, lamb, goat and pigs) for 2016/17 and 2017/18

Category	Year	Cattle	Sheep	Lambs	Goat	Pigs
Export	2016/17	323,745	919,456	2,678,345	55,840	659,535
	2017/18	351,319	137,7346	250,2543	31,489	755,344
Domestic (unrestricted)	2016/17	49,377	27,922	211,663	1,909	44,525
	2017/18	54,124	45,198	169,539	1,888	51,282
Domestic without Meat Inspection	2016/17	6	60	0	0	0
	2017/18	5	104	0	0	0
Special	2016/17	2,495	6,105	31	0	115
	2017/18	2598	6197	149	0	101
<b>Totals</b>	2016/17	375,623	953,543	2,890,123	57,749	704,175
	2017/18	408,046	142,8845	267,2231	33,377	806,727
% Change	2017/18	8.63%	49.85%	(7.54%)	(42.22%)	14.56%

Table 5: Abattoir throughput for other species by category for the years 2016/17 and 2017/18

Category	Year	Deer	Rabbit	Other
Export	2016/17	178	0	0
	2017/18	476	0	10
Domestic (unrestricted)	2016/17	371	25,730	36
	2017/18	443	23,316	26
<b>Total</b>	2016/17	549	25,730	36
	2017/18	919	23,316	36

## Compliance Activity Summary

Table 6: Inspections undertaken from 2014/15 to 2017/18

Inspections Undertaken	2014/15	2015/16	2016/17	2017/18
Abattoirs	7	7	7	0
Boning Rooms	0	1	0	0
Retailers	138	167	179	115
Other premises e.g. pet food establishments	12	6	3	0

Table 7: Enquires received from 2015/16 to 2017/18

Enquires Received	2015/16	2016/2017	2017/18
Saleyard	15	28	20
Statistical	5	13	22
Market	5	5	3
Regulatory	11	7	8
General Information	60	38	31
Complaints	8	4	3
<b>Total</b>	<b>104</b>	<b>95</b>	<b>61</b>

Table 8: Investigations undertaken from 2016/17 to 2017/18

Investigations Undertaken	2016/17			2017/18		
	New	Completed	Ongoing	New	Completed	Ongoing
Illegal slaughter	1	2	2	0	2	0
Product misdescription	0	0	0	0	0	0
Labelling issues	0	0	0	0	0	0
Over the hooks	0	0	0	0	0	0
Brand issues	0	0	0	0	0	0
Other	0	0	0	0	0	0
Assist other regulators	0	0	0	0	0	0

### Reported: not completed Investigations

None

### Legal Action

None

## Muchea Livestock Centre (MLC)

### Services

The Muchea Livestock Centre has been built with the vision of becoming the hub for the livestock industry in Western Australia. Already, the Centre offers the following additional services to that of selling stock:

- Transhipment
- Feeding
- Agistment
- DAWR accredited live export cattle depot
- Pregnancy Testing
- Dentition Assessment
- Manure and Compost sales
- Truck Parking
- Venue for community meetings and functions.

### Animal Welfare

Compliance with Animal Welfare requirements is an essential element of the MLC's operation. The MLC has a zero tolerance policy for animal cruelty with any cases immediately referred to regulators. MLC staff work daily with MLC users to ensure that the Centre maintains the highest standards through:

- Planning and contingencies for animal welfare incidents
- Maintenance and design of MLC holding facilities and equipment
- Ensuring staff competency
- Management of weak, ill, or injured livestock at the Centre
- General management of livestock at the Centre
- Humane destruction of stock.

The Authority works closely with regulatory authorities to develop uniform interpretations of animal welfare requirements and assist in the training of Animal Welfare Officers.

A Memorandum of Understanding between the Authority and Department of Primary Industries and Regional Development has been developed and was signed September 18, 2017.

An Animal Welfare Manual complying with the requirements of the Australian Animal Welfare Standards and Guidelines – Livestock at Saleyards and Depots has been developed in consultation with regulators and was implemented into MLC operations in September 2017.

The Authority also considers that maintaining a close working relationship with all stakeholders in relation to animal welfare is an essential part of maintaining the high animal welfare standards at the MLC.

### Livestock Throughput

Yarding's of cattle, sheep, lambs and pigs through the Midland Saleyards for financial years 1995/96 – 2009/10 and for the Muchea Livestock Centre from 2010/11 onwards are listed in table 9.

Table 9: Midland/ Muchea Livestock Centre throughput by year

Year	Cattle	Sheep, lambs and goats	Pigs
1995/1996	98,705	1,494,103	64,269
1996/1997	100,603	1,490,504	61,742
1997/1998	123,444	1,474,421	41,986
1998/1999	118,559	1,458,323	29,049
1999/2000	114,718	1,294,692	20,518
2000/2001	119,902	1,275,489	20,749
2001/2002	139,352	1,212,402,	19,729
2002/2003	137,422	1,006,357	14,700
2003/2004	113,610	802,650	12,061
2004/2005	122,661	865,658	13,441
2005/2006	112,724	948,972	12,242
2006/2007	97,089	1,038,329	2,369
2007/2008	99,883	903,839	0
2008/2009	104,132	913,597	0
2009/2010	100,249	648,205	0
2010/2011	106,183	701,614	0
2011/2012	86,582	423,081	0
2012/2013	80,917	550,343	0
2013/2014	92,780	785,750	0
2014/2015	104,774	660,050	0
2015/2016	108,830	557,713	0
2016/2017	98,990	660,050	0
2017/2018	93,310	655,241	0

Table 10: Muchea Livestock Centre transhipment and non-sale weighing throughput by year

<b>Year</b>	<b>Non sale weighing</b>	<b>Cattle transhipment days</b>	<b>Sheep transhipment days</b>
2010/2011	7,654	69,528	101,365
2011/2012	9,762	34,637	7,878
2012/2013	20,249	49,428	20,627
2013/2014	27,969	59,596	16,994
2014/2015	19,384	38,908	16,762
2015/2016	36,950	139,059	36,434
2016/2017	27,822	75,799	25,913
2017/2018	29,474	60,328	8,823

## Industry Development

### Activities

The Authority takes a proactive approach to encourage and promote efficiency in the industry, by supporting a number of initiatives including consultation with the Executive Committees of the WA Farmers Federation, the Pastoralists and Graziers Association and the Livestock & Rural Transporters Association.

### Industry Database

The Authority maintains a database of the WA Saleyard and Meat Processing Industry that provides accurate information on both the throughput of the States Saleyards and abattoirs industry. Reports from the database can be generated from 2005/06. These reports are used by a number of Government and Industry organisations.

### Education

The Authority recognises that the involvement of the saleyard industry in the agricultural education sector is an important function and hosted visits to Muchea Livestock Centre by students from a number of agricultural colleges and other educational institutions.

Further, the Muchea Livestock Centre has been visited by many overseas delegates including Middle Eastern and African countries. The Centre has given them an appreciation of the high standard achieved for livestock handling and saleyard management in Western Australia.



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY

#### Report on the Financial Statements

##### **Opinion**

I have audited the financial statements of the Western Australian Meat Industry Authority which comprise the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Western Australian Meat Industry Authority for the year ended 30 June 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

##### **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 Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Authority in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Responsibility of the Board for the Financial Statements**

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

##### **Auditor's Responsibility for the Audit of the Financial Statements**

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. 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.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Report on Controls**

#### ***Opinion***

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Western Australian Meat Industry Authority. The controls exercised by the Authority are those policies and procedures established by the Board to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Western Australian Meat Industry Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2018.

#### ***The Board's Responsibilities***

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

**Auditor General's Responsibilities**

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

**Limitations of Controls**

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

**Report on the Key Performance Indicators****Opinion**

I have undertaken a reasonable assurance engagement on the key performance indicators of the Western Australian Meat Industry Authority for the year ended 30 June 2018. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Western Australian Meat Industry Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2018.

**The Board's Responsibility for the Key Performance Indicators**

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

**Auditor General's Responsibility**

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

#### **My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators**

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 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control 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 and Key Performance Indicators**

This auditor's report relates to the financial statements and key performance indicators of the Western Australian Meat Industry Authority for the year ended 30 June 2018 included on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME  
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
*17* September 2018

## Disclosures and Legal Compliance

### Financial Statements

#### Certification of Financial Statements

##### For the reporting period ended 30 June 2018

The accompanying financial statements of the Western Australian Meat Industry Authority have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2018 and the financial position as at 30 June 2018.

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

**S. Pinto**  
Chief Finance Officer of the Western  
Australian Meat Industry Authority

14 September 2018

**M. Panizza**  
Member of the Western Australian Meat  
Industry Authority

14 September 2018

**D. Lock**  
Chair of the Western Australian Meat  
Industry Authority

14 September 2018

# Financial Report for the year ended 30 June 2018

The Authority has pleasure in presenting its audited general purpose financial statements for the financial reporting period ended 30 June 2018 which provides users with the information about the Authority's stewardship of resource entrusted to it. The financial information is presented in the following structure:

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## Statement of Comprehensive Income

For the year ended 30 June 2018

	Notes	2018 (\$)	2017 (\$)
<b>INCOME</b>			
<b>Revenue</b>			
Sales	4.2	494,275	537,274
Provision of services	4.1	3,382,898	3,446,052
Interest revenue	4.3	177,949	214,243
Gain on disposal of non-current assets	4.4	3,806	500
Other revenue	4.5	110,413	77,168
<b>TOTAL INCOME</b>		<b>4,169,341</b>	<b>4,275,237</b>
 <b>EXPENSES</b>			
Cost of sales	4.2	170,411	210,880
Employee benefits expense	3.1	2,900,596	2,850,945
Supplies and services	3.2	1,190,483	1,061,445
Depreciation and amortisation expense	5.1, 5.3	1,242,394	1,222,521
Accommodation expenses	3.3	-	16,324
Other expenses	3.3	125,586	108,646
<b>TOTAL EXPENSES</b>		<b>5,629,470</b>	<b>5,470,761</b>
 <b>LOSS FOR THE PERIOD</b>		<b>(1,460,129)</b>	<b>(1,195,524)</b>
 <b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Changes in asset revaluation	5.1, 5.2	(300,040)	(70,000)
<b>Total other comprehensive loss</b>		<b>(300,040)</b>	<b>(70,000)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(1,760,169)</b>	<b>(1,265,524)</b>

See also the 'Schedule of Income and Expenses by Service'.

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Statement of Financial Position

As at 30 June 2018

	Notes	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7.1	3,688,811	6,380,899
Inventories	4.2	65,728	25,744
Receivables	6.1	334,655	354,745
Other assets	6.2	18,993	11,002
Other financial assets	6.3	3,000,000	1,500,000
<b>Total Current Assets</b>		<b>7,108,187</b>	<b>8,272,390</b>
<b>Non-Current Assets</b>			
Infrastructure, property, plant and equipment	5.1	47,649,470	50,528,521
Investment property	5.2	2,150,000	-
Intangible assets	5.3	9,686	8,373
<b>Total Non-Current Assets</b>		<b>49,809,156</b>	<b>50,536,894</b>
<b>TOTAL ASSETS</b>		<b>56,917,343</b>	<b>58,809,284</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	6.4	370,437	467,273
Employee related provisions	3.1	107,288	157,480
<b>Total Current Liabilities</b>		<b>477,725</b>	<b>624,753</b>
<b>Non-Current Liabilities</b>			
Employee related provisions	3.1	102,763	87,507
<b>Total Non-Current Liabilities</b>		<b>102,763</b>	<b>87,507</b>
<b>Total Liabilities</b>		<b>580,488</b>	<b>712,260</b>
<b>NET ASSETS</b>		<b>56,336,855</b>	<b>58,097,024</b>
<b>EQUITY</b>			
Contributed equity	9.8	-	-
Reserves		952,278	1,252,318
Accumulated surplus		55,384,577	56,844,706
<b>TOTAL EQUITY</b>		<b>56,336,855</b>	<b>58,097,024</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

For the year ended 30 June 2018

	Notes	Contributed equity \$	Reserves \$	Accumulated surplus \$	Total equity \$
<b>Balance at 1 July 2016</b>	9.8	-	<b>1,322,318</b>	<b>58,040,230</b>	<b>59,362,548</b>
Loss for the period		-	-	(1,195,524)	(1,195,524)
Other comprehensive loss		-	(70,000)	-	(70,000)
Total comprehensive loss for the period		-	(70,000)	(1,195,524)	(1,265,524)
<b>Balance at 30 June 2017</b>		-	<b>1,252,318</b>	<b>56,844,706</b>	<b>58,097,024</b>
<b>Balance at 1 July 2017</b>		-	<b>1,252,318</b>	<b>56,844,706</b>	<b>58,097,024</b>
Loss for the period		-	-	(1,460,129)	(1,460,129)
Other comprehensive loss		-	(300,040)	-	(300,040)
Total comprehensive loss for the period		-	(300,040)	(1,460,129)	(1,760,169)
<b>Balance at 30 June 2018</b>		-	<b>952,278</b>	<b>55,384,577</b>	<b>56,336,855</b>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Sale of goods and services		454,091	507,677
Provision of services		3,619,747	3,315,076
Interest received		226,468	94,053
GST receipts on sales		384,569	401,913
Other receipts		177,326	147,897
<b>Payments</b>			
Employee benefits		(2,694,286)	(2,499,948)
Supplies and services		(2,139,443)	(1,364,292)
Accommodation		(4,104)	(21,889)
GST payments on purchases		(227,202)	(212,076)
GST payments to taxation authority		(121,378)	(186,864)
<b>Net cash (used in)/provided by operating activities</b>	7.1	<b>(324,211)</b>	<b>181,547</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Purchase of non-current assets		(867,877)	(778,096)
Payments to acquire financial assets		(1,500,000)	(1,500,000)
Purchase of investments		-	55,608
<b>Net cash used in investing activities</b>		<b>(2,367,877)</b>	<b>(2,222,488)</b>
Net decrease in cash and cash equivalents		<b>(2,692,088)</b>	<b>(2,040,941)</b>
Cash and cash equivalents at the beginning of the period		6,380,899	8,421,840
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	7.1	<b>3,688,811</b>	<b>6,380,899</b>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

For the year ended 30 June 2018

## 1. Basis of preparation

The Authority is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Authority is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the '**Overview**' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Authority on 14 September 2018.

## Statement of compliance

These general purpose financial statements are prepared in accordance with:

1. The *Financial Management Act 2006 (FMA)*
2. The Treasurer's Instructions (**the Instructions or TI**)
3. Australian Accounting Standards (**AAS**) including applicable interpretations
4. Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (the Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

## Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest dollar.

## Judgements and estimates

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

## Contributed equity

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

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

## 2. Authority outputs

### How the Authority operates

This section includes information regarding the nature of funding the Authority generates and how this funding is utilised to achieve the Authority's objectives.

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### 2.1 Authority's objectives

#### Mission

The Authority's mission is to increase vendor returns, attract the maximum number of buyers and sellers and employ best practice animal welfare, environmental and occupational health and safety.

The Authority is predominantly funded by fee-for-services offered.

#### Services

The Authority provides the following services:

##### *Service 1: Muchea Livestock Centre*

To ensure the Muchea Livestock Centre is the premium livestock selling facility in Western Australia.

##### *Service 2: Regulation of Western Australian meat and livestock industry*

To ensure that the Western Australian meat and livestock industry maintains appropriate standards and to promote improved efficiency through processing establishments meeting best practice standards.

##### *Service 3: Development and administration of information*

To ensure that strategic, market and statistical information provided to the Minister and industry on methods of overcoming conflicting interest, future industry requirements, market conditions and matters relating to the industry.

## 2.2. Schedule of income and expenses by service

	Muchea Livestock Centre		Regulation		Information		Other		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b><u>Income</u></b>										
Sales	392,269	473,326	33,908	43,945	-	-	68,097	20,003	494,275	537,274
Provision of services	3,264,732	3,328,915	118,166	117,137	-	-	-	-	3,382,898	3,446,052
Interest revenue	-	-	-	-	-	-	177,949	214,243	177,949	214,243
Other revenue	88,221	90,451	-	-	3,319	3,163	18,873	(16,446)	110,413	77,168
Gain on disposal of non-current assets	-	-	-	-	-	-	3,806	500	3,806	500
<b>Total Income</b>	<b>3,745,222</b>	<b>3,892,693</b>	<b>152,074</b>	<b>161,081</b>	<b>3,319</b>	<b>3,163</b>	<b>268,725</b>	<b>218,300</b>	<b>4,169,341</b>	<b>4,275,237</b>
<b><u>Expenses</u></b>										
Cost of sales	121,542	197,726	6,928	3,300	-	-	41,941	9,854	170,411	210,880
Employee benefits expense	2,698,892	2,635,758	122,474	144,799	46,835	43,248	32,395	27,139	2,900,596	2,850,945
Supplies and services	1,085,756	983,753	50,064	33,424	33,154	29,750	21,509	14,518	1,190,483	1,061,445
Depreciation and amortisation expense	1,056,035	1,039,143	124,239	122,252	24,848	24,450	37,272	36,676	1,242,394	1,222,521
Accommodation expenses	-	13,875	-	1,632	-	326	-	490	-	16,324
Other expenses	111,429	96,734	9,149	7,694	2,122	1,855	2,886	2,362	125,586	108,646
<b>Total expenses</b>	<b>5,073,654</b>	<b>4,966,990</b>	<b>312,854</b>	<b>313,101</b>	<b>106,959</b>	<b>99,630</b>	<b>136,003</b>	<b>91,039</b>	<b>5,629,470</b>	<b>5,470,761</b>
Loss before grants and subsidies from State Government	(1,328,432)	(1,074,297)	(160,780)	(152,020)	(103,640)	(96,467)	132,723	127,260	(1,460,129)	(1,195,524)
Grants and subsidies from State Government	-	-	-	-	-	-	-	-	-	-
<b>DEFICIT FOR THE PERIOD</b>	<b>(1,328,432)</b>	<b>(1,074,297)</b>	<b>(160,780)</b>	<b>(152,020)</b>	<b>(103,640)</b>	<b>(96,467)</b>	<b>132,723</b>	<b>127,260</b>	<b>(1,460,129)</b>	<b>(1,195,524)</b>

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

### 3. Use of our funding

#### Expenses incurred in the delivery of services

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

	Notes	2018 \$	2017 \$
Employee benefits expenses	3.1(a)	2,900,596	2,850,945
Employee related provisions	3.1(b)	210,051	244,987
Supplies and services	3.2	1,190,483	1,061,445
Other expenditure	3.3	125,586	124,970

#### 3.1(a) Employee benefits expenses

	2018 \$	2017 \$
Wages and salaries	2,856,939	2,809,839
Superannuation – defined contribution plans <sup>(a)</sup>	43,657	41,091
Superannuation – defined benefits plans	-	15
<b>Total employee benefits expenses</b>	<b>2,900,596</b>	<b>2,850,945</b>

(a) Defined contribution plans include the payments made to West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS) and Government Employees Superannuation Board Schemes (GESBs). Refer to Note 9.4

**Wages and salaries:** Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, and leave entitlements.

**Superannuation:** The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (GESB) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for Authority purposes because the concurrent contributions (defined contributions) made by the Authority to GESB extinguishes the Authority's obligations to the related superannuation liability.

The Authority does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The Liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Authority to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

### 3.1(b) Employee related provisions

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

	2018 \$	2017 \$
<b>Current</b>		
<b><u>Employee benefits provisions</u></b>		
Annual leave <sup>(a)</sup>	66,263	84,001
Long service leave <sup>(b)</sup>	29,911	52,804
Deferred salary scheme <sup>(d)</sup>	-	4,354
	<b>96,174</b>	<b>141,159</b>
<b><u>Other provisions</u></b>		
Employment on-costs <sup>(c)</sup>	11,114	16,321
<b>Total current employee related provisions</b>	<b>107,288</b>	<b>157,480</b>
<b>Non-current</b>		
<b><u>Employee benefits provisions</u></b>		
Long service leave <sup>(b)</sup>	89,359	76,093
<b><u>Other provisions</u></b>		
Employment on-costs <sup>(c)</sup>	13,404	11,414
<b>Total non-current employee related provisions</b>	<b>102,763</b>	<b>87,507</b>
<b>Total employee related provisions</b>	<b>210,051</b>	<b>244,987</b>

- (a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018 \$	2017 \$
Within 12 months of the end of the reporting period	57,661	59,309
More than 12 months after the end of the reporting period	8,602	24,692
	<b>66,263</b>	<b>84,001</b>

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

- (b) **Long service leave liabilities:** Unconditional long service leave provisions are classified as current liabilities as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018 \$	2017 \$
Within 12 months of the end of the reporting period	29,911	52,804
More than 12 months after the end of the reporting period	89,359	76,093
	<b>119,270</b>	<b>128,897</b>

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

- (c) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Supplies and services, Note 3.2' and not included as part of the Authority's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2018 \$	2017 \$
<u>Employment on-cost provisions</u>		
Carrying amount at start of period	27,735	14,151
Additional/(reversals of) provisions recognised	(3,218)	13,584
<b>Carrying amount at end of period</b>	<b>24,517</b>	<b>27,735</b>

## (d) Defined benefit superannuation plans

	<b>Pension Scheme</b>		<b>Pre-transfer benefit-Gold State Scheme</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	\$	\$	\$	\$
Movements in the present value of the defined benefit obligation in the reporting period were as follows:				
Liability at start of period	-	-	4,354	4,339
<b>Included in profit or loss:</b>	-	-		
Current service cost	-	-	-	15
Past service cost	-	-	(4,354)	-
Interest cost	-	-	-	-
	-	-	-	<b>4,354</b>
<b>Included in Other Comprehensive Income:</b>				
Remeasurements loss (gain) recognised:				
- Actuarial losses/(gains) arising from:	-	-	-	-
demographic assumptions	-	-	-	-
financial assumptions	-	-	-	-
experience adjustments	-	-	-	-
Benefits paid	-	-	-	-
Liability at end of period	-	-	-	<b>4,354</b>

The Authority holds no plan assets, therefore the present value of the defined benefit obligation equals the net defined benefit liability. Employer contributions, to the Pension Scheme and the pre-transfer benefit for employees who transferred to the GSS, equal the benefits paid.

The principal actuarial assumptions used (expressed as weighted averages) were as follows:

	<b>2018</b>	<b>2017</b>
	<b>%</b>	<b>%</b>
Discount rate	2.26	2.26
Future salary increases	1.5	3.7

The Pension Scheme and the pre-transfer benefit for the GSS in respect of individual plan participants are settled by the Authority on their retirement. Funding requirements are based on invoices provided to the Authority by GESB that represent the cost of benefits paid to members during the reporting period.

#### **Key sources of estimation uncertainty – long service leave**

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

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

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

### 3.2 Supplies and services

	2018 \$	2017 \$
<b>Supplies and services</b>		
Communications	43,574	50,760
Computing	118,400	134,255
Consultants and contractors	383,489	205,964
Repairs and maintenance	209,735	223,442
Travel	17,612	22,228
Waste management	2,151	6,111
Water power gas	116,194	98,020
Fuel – diesel	20,877	25,703
Insurance (a)	128,016	118,488
Carcase disposal	37,486	47,936
Market reporting	20,000	19,800
Other	92,949	108,739
<b>Total supplies and services expenses</b>	<b>1,190,483</b>	<b>1,061,445</b>

(a) Insurance expenses include payments made to Riskcover Insurance of \$117,784 (2017: \$110,305). Refer to Note 9.4

### 3.3 Other expenditure

	2018 \$	2017 \$
<b>Accommodation expenses</b>		
Lease rentals (a)	-	16,324
<b>Total accommodation expenses</b>	<b>-</b>	<b>16,324</b>
<b>Other</b>		
Bank Fees	1,710	1,858
Audit Fees	50,518	38,830
Other (a)	73,358	67,958
<b>Total other expenses</b>	<b>125,586</b>	<b>108,646</b>
<b>Total other expenditure</b>	<b>125,586</b>	<b>124,970</b>

(a) Other expenses include bad debts written off (2018:\$2,291, 2017:\$249), Staff amenities (2018: \$12,469, 2017:\$12,999) and Training costs (2018:\$28,553, 2017: \$10,328).

#### Supplies and services:

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

**Accommodation expenses:**

Operating lease payments are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

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

**Other:**

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

**Doubtful debt expense** is recognised as the movement in the provision for doubtful debt. Please refer to note 6.1.1 Movement of the allowance for impairment of receivables.

## 4. Our funding sources

### How we obtain our funding

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

	Notes	2018 \$	2017 \$
Fees and charges	4.1	3,382,898	3,446,052
Sales	4.2	494,275	537,274
Interest Revenue	4.3	177,949	214,243
Gains	4.4	3,806	500
Other revenue	4.5	110,413	77,168

### 4.1 Fees and charges

	2018 \$	2017 \$
Saleyard Fees and Services	1,315,132	1,299,417
Livestock Services	1,768,183	1,858,040
Abattoir Licensing and Services	118,166	117,137
Truck Wash	181,417	171,458
	<b>3,382,898</b>	<b>3,446,052</b>

Revenue is recognised and measured at the fair value of consideration received or receivable.

### 4.2 Trading profit

	2018 \$	2017 \$
Sales	494,275	537,274
Cost of Sales:		
Opening inventory	25,744	44,672
Purchases	(261,883)	(281,296)
	(236,139)	(236,624)
<b>Closing inventory</b>	<b>65,728</b>	<b>25,744</b>
Cost of Goods Sold	(170,411)	(210,880)
<b>Trading Profit</b>	<b>323,864</b>	<b>326,394</b>

#### Closing Inventory comprises:

##### Current Inventories

Inventories held for resale:

Finished goods

At cost

**Total current**

65,728	25,744
<b>65,728</b>	<b>25,744</b>

### Sales

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

### Inventories

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

### 4.3 Interest Revenue

	2018 \$	2017 \$
Interest revenue (Interest on Term Deposits with BankWest and Rabobank)	177,949	214,243
<b>Total</b>	<b>177,949</b>	<b>214,243</b>

### 4.4 Gains

	2018 \$	2017 \$
<u>Proceeds from disposal of non-current assets</u>		
Plant, equipment and vehicles	11,989	500
<u>Carrying amount of non-current assets disposed</u>		
Plant, equipment and vehicles	8,183	-
<b>Gain</b>	<b>3,806</b>	<b>500</b>

**Realised and unrealised gains** are usually recognised on a net basis.

Gains and losses on the disposal of non-current assets are presented by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses. Gains and losses are recognised in profit or loss in the statement of comprehensive income (from the proceeds of sale).

### 4.5 Other Revenue

	2018 \$	2017 \$
Rental Income	78,035	80,086
Share of Joint Venture Loss	-	(19,359)
Other Income	32,378	16,441
<b>Total</b>	<b>110,413</b>	<b>77,168</b>

## 5. Key assets

### Assets the Authority utilises for economic benefit or service potential

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

	Notes	2018	2017
		\$	\$
Infrastructure, property, plant and equipment	5.1	47,649,470	50,528,521
Investment property	5.2	2,150,000	-
Intangibles	5.3	9,686	8,373
<b>Total key assets</b>		<b>49,809,156</b>	<b>50,536,894</b>

## 5.1 Infrastructure, property, plant and equipment

	Land \$	Buildings \$	Buildings under construction \$	Infrastructure \$	Plant, equipment and vehicles \$	Total \$
<b>Year ended 30 June 2017</b>						
<b>1 July 2016</b>						
Gross carrying amount	4,420,000	14,476,215	-	38,489,533	924,426	58,310,174
Accumulated depreciation	-	(1,784,149)	-	(4,937,942)	(662,723)	(7,384,814)
<b>Carrying amount at start of period</b>	<b>4,420,000</b>	<b>12,692,066</b>	<b>-</b>	<b>33,551,591</b>	<b>261,703</b>	<b>50,925,360</b>
Additions	-	-	122,000	283,373	378,188	783,561
Acquisitions from JV	-	-	-	-	109,861	109,861
Revaluation decrements	(70,000)	-	-	-	-	(70,000)
Depreciation	-	(289,524)	-	(774,752)	(155,985)	(1,220,261)
<b>Carrying amount at 30 June 2017</b>	<b>4,350,000</b>	<b>12,402,542</b>	<b>122,000</b>	<b>33,060,212</b>	<b>593,767</b>	<b>50,528,521</b>

### 5.1 Infrastructure, property, plant and equipment (cont.)

<b>Year ended 30 June 2018</b>	<b>Land</b> <b>\$</b>	<b>Buildings (b)</b> <b>\$</b>	<b>Buildings under construction</b> <b>\$</b>	<b>Infrastructure</b> <b>\$</b>	<b>Plant, equipment and vehicles</b> <b>\$</b>	<b>Total</b> <b>\$</b>
<b>1 July 2017</b>						
Gross carrying amount	4,350,000	14,476,215	122,000	38,772,906	1,734,864	59,455,985
Accumulated depreciation	-	(2,073,673)	-	(5,712,694)	(1,141,097)	(8,927,464)
<b>Carrying amount at start of period</b>	<b>4,350,000</b>	<b>12,402,542</b>	<b>122,000</b>	<b>33,060,212</b>	<b>593,767</b>	<b>50,528,521</b>
Additions	-	468,816	-	-	350,109	818,925
Transfers	-	122,000	(122,000)	-	-	-
Reclassification (a)	(2,190,000)	-	-	-	-	(2,190,000)
Other disposals	-	-	-	-	(8,183)	(8,183)
Revaluation decrements	-	(260,040)	-	-	-	(260,040)
Depreciation	-	(295,337)	-	(778,599)	(165,817)	(1,239,753)
<b>Carrying amount at 30 June 2018</b>	<b>2,160,000</b>	<b>12,437,981</b>	<b>-</b>	<b>32,281,613</b>	<b>769,876</b>	<b>47,649,470</b>

(a) Land held to earn rentals and for capital appreciation has been reclassified from property, plant and equipment to investment property at 30 June 2018, refer to Note 5.2.

(b) Building additions in the year are carried at cost less depreciation.

### **Initial recognition**

Items of property, plant and equipment and infrastructure are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition.

Assets transferred as part of a machinery of government change are transferred at their fair value.

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

The initial cost for a non-financial physical asset under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

### **Subsequent measurement**

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

- land; and
- buildings.

Land is carried at fair value.

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

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

Prior to 1 July 2017, infrastructure was incorrectly disclosed at fair value. No independent valuation has been carried out for infrastructure asset which continues to be carried at historical cost less accumulated depreciation.

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

Land and buildings were revalued as at 1 July 2017 and the valuations were performed during the year ended 30 June 2018 and recognised at 30 June 2018. In undertaking the revaluation, fair value of buildings was determined on the basis of current replacement cost of \$11,852,978 (2017: \$12,402,542) and fair value of land under buildings and infrastructure of \$2,160,000 (2017: \$2,160,000) was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

Revaluation model:

(a) Fair Value where market-based evidence is available:

The fair value of vacant land is determined on the basis of current market values determined by reference to recent market transactions.

(b) Fair value in the absence of market-based evidence:

**Buildings are specialised or where land is restricted:** Fair value of land under infrastructure and buildings is determined on the basis of existing use.

**Existing use buildings:** Fair value is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Where the fair value of buildings is determined on the current replacement cost basis, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset.

**Restricted use land:** Fair value is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

### 5.1.1 Depreciation and impairment

Charge for the period

	2018 \$	2017 \$
<u>Depreciation</u>		
Plant, equipment and vehicles	165,817	155,985
Buildings	295,337	289,524
Infrastructure	778,599	774,752
<b>Total depreciation for the period</b>	<b>1,239,753</b>	<b>1,220,261</b>

As at 30 June 2018 there were no indications of impairment to property, plant and equipment or infrastructure.

All surplus assets at 30 June 2018 have either been classified as assets held for sale or have been written-off.

#### Finite useful lives

All infrastructure, property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exception to this rule relates to land.

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

Asset	Useful life: years
Buildings	50 years
Plant and equipment	10 years
Office equipment	5 years
Software <sup>(a)</sup>	4 years
Motor vehicles	8 years
Infrastructure	50 years

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

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

Land which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of this asset because its service potential has not, in any material sense, been consumed during the reporting period.

### **Impairment**

As the Authority is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value (specialised buildings).

Infrastructure asset is a specialised asset held for continuing use of its service capacity, and it is not primarily held for its ability to generate net cash inflows. There is no indication of impairment provided that there is no part of infrastructure asset that is not utilised.

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

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

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

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

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 assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

### **5.2 Investment property**

	<b>2018</b>	<b>2017</b>
	\$	\$
Carrying amount at start of period	-	-
Reclassification (a)	2,190,000	-
Revaluation decrement	(40,000)	-
<b>Carrying amount at end of period</b>	<b>2,150,000</b>	<b>-</b>

(a) Properties represented by land held to earn rentals and for capital appreciation have been reclassified from property, plant and equipment to investment property at 30 June 2018, refer to Note 5.1

#### **Amount recognised in profit or loss:**

During 2018, investment property rentals of \$78,035 (2017: \$80,086) were included in 'Other Revenue' (Note 4.5). Maintenance expense relating to the investment property, included in 'Supplies and services' was \$nil (2017: \$nil).

#### **Initial recognition**

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at its cost, including transaction costs.

### **Subsequent measurement**

Subsequent to initial recognition, investment properties are measured at fair value. The Authority's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

**Investment property** is independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Investment properties were revalued as at 1 July 2017 and the valuations were performed during the year ended 30 June 2018 and recognised at 30 June 2018. In undertaking the revaluation, fair value was determined by reference to market values for investment property of \$2,150,000 (2017: \$2,190,000 classified as infrastructure, property, plant & equipment).

### **5.3 Intangible assets**

	<b>2018</b>	<b>2017</b>
	\$	\$
<u>Computer software</u>		
At cost	22,102	18,148
Accumulated amortisation	<b>(12,416)</b>	<b>(9,775)</b>
	<b>9,686</b>	<b>8,373</b>

### **Reconciliations**

<u>Computer software</u>	2018	2017
	\$	\$
Carrying amount at start of period	8,373	8,997
Additions	3,955	1,636
Amortisation expense	<b>(2,642)</b>	<b>(2,260)</b>
<b>Carrying amount at end of period</b>	<b>9,686</b>	<b>8,373</b>

### **Initial recognition**

Acquisitions of intangible assets and internally generated intangible assets that comply with the recognition criteria as per AASB 138.57 (as noted below), are capitalised.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

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

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset, and use or sell it;

- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

#### **Subsequent measurement**

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

#### **5.3.1 Amortisation and impairment**

Charge for the period

	<b>2018</b>	<b>2017</b>
	\$	\$
Computer software	2,642	2,260
Total amortisation for the period	<b>2,642</b>	<b>2,260</b>

As at 30 June 2018 there were no indications of impairment to intangible assets.

The Authority held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

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

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

Software (a)	3 to 5 years
Website Costs	3 to 5 years

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

#### **Impairment of intangible assets**

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 5.1.1.

## 6. Other assets and liabilities

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

	Notes	2018	2017
		\$	\$
Receivables	6.1	334,655	354,745
Other assets	6.2	18,993	11,002
Other financial assets	6.3	3,000,000	1,500,000
Payables	6.4	(370,437)	(467,273)

### 6.1 Receivables

	2018	2017
	\$	\$
Receivables	249,499	265,999
Accrued revenue	85,156	88,746
	334,655	354,745
Other debtors	-	14,000
Allowance for impairment of receivables	-	(14,000)
<b>Total</b>	<b>334,655</b>	<b>354,745</b>

The Authority does not hold any collateral or other credit enhancements as security for receivables.

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

#### 6.1.1 Movement of the allowance for impairment of receivables

	2018	2017
	\$	\$
<b>Reconciliation of changes in the allowance for impairment of receivables:</b>		
Balance at start of period	(14,000)	(14,000)
Amounts written off during the period	14,000	-
<b>Balance at end of period</b>	<b>-</b>	<b>(14,000)</b>

The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Authority will not be able to collect the debts.

## 6.2 Other assets

	2018 \$	2017 \$
Prepayments	18,993	5,009
Receivable from Joint Venture-Livestock Logistics WA	-	5,993
	<b>18,993</b>	<b>11,002</b>

## 6.3 Other financial assets

	2018 \$	2017 \$
Held-to-maturity investments –Term Deposit <sup>(a)</sup>	3,000,000	1,500,000
	<b>3,000,000</b>	<b>1,500,000</b>

(a) Bankwest term deposits \$1,000,000 and \$2,000,000 expiring on 29 Oct 2018 and 4 Feb 2019 respectively (2017; \$1,500,000 expired on 27 Oct 2017).

## 6.4 Payables

	2018 \$	2017 \$
Trade payables	267,627	226,645
GST payables	29,768	80,753
Accrued expenses	5,472	18,937
Accrued salaries	18,200	18,886
Payroll Tax Payable	43,338	105,215
Superannuation payable	6,032	16,837
	<b>370,437</b>	<b>467,273</b>

**Payables** are recognised at the amounts payable when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

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

## 7. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Authority.

	Notes
Cash and cash equivalents	7.1
Reconciliation of cash	7.1.1
Reconciliation of operating activities	7.1.2
Commitments	7.2
Non-cancellable operating lease commitments	7.2.1
Capital commitments	7.2.2

### 7.1 Cash and cash equivalents

#### 7.1.1 Reconciliation of cash

Notes	2018	2017
	\$	\$
Cash and cash equivalents	3,688,811	6,380,899
<b>Balance at end of period</b>	<b>3,688,811</b>	<b>6,380,899</b>

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

#### 7.1.2 Reconciliation of loss for the period to net cash flows provided by/(used in) operating activities

	2018	2017
	\$	\$
Loss for the period	(1,460,129)	(1,195,524)
<u>Non-cash items</u>		
Depreciation and amortisation expense	1,242,394	1,222,521
Share of Joint Venture Loss/(Income)	-	19,359
Net (gain)/loss on disposal of property, plant and equipment	(3,806)	(500)
<u>(Increase)/decrease in assets</u>		
Current receivables <sup>(a)</sup>	20,090	(106,626)
Current inventories	(39,983)	18,655
Other current assets	(13,985)	13,033
<u>Increase/(decrease) in liabilities</u>		
Current payables <sup>(a)</sup>	33,857	125,640
Current provisions	(50,192)	30,855
Non-current provisions	15,256	54,134
<b>Net cash provided by/(used in) operating activities</b>	<b>(324,211)</b>	<b>181,547</b>

(a) The Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

## 7.2 Commitments

### 7.2.1 Non-cancellable operating lease commitments

	2018 \$	2017 \$
Commitments for minimum lease payments are payable as follows:		
Within 1 year	18,140	21,225
Later than 1 year and not later than 5 years	11,307	12,901
Later than 5 years	-	-
	<b>29,447</b>	<b>34,126</b>

The commitments above are inclusive of GST.

### 7.2.2 Capital commitments

	2018 \$	2017 \$
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	-	531,940
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<b>-</b>	<b>531,940</b>

The commitments above are inclusive of GST.

## 8. Risks and Contingencies

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

	<b>Notes</b>
Financial risk management	8.1
Contingent assets	8.2.1
Contingent liabilities	8.2.2
Fair value measurements	8.3

### 8.1 Financial risk management

Financial instruments held by the Authority are cash and cash equivalents, other financial assets, receivables and payables. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

#### (a) Summary of risks and risk management

##### Credit risk

Credit risk arises when there is the possibility of the Authority's receivables defaulting on their contractual obligations resulting in financial loss to the Authority.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at Note 8.1(c) Ageing analysis of financial assets and Note 6.1 'Receivables'.

Credit risk associated with the Authority's financial assets is minimal because the Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

##### Liquidity risk

Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due.

The Authority is exposed to liquidity risk through its trading in the normal course of business.

The Authority has appropriate procedures to manage cash flows by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities to ensure that sufficient funds are available to meet its commitments.

##### Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Authority's income or the value of its holdings of financial instruments. The Authority does not trade in foreign currency and is not materially exposed to other price risks.

#### (b) Categories of financial instruments

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

	2018 \$	2017 \$
<b><u>Financial Assets</u></b>		
Cash and cash equivalents	3,688,811	6,380,899
Other Financial Assets	3,000,000	1,500,000
Receivables <sup>(a)</sup>	334,655	354,745
<b><u>Financial Liabilities</u></b>		
Financial liabilities measured at amortised cost <sup>(a)</sup>	340,669	386,520

(a) The amount of receivables and financial liabilities exclude GST recoverable/payable from/to the ATO (statutory receivable/payable)

**(c) Ageing analysis of financial assets**

	Carrying Amount	Past due but not impaired							Impaired financial assets
		Not past due and not impaired	Up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years		
		\$	\$	\$	\$	\$	\$		
<b>2018</b>									
Cash and cash equivalents	3,688,811	3,688,811	-	-	-	-	-	-	-
Other Financial Assets	3,000,000	3,000,000	-	-	-	-	-	-	-
Receivables <sup>(a)</sup>	334,655	275,526	46,343	10,657	2,129	-	-	-	-
	<b>7,023,466</b>	<b>6,964,337</b>	<b>46,343</b>	<b>10,657</b>	<b>2,129</b>	-	-	-	-
<b>2017</b>									
Cash and cash equivalents	6,380,899	6,380,899	-	-	-	-	-	-	-
Other Financial Assets	1,500,000	1,500,000	-	-	-	-	-	-	-
Receivables <sup>(a), (b)</sup>	354,745	337,398	4,915	12,432	-	-	-	-	-
	<b>8,235,644</b>	<b>8,218,297</b>	<b>4,915</b>	<b>12,432</b>	-	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

(b) An amount of \$14,000 is outstanding from a tenant whose lease has now been terminated for non-payment. This amount has been provided for in full.

#### (d) Liquidity risk and interest rate exposure

The following table details the Authority's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

**Interest Rate Exposure and Maturity Analysis of Financial Assets and Financial Liabilities**

Weighted Average Effective Interest Rate %	Carrying Amount	Interest rate exposure			Nominal Amount	Maturity dates				
		Fixed interest rate	Variable interest rate	Non- interest bearing		Up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>2018</b>										
<u>Financial Assets</u>										
Cash and cash equivalents	2.5	3,688,811	3,600,000	69,964	18,847	3,688,811	3,688,811	-	-	-
Other Financial Assets	2.65	3,000,000	3,000,000	-	-	3,000,000	-	-	3,000,000	-
Receivables <sup>(a)</sup>		334,655	-	-	334,655	334,655	308,478	4,541	21,636	-
		<b>7,023,466</b>	<b>6,600,000</b>	<b>69,964</b>	<b>353,502</b>	<b>7,023,466</b>	<b>3,997,289</b>	<b>4,541</b>	<b>3,021,636</b>	<b>-</b>
<u>Financial Liabilities</u>										
Payables <sup>(a)</sup>		340,669	-	-	340,669	340,669	340,669	-	-	-
		<b>340,669</b>	<b>-</b>	<b>-</b>	<b>340,669</b>	<b>340,669</b>	<b>340,669</b>	<b>-</b>	<b>-</b>	<b>-</b>

(a) The amount of receivables/payables exclude the GST recoverable/payable from/to the ATO (statutory receivable/payable).

**Interest Rate Exposure and Maturity Analysis of Financial Assets and Financial Liabilities**

Weighted Average Effective Interest Rate %	Carrying Amount \$	Interest rate exposure			Nominal Amount \$	Maturity dates						
		Fixed interest rate	Variable interest rate	Non- interest bearing		Up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years		
		\$	\$	\$		\$	\$	\$	\$	\$		
<b>2017</b>												
<u>Financial Assets</u>												
Cash and cash equivalents	2.2	6,380,899	6,277,915	102,984	-	6,380,899	102,984	6,277,915	-	-		
Other Financial Assets	2.5	1,500,000	1,500,000	-	-	1,500,000	-	-	1,500,000	-		
Receivables <sup>(a)</sup>		354,745	-	-	354,745	354,745	342,313	12,432	-	-		
		<b>8,235,644</b>	<b>7,777,915</b>	<b>102,984</b>	<b>354,745</b>	<b>8,235,644</b>	<b>445,297</b>	<b>6,290,347</b>	<b>1,500,000</b>	<b>-</b>		
<u>Financial Liabilities</u>												
Payables <sup>(a)</sup>		386,520	-	-	386,520	386,520	386,520	-	-	-		
		<b>386,520</b>	<b>-</b>	<b>-</b>	<b>386,520</b>	<b>386,520</b>	<b>386,520</b>	<b>-</b>	<b>-</b>	<b>-</b>		

(a) The amount of receivables/payables exclude the GST recoverable/payable from/to the ATO (statutory receivable/payable).

### (e) Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the end of the reporting period on the loss for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	2018	Carrying amount	-100 basis points		+100 basis points	
			Loss \$	Equity \$	Loss \$	Equity \$
<b><u>Financial Assets</u></b>						
Cash and cash equivalents	3,688,811	(36,888)	(36,888)	36,888	36,888	
Other Financial Assets	3,000,000	(30,000)	(30,000)	30,000	30,000	
<b>Total Increase/(Decrease)</b>		<b>(66,888)</b>	<b>(66,888)</b>	<b>66,888</b>	<b>66,888</b>	
	2017	Carrying amount	-100 basis points		+100 basis points	
			Loss \$	Equity \$	Loss \$	Equity \$
<b><u>Financial Assets</u></b>						
Cash and cash equivalents	6,380,899	(63,809)	(63,809)	63,809	63,809	
Other Financial Assets	1,500,000	(15,000)	(15,000)	15,000	15,000	
<b>Total Increase/(Decrease)</b>		<b>(78,809)</b>	<b>(78,809)</b>	<b>78,809</b>	<b>78,809</b>	

### Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

## 8.2. Contingent assets and liabilities

### 8.2.1 Contingent assets

There were no contingent assets that would affect the Authority at reporting date.

### 8.2.2 Contingent liabilities

#### Litigation in progress

There were no claims present at 30 June 2018.

#### Native title claims

There were no claims present at 30 June 2018.

#### Contaminated sites

There were no suspected contaminated sites present at reporting date.

### 8.3 Fair value measurements

<b>Assets measured at fair value:</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Fair Value At end of period</b>
<b>2018</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land (Note 5.1)	-	-	2,160,000	2,160,000
Buildings (Note 5.1)	-	-	11,852,978	11,852,978
Investment property (Note 5.2)	-	2,150,000	-	2,150,000
	<b>2,150,000</b>	<b>14,012,978</b>	<b>16,162,978</b>	

<b>Assets measured at fair value:</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Fair Value At end of period</b>
<b>2017</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land (Note 5.1)	-	2,190,000	2,160,000	4,350,000
Buildings (Note 5.1)	-	-	12,402,542	12,402,542
	<b>2,190,000</b>	<b>14,562,542</b>	<b>16,752,542</b>	

There were no transfers between Levels 1, 2 or 3 during the current and previous periods.

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

Level 2 fair values of Land (vacant land representing investment properties as reclassified at 30 June 2018) is derived using the market approach. Market evidence of sales prices of comparable land in close proximity is used to determine price per square metre.

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

<b>2018</b>	<b>Land</b>	<b>Buildings</b>
	<b>\$</b>	<b>\$</b>
Fair Value at start of period	2,160,000	12,402,542
Additions	-	-
Revaluation increments/(decrements) recognised in Profit or Loss	-	-
Revaluation increments/(decrements) recognised in Other Comprehensive Income	-	(260,040)
Transfers from/(to) Level 2	-	-
Disposals	-	-
Depreciation Expense	-	(289,524)
Fair Value at end of period	<b>2,160,000</b>	<b>11,852,978</b>
Total gains or losses for the period included in profit or loss, under 'Other Gains'	-	-

<b>2017</b>	<b>Land</b> <b>\$</b>	<b>Buildings</b> <b>\$</b>
Fair Value at start of period	2,160,000	12,692,066
Additions	-	-
Revaluation increments/(decrements) recognised in Profit or Loss	-	-
Revaluation increments/(decrements) recognised in Other Comprehensive Income	-	-
Transfers from/(to) Level 2	-	-
Disposals	-	-
Depreciation Expense	-	(289,524)
Fair Value at end of period	<b>2,160,000</b>	<b>12,402,542</b>
Total gains or losses for the period included in profit or loss, under 'Other Gains'	-	-

### **Valuation processes**

There were no changes in valuation techniques during the period.

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 as Treasurer's instructions require valuations of land and buildings to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

### **Land (Level 3 fair values)**

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 the Western Australian Land Information Authority (Valuations and Property Analytics) 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.

### **Buildings (Level 3 fair values)**

Fair value for existing use specialised buildings 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. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Valuation using current replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of asset which is estimated by the Western Australian Land Information Authority (Valuations and Property Analytics). 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.

### **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 their use and disposal 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 and the Authority's enabling legislation.

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

Description	Fair value 2018 \$	Fair value 2017 \$	Valuation technique(s)	Unobservable inputs	Relationship of unobservable inputs to fair value
Land	2,160,000	2,160,000	Current Use	Current use land value per square metre area( M2)	Higher current use land value per M2 increases fair value
Buildings	11,852,978	12,402,542	Depreciated Replacement Cost	Consumed Economic benefit/obsolescence of asset	Greater consumption of economic benefit or increased obsolescence lowers fair value
				Current cost per square metre floor area( M2)	Higher current cost per M2 increases fair value

## 9. Other disclosures

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

	<b>Notes</b>
Events occurring after the end of the reporting period	9.1
Future impact of Australian Accounting Standards not yet operative	9.2
Key management personnel	9.3
Related party transactions	9.4
Related bodies	9.5
Affiliated bodies	9.6
Remuneration of auditors	9.7
Equity	9.8
Supplementary financial information	9.9
Explanatory statement	9.10

### 9.1 Events occurring after the end of the reporting period

There were no events after the end of the reporting date.

## 9.2 Future impact of Australian Accounting Standards not yet operative

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements' or by an exemption from TI 1101. Where applicable, the Authority plans to apply the following Australian Accounting Standards from their application date.

	<b>Operative for reporting periods beginning on/after</b>
AASB 9  Financial Instruments	1 Jan 2018
This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i> , introducing a number of changes to accounting treatments.  The Authority has determined that the application of the Standard is unlikely to have any material impact.	
AASB 15  Revenue from Contracts with Customers	1 Jan 2019
This Standard establishes the principles that the Authority shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The mandatory application date of this Standard is currently 1 January 2019 after being amended by AASB 2016-7.  The Authority's income is principally derived from 'User charges and fees' and 'Sales' revenues. The Authority has not yet determined the potential impact of the Standard. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the Authority has discharged its performance obligations.	
AASB 16  Leases	1 Jan 2019
This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.  Whilst the impact of AASB 16 has not yet been quantified, the entity currently has operating lease commitments for \$29,447 worth of non-cancellable operating leases which the Authority anticipates most of this amount will be brought onto the statement of financial position, excepting amounts pertinent to short-term or low-value leases. Interest and amortisation expense will increase and rental expense will decrease.	

		<b>Operative for reporting periods beginning on/after</b>
AASB 1058	<i>Income of Not-for-Profit Entities</i>	1 Jan 2019
	This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an agency. The Authority anticipates that the standard will not be applicable.	
AASB 1059	<i>Service Concession Arrangements: Grantors</i>	1 Jan 2019
	This Standard addresses the accounting for a service concession arrangement (a type of public private partnership) by a grantor that is a public sector agency by prescribing the accounting for the arrangement from the grantor's perspective. Timing and measurement for the recognition of a specific asset class occurs on commencement of the arrangement and the accounting for associated liabilities is determined by whether the grantee is paid by the grantor or users of the public service provided. The Authority anticipates that the standard will not be applicable.	
AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Int 2, 5, 10, 12, 19 &amp; 127]</i>	1 Jan 2018
	This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.  The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Authority has determined that the application of the Standard is unlikely to have any material impact.	
AASB 2014-1	<i>Amendments to Australian Accounting Standards</i>	1 Jan 2018
	Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. The Authority has determined that the application of the Standard is unlikely to have any material impact.	

	<b>Operative for reporting periods beginning on/after</b>
AASB 2014-5	Amendments to Australian Accounting Standards arising from AASB 15  This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. The Authority has determined that the application of the Standard is unlikely to have any material impact.
AASB 2014-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)  This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Authority has determined that the application of the Standard is unlikely to have any material impact.
AASB 2015-8	Amendments to Australian Accounting Standards – Effective Date of AASB 15  This Standard amends the mandatory application date of AASB 15 to 1 January 2018 (instead of 1 January 2017). It also defers the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this Standard.
AASB 2016-3	Amendments to Australian Accounting Standards – Clarifications to AASB 15  This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Authority has determined that the application of the Standard is unlikely to have any material impact.
AASB 2016-7	Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities  This Standard defers, for not-for-profit entities, the mandatory application date of AASB 15 to 1 January 2019, and the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this standard.

		<b>Operative for reporting periods beginning on/after</b>
AASB 2016-8	Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities  This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.	1 Jan 2019
AASB 2017-1	Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments  The Authority has determined that the application of the Standard is unlikely to have any material impact.	1 Jan 2019

### 9.3 Key Management Personnel

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

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

#### **Compensation of members of the accountable authority**

<b>Compensation Band (\$)</b>	<b>2018</b>	<b>2017</b>
20,001 – 30,000	2	2
10,001 – 20,000	5	4
Up to 10,000	-	1
	\$	\$
Short term employee benefits	115,417	107,345
Post-employment benefits	9,927	9,458
Other long term benefits	-	-
Termination benefits	-	-
<b>Total compensation of members of the accountable authority</b>	<b>125,344</b>	<b>116,803</b>

#### **Compensation of senior officers**

<b>Compensation Band (\$)</b>	<b>2018</b>	<b>2017</b>
260,001 – 270,000	1	-
210,001 – 220,000	1	1
200,001 – 210,000	-	1
120,001 – 130,000	1	-
50,001 – 60,000	-	1
	\$	\$
Short term employee benefits	310,728	344,310
Post-employment benefits	39,140	38,532
Other long term benefits	36,876	89,364
Termination benefits	222,693	-
<b>Total compensation of senior officers</b>	<b>609,437</b>	<b>472,206</b>

Total compensation includes the superannuation expense incurred by the Authority in respect of senior officers.

## **9.4 Related Party Transactions**

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

Related parties of the Authority include:

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

### ***Significant transactions with government related entities***

In conducting its activities, the Authority is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- superannuation payments to GESB (Note 3.1<sup>(a)</sup>);
- lease rentals payments for fleet leasing to the Department of Finance (Note 3.3);
- insurance payments to the Riskcover fund (Note 3.2); and
- remuneration for services provided by the Auditor General ( Note 9.7).

### ***Material transactions with other related parties***

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

## **9.5 Related bodies**

There are no related bodies.

## **9.6 Affiliated bodies**

There are no affiliated bodies.

## **9.7 Remuneration of auditors**

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	<b>2018</b>	<b>2017</b>
	\$	\$
Auditing the accounts, controls, financial statements and key performance indicators	37,370	32,500

## 9.8 Equity

The Western Australian Government holds the equity interest in the Authority on behalf of the community. Equity represents the residual interest in the net assets of the Authority. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

### **Reserves**

#### Asset revaluation surplus

Balance at start of period	
Land	
Buildings	
<b>Balance at end of period</b>	

	<b>2018</b>	<b>2017</b>
	\$	\$
1,252,318	1,322,318	
(40,000)	(70,000)	
(260,040)	-	
<b>952,278</b>	<b>1,252,318</b>	

### **Accumulated Surplus**

Balance at start of period	
Result for the period	
<b>Balance at end of period</b>	
<b>Total equity at end of period</b>	

	<b>2018</b>	<b>2017</b>
	\$	\$
56,844,706	58,040,230	
(1,460,129)	(1,195,524)	
<b>55,384,577</b>	<b>56,844,706</b>	
<b>56,336,855</b>	<b>58,097,024</b>	

## 9.9 Supplementary financial information

### **(a) Write-offs**

During the financial year, \$2,291 (2017: \$249) was written off the Authority's accounts receivable under the authority of:

The accountable authority

	<b>2018</b>	<b>2017</b>
	\$	\$
2,291	249	
<b>2,291</b>	<b>249</b>	

### **(b) Losses through theft, defaults and other causes**

Losses of public money and public and other property through theft or default

Amounts recovered

	<b>2018</b>	<b>2017</b>
	\$	\$
-	-	
-	-	
-	-	

### **(c) Gifts of public property**

Gifts of public property provided by the Authority

	<b>2018</b>	<b>2017</b>
	\$	\$
-	-	
-	-	

## 9.10 Explanatory statement

All variances between estimates (original budget) and actual results for 2018, and between the actual results for 2018 and 2017 are shown below. Narratives are provided for key major variances, which are generally greater than:

- 5% and \$109,229 for the Statements of Comprehensive Income and Cash Flows, and
- 5% and \$1,176,186 for the Statement of Financial Position.

### 9.10.1 Statement of Comprehensive Income Variances

	Variance Note	Original Budget 2018 \$ A	Actual 2018 \$ B	Actual 2017 \$ C	Variance between budget and actual \$ (A-B)	Variance between actual results for 2018 and 2017 \$ (B-C)
<b>INCOME</b>						
<b>Revenue</b>						
Sales		456,530	494,275	537,274	37,745	(42,999)
Provision of services	1	3,729,608	3,382,898	3,446,052	(346,710)	(63,154)
Interest revenue		195,250	177,949	214,243	(17,301)	(36,294)
Gain on disposal of non-current assets		-	3,806	500	3,806	3,306
Other revenue		90,253	110,413	77,168	20,160	33,245
<b>TOTAL INCOME</b>		<b>4,471,641</b>	<b>4,169,341</b>	<b>4,275,237</b>	<b>(302,300)</b>	<b>(105,896)</b>
<b>EXPENSES</b>						
Cost of sales		157,281	170,411	210,880	(13,130)	40,469
Employee benefits expense	2	2,711,240	2,900,596	2,850,945	(189,356)	(49,651)
Supplies and services	a	1,157,425	1,190,483	1,061,445	(33,058)	(129,038)
Depreciation and amortisation expense		1,307,500	1,242,394	1,222,521	65,106	(19,873)
Accommodation expenses		-	-	16,324	-	16,324

Loss on disposal of non-current assets	-	-	-	-	-
Other expenses	128,000	125,586	108,646	2,414	(16,940)
<b>TOTAL EXPENSES</b>	<b>5,461,446</b>	<b>5,629,470</b>	<b>5,470,761</b>	<b>(168,024)</b>	<b>(158,709)</b>
<b>LOSS FOR THE PERIOD</b>	<b>(989,805)</b>	<b>(1,460,129)</b>	<b>(1,195,524)</b>	<b>(470,324)</b>	<b>(264,605)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items not reclassified subsequently to profit or loss</b>					
Changes in asset revaluation surplus	3, b -	(300,040)	(70,000)	(300,040)	(230,040)
<b>Total other comprehensive (loss)/income</b>	<b>-</b>	<b>(300,040)</b>	<b>(70,000)</b>	<b>(300,040)</b>	<b>(230,040)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(989,805)</b>	<b>(1,760,169)</b>	<b>(1,265,524)</b>	<b>(770,364)</b>	<b>(494,645)</b>

**Major Estimate and Actual (2018) Variance Narratives**

- 1) Decreased revenue due to lower cattle throughput than budgeted, hence loss of income - \$346,710 (9%).
- 2) Employee benefits expense increased by \$189,356 (7%) as a result of redundancies.
- 3) Unbudgeted revaluation decrement on investment property and buildings.

**Major Actual (2018) and Comparative (2017) Variance Narratives**

- a) Supplies & services costs increased by \$129,038 (11%) due to professional services costs incurred in relation to Boyanup saleyards.
- b) Revaluation decrement of buildings of \$260,040 and investment property of \$40,000 in 2018 compared to land of \$70,000 in 2017.

### 9.10.2 Statement of Financial Position Variances

	Variance Note	Original Budget 2018 \$ A	Actual 2018 \$ B	Actual 2017 \$ C	Variance between budget and actual \$ (A-B)	Variance between actual results for 2018 and 2017 \$ (B-C)
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	4, c	6,421,840	3,688,811	6,380,899	(2,733,029)	(2,692,088)
Inventories		44,672	65,728	25,744	21,056	39,984
Receivables		194,146	334,655	354,745	140,509	(20,090)
Other current assets		18,041	18,993	11,002	952	7,991
Other Financial Assets	d	2,000,000	3,000,000	1,500,000	1,000,000	1,500,000
<b>Total Current Assets</b>		<b>8,678,699</b>	<b>7,108,187</b>	<b>8,272,390</b>	<b>(1,570,512)</b>	<b>(1,164,203)</b>
<b>Non-Current Assets</b>						
Infrastructure, Property, plant and equipment	5, e	50,925,360	47,649,470	50,528,521	(3,275,890)	(2,879,051)
Investment property	6, f	-	2,150,000	-	2,150,000	2,150,000
Intangible Assets		8,997	9,686	8,373	689	1,313
Other non-current assets		138,184	-	-	(138,184)	-
<b>Total Non-Current Assets</b>		<b>51,072,541</b>	<b>49,809,156</b>	<b>50,536,894</b>	<b>(1,263,385)</b>	<b>(727,738)</b>
<b>TOTAL ASSETS</b>		<b>59,751,240</b>	<b>56,917,343</b>	<b>58,809,284</b>	<b>(2,833,897)</b>	<b>(1,891,941)</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables		217,009	370,437	467,273	(153,428)	96,836
Provisions		122,286	107,288	157,480	14,998	50,192
<b>Total Current Liabilities</b>		<b>339,295</b>	<b>477,725</b>	<b>624,753</b>	<b>(138,430)</b>	<b>147,028</b>

<b>Non-Current Liabilities</b>					
Provisions	33,373	102,763	87,507	(69,390)	(15,256)
<b>Total Non-Current Liabilities</b>	<b>33,373</b>	<b>102,763</b>	<b>87,507</b>	<b>(69,390)</b>	<b>(15,256)</b>
<b>Total Liabilities</b>	<b>372,668</b>	<b>580,488</b>	<b>712,260</b>	<b>(207,820)</b>	<b>131,772</b>
<b>NET ASSETS</b>	<b>59,378,573</b>	<b>56,336,855</b>	<b>58,097,024</b>	<b>(3,041,718)</b>	<b>(1,760,169)</b>
<b>EQUITY</b>					
Contributed equity					
Reserves	1,322,318	952,278	1,252,318	(370,040)	(300,040)
Retained earnings	58,056,255	55,384,577	56,844,706	(2,671,678)	(1,460,129)
<b>TOTAL EQUITY</b>	<b>59,378,573</b>	<b>56,336,855</b>	<b>58,097,024</b>	<b>(3,041,718)</b>	<b>(1,760,169)</b>

#### **Major Estimate and Actual (2018) Variance Narratives**

- 4) Cash and cash equivalents decreased by \$2,733,029 (43%) due to capital expenditure and classification of term deposits under other financial assets in actual results.
- 5) Reclassification of investment property of \$2,150,000 in 2018.
- 6) Refer to note 5) above.

#### **Major Actual (2018) and Comparative (2017) Variance Narratives**

- c) Cash and cash equivalents decreased by \$2,692,088 (42%) due to capital expenditure and classification of term deposits under other financial assets.
- d) Variance due to classification of term deposits based on maturity dates.
- e) Reclassification of investment property of \$2,150,000 in 2018.
- f) Refer to note e) above.

### 9.10.3 Statement of Cash Flow Variances

	Variance Note	Original Budget 2018 \$	Actual 2018 \$	Actual 2017 \$	Variance between budget and actual \$	Variance between actual results for 2017 and 2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Receipts</b>		<b>A</b>	<b>B</b>	<b>C</b>	<b>(A-B)</b>	<b>(B-C)</b>
Sale of goods and services	7	299,249	454,091	507,677	154,842	(53,586)
Provision of services	8, g	4,063,897	3,619,747	3,315,076	(444,150)	304,671
Interest received	h	195,250	226,468	94,053	31,218	132,414
GST receipts on sales		427,639	384,569	401,913	(43,070)	(17,344)
Other receipts		90,253	177,326	147,897	87,073	29,430
<b>Payments</b>						
Employee benefits	i	(2,743,838)	(2,694,286)	(2,499,948)	49,552	(194,338)
Supplies and services	9, j	(1,188,443)	(2,139,443)	(1,364,292)	(951,000)	(775,151)
Accommodation		-	(4,104)	(21,889)	(4,104)	17,786
GST payments on purchases		(137,057)	(227,202)	(212,076)	(90,145)	(15,125)
GST payments to taxation authority	10	(290,582)	(121,378)	(186,864)	169,204	65,486
<b>Net cash provided by/(used in) operating activities</b>		<b>716,368</b>	<b>(324,211)</b>	<b>181,547</b>	<b>(1,040,579)</b>	<b>(505,758)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Payments</b>						
Purchase of non-current assets	11	(121,755)	(867,877)	(778,096)	(746,122)	(89,781)
Payments to acquire financial assets	12	-	(1,500,000)	(1,500,000)	(1,500,000)	-
Purchase of investments		-	-	55,608	-	(55,758)

<b>Net cash provided by/(used in) investing activities</b>	<b>(121,755)</b>	<b>(2,367,877)</b>	<b>(2,222,488)</b>	<b>(2,246,122)</b>	<b>(145,389)</b>
Net increase/(decrease) in cash and cash equivalents	594,613	(2,692,088)	(2,040,941)	(3,286,701)	(651,146)
Cash and cash equivalents at the beginning of the period	7,827,227	6,380,899	8,421,840	(1,446,328)	(2,040,941)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>8,421,840</b>	<b>3,688,811</b>	<b>6,380,899</b>	<b>(4,733,029)</b>	<b>(2,692,088)</b>

**Major Estimate and Actual (2018) Variance Narratives**

- 7) Sale of goods and services increased by \$154,842 (52%) as a result of higher feeding fee revenue.
- 8) \$444,150 or 11% fall in provision of services mainly due to unrealised live export cattle related income.
- 9) Additional costs incurred on consultants and contractors over budget for supplies and services.
- 10) Due to decreased revenue and timing of payments to ATO in 2018.
- 11) Construction of new administration building for a cost of \$590,816 in 2018.
- 12) Unbudgeted investments in term deposits in 2018.

**Major Actual (2018) and Comparative (2017) Variance Narratives**

- g) Provision of services increased by \$304,671 (9%) due to increase in sheep throughput and transhipment cattle.
- h) Higher interest income was a result of efficient management of operating cash flows.
- i) Increase in saleyard operations' salaries and wages due to additional overtime costs.
- j) Additional costs incurred on consultants and contractors in 2018 compared to 2017.

## Audited Key Performance Indicators for the year ended 30 June 2018

### Audited Key Performance Indicators

#### Certification of Key Performance Indicators

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Western Australian Meat Industry Authority's performance, and fairly represent the performance of the Western Australian Meat Industry Authority for the financial year ended 30 June 2018.



**D. Lock**

Chair of the Western Australian Meat Industry Authority

14 September 2018

**M. Panizza**

Member of the Western Australian Meat Industry Authority

14 September 2018

## Detailed Information in Support of Key Performance Indicators

Agency Level Government Desired Outcome: Ensure Muchea Livestock is the premium facility.

<b>Key Effectiveness Indicator</b>	<b>2014-15</b> %	<b>2015-16</b> %	<b>2016-17</b> %	<b>2017-18</b> %
The % of throughput for MLC (Cattle)	42.8	45.2	41.8	43.2
The % of throughput for MLC (Sheep)	45.5	45.8	44.1	44.0

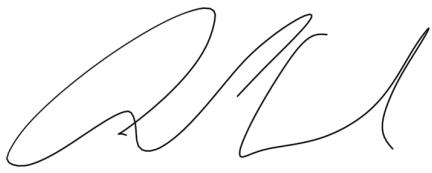
Service 1:

<b>Key Efficiency Indicators</b>	<b>2014-15</b> \$	<b>2015-16</b> \$	<b>2016-17</b> \$	<b>2017-18</b> \$
Total Cost	2,342,620	2,402,177	2,668,163	2,857,056
Cost per unit	1.74	1.90	2.12	2.25
Cost per unit less depreciation	0.97	1.08	1.54	1.67

## Detailed Key Performance Indicators

### Certification of Key Performance Indicators

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Western Australian Meat Industry Authority's performance, and fairly represent the performance of the Western Australian Meat Industry Authority for the financial year ended 30 June 2018.



**D. Lock**

Chair of the Western Australian Meat  
Industry Authority

14 September 2018

**M. Panizza**

Member of the Western Australian Meat  
Industry Authority

14 September 2018

## Outcome One (Effectiveness)

To ensure the Muchea Livestock Centre is the premium livestock selling facility in Western Australia.

### Relevance of Outcome

The Authority is required by legislation to assume responsibility for the management the Muchea Livestock Centre.

### Effectiveness Indicator to be Measured

The Muchea Livestock Centre share of livestock marketed through saleyards in Western Australia.

### Relevance of Indicator

A stable or increased market share will indicate that the Centre is attractive to sellers, agents and buyers of livestock and is therefore well managed and serving its intended purpose.

### Source of Information/Measurement

In July 2006 the Western Australian Meat Industry Authority (WAMIA) established a State database for Western Australian saleyard throughput figures sourced from all commercial saleyards operating in WA. This data has been entered onto a database to provide throughput figures for 2017/2018. All saleyards are represented regardless of total throughput or frequency of operation.

### Performance of State Throughput

There are thirty one (31) saleyards in Western Australia, and of these, six (6) saleyards operated on a regular basis (at least six sales per year) during the 2017/2018 financial year or accounted for at least 1% of State saleyards throughput of one species.

The results below indicate that the Muchea Livestock Centre has maintained its position as the largest saleyard in the state by overall throughput and maintained its overall dominant market share in cattle and has now achieved a high market share for sheep.

### Comparative Performance

The following tables compare throughput at the Muchea Livestock Centre with all Western Australian saleyards.

### Cattle and Calves

	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
MLC	86,582	80,917	92,780	104,754	108,830	98,990	93,310
Total saleyards	209,263	205,596	224,932	244,701	241,052	237,011	215,963
% through MLC	41.4%	39.0%	41.3%	42.8%	45.2%	41.8%	43.2%
Next highest saleyard	59,788	63,104	69,010	69,661	63,552	67,389	60,187

### Sheep, Lambs and Goats

	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
MLC	423,081	550,066	785,505	660,093	557,713	608,002	655,241
Total saleyards	1,175,110	1,215,223	1,598,139	1,451,073	1,216,801	1,378,523	1,490,124
% through MLC	36.0%	45.0%	49.1%	45.5%	45.8%	44.1%	44.0%
Highest saleyard	707,579	619,992	753,590	734,397	624,619	703,895	834,883

### Performance of Targets

WAMIA set target throughputs as part of its 2017/2018 budget process. These estimates were based on forecasting and seasonal conditions for the coming year. Based on the 2017/2018 actual throughput WAMIA did not meet its expected targets with stock numbers for cattle being lower than estimates by 8%. The throughput number for sheep exceeded the estimate by 19%.

	<b>BUDGET</b>	<b>ACTUALS</b>	<b>VARIANCE</b>	<b>VARIANCE</b>
Cattle	101,000	93,310	(7,690)	(8%)
Sheep, lambs and goats	550,000	655,241	105,241	19%

## Service One – Muchea Livestock Centre (Efficiency Measure 1)

To ensure the Muchea Livestock Centre is the premium livestock selling facility in Western Australia.

### Relevance of Service

The Authority is required by legislation to assume responsibility for the management of the Muchea Livestock Centre.

### Efficiency Indicator to be Measured

The cost per livestock unit of the management of the Muchea Livestock Centre.

### Relevance of Indicator

As the cost to industry for using Muchea Livestock Centre is determined on a per head basis, the indicator reflects the yard management efficiency of the Authority. A stable or decreasing cost per unit indicates that the Authority is containing costs with cleaning and an efficient repair and maintenance program.

### Source of Information

Throughput figures from saleyard returns, costs determined from Authority accounts - share of total costs attributable to the administration, maintenance and cleaning of the yards (excluding costs associated with administration, capital improvements program and other specific costs associated with fee for service activities).

#### Saleyards

	<b>Total</b>	Statutory	Fee for Service	Regulation	Information	Other
Income	<b>\$4,169,341</b>	\$1,380,411	\$2,364,811	\$152,074	\$3,319	\$268,726
Expenditure	<b>\$5,629,470</b>	\$2,857,056	\$2,216,598	\$312,854	\$106,959	\$136,003

### Performance

The total cost of maintaining Muchea Livestock Centre in 2017/2018 was \$2,857,056. The Muchea Livestock Centre's throughput for the year was 1,267,106 livestock units based on the Authority equivalency formula (sheep or lambs equal 1 unit, calves 2 units and cattle 7 units).

The cost per unit for 2017/2018 to maintain the Muchea Livestock Centre was \$2.25. The cost of depreciation is now a significant portion of the total and \$745,436 was excluded to calculate the cost per unit less depreciation of \$1.67. This calculation is based on eight years of operations at the Muchea Livestock Centre (which commenced operations on 3 May 2010). The higher unit cost is attributable to increased operating costs and lower throughput of cattle.

## Comparative Performance

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Total cost of maintaining Muchea Livestock Centre	\$2,260,321	\$2,342,620	\$2,402,177	\$2,668,163	2,857,056
No. of livestock units handled in the year	1,388,670	1,345,763	1,266,373	1,256,687	1,267,106
Cost per unit	\$1.63	\$1.74	\$1.90	\$2.12	\$2.25
Target cost per unit	\$2.19	\$2.09	\$1.86	\$2.07	\$2.30
Cost per unit (less Depreciation)	\$0.80	\$0.97	\$1.08	\$1.54	\$1.67
Target cost per unit (less Depreciation)	\$1.46	\$1.42	\$1.27	\$1.59	\$1.75

## Service One – Muchea Livestock Centre (Efficiency Measure 2)

To ensure the Muchea Livestock Centre is the premium livestock selling facility in Western Australia.

### Relevance of Service

The Authority is required by legislation to assume responsibility for the management of the Muchea Livestock Centre.

### Efficiency Indicator to be Measured

The comparison of cost for fee for service activities in relation to income generated.

### Relevance of Indicator

It is essential that the cost of any fee for service activity is not subsidised from income generated by ordinary saleyard fees. A stable positive percentage return indicates the management of the Authority is providing its fee for service activities at an effective cost recovery basis.

### Source of Information

Fee for service income was determined from the Authority's accounts. Fee for service activities for 2017/2018 were: rentals, truck wash, livestock transhipment service, removal and disposal service for injured and dead stock, agistment charges, sale of manure, waste management service fees and livestock feeding charges. A share of total costs attributable to fee for service activities is calculated. These included a share of administration, management, wages, depreciation, power, vehicle and other operating costs.

### Performance

In 2017/2018 the cost of providing fee for service activities at the Muchea Livestock Centre was \$2,216,598. The income generated by these activities was \$2,364,811.

In 2017/2018 the return of fee for service activities at the Muchea Livestock Centre was \$1.07 for every \$1.00 incurred in providing the service. This represents a return of 7% on the cost of those activities.

### Comparative Performance

The results indicate that the Authority is maintaining an adequate margin on costs over income on its fee for service activities.

	2013/14	2014/15	2015/16	2016/17	2017/18
Total cost of providing fee for service activities at Muchea Livestock Centre	\$516,132	\$585,052	\$792,493	\$2,298,826	\$2,216,598
Income generated by fee for service Activities	\$850,553	\$913,365	\$1,543,580	\$2,525,290	\$2,364,811
Income generated for every \$1.00	\$1.65	\$1.56	\$1.95	\$1.10	\$1.07
Target Income for every \$1.00	\$1.75	\$1.75	\$1.75	\$1.50	\$1.50
Incurred to provide service Percentage return on costs	65%	56%	95%	10%	7%

Note that comparison with the percentage return on fee for service activities in 2016/2017 saw a decrease in the percentage return on the provision of services at the Muchea Livestock Centre due to additional costs as a result of Livestock Logistics WA amalgamation.

## Performance Targets

In the past WAMIA has set MLC income target as part of its 2017/2018 budget process these estimates were based on forecasting marketing and seasonal conditions for the coming year. Based on the 2017/2018 the MLC actual income was below the budgeted income by \$302,300 (7%).

	TARGET	ACTUALS	VARIANCE \$	VARIANCE %
Income	\$4,471,641	\$4,169,341	(\$302,300)	(7%)

## Outcome Two (Effectiveness)

To ensure that the Western Australian meat and livestock industry maintains appropriate standards, and to encourage and promote improved efficiency through processing establishments meeting best practice standards.

### Relevance of Outcome

The Authority is required by legislation to survey, review, inspect and approve premises, facilities and operations in processing establishments in Western Australia. The Authority is also required to encourage and promote improved efficiency throughout the meat industry.

### Effectiveness Indicator to be Measured

Percentage of WA abattoirs meeting standards.

### Relevance of Indicator

A stable or increasing percentage of abattoirs meeting standards will indicate effectiveness of the Authority's activities.

### Source of Information/Measurement

The Authority calculates an overall rating for each abattoir using the national and international standards for construction, product description, health and hygiene, training and quality assurance as measurement criteria (Appendix A). A yearly review is conducted, by the Authority, of all abattoirs to determine their current status in relation to these standards. The information provided by the abattoirs is correlated with Authority records and information obtained from other regulatory bodies.

### Performance

The State's abattoirs continue to maintain standards with the average rating for the twenty four (24) abattoirs operating at 30 June 2018 calculated at 78.1%. This situation demonstrates that the activities of the Authority continue to be effective in this area.

## Comparative Performance

The following table compares ratings for abattoirs:

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Construction Standard	80.6%	91.3%	91.3%	82.6%	82.6%	84.6%
Product Description System	64.6%	70.7%	70.7%	64.1%	66.3%	76.9%
Health and Hygiene Standard	84.4%	92.4%	92.4%	85.9%	85.9%	90.4%
Training Standard	71.9%	78.3%	78.3%	71.7%	70.7%	76.9%
Quality Assurance System	48.6%	53.6%	53.6%	47.8%	47.8%	61.5%
Average Rating	70.0%	77.2%	77.2%	70.4%	70.7%	78.1%
Target Average Rating	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%

## Service Two – Regulation of the Western Australian meat and livestock industry (Efficiency Measure 1)

The Compliance and Licensing services are to ensure that Western Australian abattoirs maintain minimum standards, and to encourage and promote improved efficiency through abattoirs meeting best practice standards.

### Relevance of Service

The Authority is required by legislation to survey, review, inspect and approve premises, facilities and operations in processing establishments in Western Australia. The Authority is also required to encourage and promote improved efficiency throughout the meat industry.

### Efficiency Indicator to be Measured

The cost per abattoir for development and implementation of standards.

### Relevance of Indicator

The cost of the Authority carrying out these functions is borne by industry through fees and charges and by government through income from government supplied resources. The cost per abattoir meeting a certain standard reflects the industry regulatory efficiency of the Authority.

### Source of Information/Measurement

The source of information is the Authority accounts. Costs include surveillance, reviews, inspections, net cost of supplying carcase tickets, approval procedures, associated board costs, prosecution costs, standards development and implementation costs, costs of liaison and networking with other regulatory authorities.

### Performance

Total cost of the development and implementation of these standards (a proportion of licensing and development expenditure) is \$312,854. The cost of attaining the standard per abattoir \$312,854 divided by 24 approved abattoirs) is \$13,036. The average rating for 2017/2018 has been calculated at 78.1%. The efficiency performance (the cost per percentage point of processing establishments rating) is \$167. This means that it cost the Authority 167 per percentage point of achievement for abattoirs.

## Comparative Performance

The following table details comparative costs in relation to the ratings for abattoirs.

	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
Cost of achieving Standards	\$219,047	\$232,923	\$245,802	\$272,313	\$313,102	\$312,854
Number of Establishments	30	29	28	28	27	24
Actual cost per abattoir	\$7,302	\$8,032	\$8,779	\$9,725	\$11,596	\$13,036
Target cost per abattoir	\$6,307	\$6,605	\$6,728	\$7,056	\$10,826	\$12,647
Average abattoir rating	70.0%	77.2%	77.2%	70.4%	70.7%	78.1%
Cost per rating unit	\$104	\$104	\$114	\$138	\$164	\$167

The results show that the Authority has not reduced the cost per rating unit to manage these standards and maintain a higher level of service to ensure that industry standards are maintained and continued action taken against non-complying facilities.

## Outcome Three – Development and Administration of Information (Efficiency Measure 1)

To ensure that strategic, market and statistical information provided to the Minister and Industry on methods of overcoming conflicting interest, future industry requirements, market conditions and matters relating to the industry is provided in an efficient manner.

### Relevance of Service

The Authority is required by legislation to provide advice to the Minister on the areas listed in the outcome. The Authority is also required to encourage and promote efficiency.

### Efficiency Indicator to be Measured

The cost per establishment, processing works, saleyard, media outlet and government department of maintaining the information system.

### Relevance of Indicator

A steady cost reflects on the information management efficiency of the Authority.

### Source of Information/Measurement

Cost of system from Authority's accounts. Includes cost of maintaining the database of abattoir and saleyard statistics, the net costs of the National Livestock Reporting Service, share of cost of Board in developing information and advice, cost of networking and liaison to gather industry information, cost of producing reports, briefing notes, responses.

Number of abattoirs is the number of approved abattoirs (Source: Authority database). Number of Saleyards is the number of operational facilities (Source: Authority database). Number of processing works is the number of boning rooms, small goods and other processing operations meeting the definition in the Act (Source: Department of Health and Australian Quarantine Inspection Service). Media outlets and Government Departments are those provided with information on a regular basis.

### Performance

The total cost of maintenance and distribution of information is calculated as a proportion of licensing and development overheads. The total cost to the Authority for 2017/2018 was \$106,959.

Twenty four (24) abattoirs, one hundred and eleven (111) processing works, thirty one (31) saleyards and fifty six (56) other outlets were operating during the 2017/2018 year. The cost per establishment for delivering the service was \$482. (\$106,959 divided by two hundred and twenty two (222) establishments).

## Comparative Performance

	2013/14	2014/15	2015/16	2016/17	2017/18
Total cost of maintenance and distribution of information	\$78,236	\$81,777	\$89,771	\$99,630	\$106,959
Number of establishments	215	214	226	225	222
Actual cost per establishment for Delivering service	\$364	\$382	\$397	\$443	\$482
Target cost per establishment for Delivering service	\$305	\$301	\$299	\$444	\$467

## APPENDIX A

Western Australian Meat Industry Authority rating system for abattoir standards:

### **Construction standard**

Australian Standard for Construction of processing establishments or National Building Code	2 points
Export Standard for construction of processing establishments	3 points

### **Product description system**

Meets Minimum Regulatory Standards for fair trading	1 point
Meets Minimum Regulatory Standards (carries out carcase branding and ticketing)	2 points
Monitored Product Description System (AUS-MEAT A rating or equivalent)	3 points
Quality Assured Product Description System (AUS-MEAT A+ rating or equivalent)	4 points

### **Health and hygiene standards**

Complies with Australian Standard for Hygiene Production, with no meat inspection	2 points
Complies with Australian Standard for Hygiene Production, with meat inspection	3 points
Complies with all export standards	4 points

### **Training standards**

Minimum HACCP training (one person trained where approved)	1 point
Minimum HACCP training (two or more persons trained)	2 points
Minimum HACCP training and quality assurance training (AUS-MEAT or equivalent)	3 points
Integrated training program overseen by qualified personnel ( e.g. MINTRAC)	4 points

### **Quality assurance**

Minimum HACCP Program implemented (externally audited)	1 point
Extended Quality Assurance Arrangement (based on ISO, externally audited)	2 points
Certified ISO Quality System, third party audited	3 points

**Total possible points for each abattoir**

**18 points**

## Other Statutory Information

### Ministerial Directives

No Ministerial directives were received during the financial year.

### Other Financial Disclosures

This section includes information about pricing policies, major capital projects and employees require by TI 903 Agency Annual Reports.

#### Pricing policies of services provided

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

The current fees and charges were published in the Gazette on 27<sup>th</sup> Oct 2017 and introduced/payable from 27<sup>th</sup> Oct 2017. Details are available on the Authority's website at [www.wamia.wa.gov.au](http://www.wamia.wa.gov.au).

#### Capital Works

All capital projects are complete for 2017/18.

### Employment and Industrial Relations

<b>Staff Profile</b>	<b>2018</b>	<b>2017</b>
Full-time permanent	11	14
Full-time contract	3	1
Part-time measured on a FTE basis	5.8	6.7
On secondment	-	-
	<b>19.8</b>	<b>21.7</b>

#### Staff Development

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

During the financial year, our employees received both internal and external training as required.

#### Workers Compensation

Five workers compensation claims were recorded during the financial year. This compares to three claims in the previous financial year.

#### Unauthorised use of credit cards

Officers of the Authority hold corporate credit cards where their functions warrant usage of this facility. There were no cases of unauthorised use of credit cards during the financial year.

## Governance Disclosures

This section contains disclosures in regards to governance, including potential conflicts of interest.

### Contracts with Senior Officers

At the date of reporting, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interests in existing or proposed contracts with the Western Australian Meat Industry Authority other than normal contracts of employment of service.

### Insurance premiums paid to indemnify members of the Board

An insurance policy has been taken out to indemnify members of the Board against any liability incurred under sections 13 or 14 of the Statutory Corporations (Liability of Directors) Act 1996. The amount of the insurance premium paid for 2017/18 was \$10,232.

## Board and Committee Remuneration

<b>Position</b>	<b>Name</b>	<b>Type of remuneration</b>	<b>Period of membership</b>	<b>Gross/actual remuneration</b>
				<b>2017/18 financial year</b>
Chair	David Lock	Annual	12 months	\$23,468
Deputy	Warren Robinson	Annual	8 months	\$10,232
Member	Damien Hills	Annual	12 months	-
Member	Kim McDougall	Annual	12 months	\$13,643
Member	Andrew Kennedy	Annual	12 months	\$13,643
Member	Mark Panizza	Annual	12 months	\$16,223
Member	Sally O'Brien	Annual	12 months	\$13,643
Member	Belinda Murray	Annual	12 months	\$13,643
<b>Total</b>				<b>\$104,495</b>

## Other Legal Requirements

### Expenditure on advertising, market research, polling and direct mail

Section 175ZE of the Electoral Act 1907 requires public agencies to report details of expenditure to the organisations providing services in relations to advertising, market research, polling, direct mail and media advertising. The Authority has not incurred expenditure of this nature.

### Disability access and inclusion plan outcomes

The Authority's Disability Access and Inclusion Plan contain the following initiatives to address each of the six desired outcomes:

**1. People with disability have the same opportunities as other people to access the services of, and any events organised by, a public authority.**

All policies, guidelines and practices that govern the operation of Authority facilities and services are consistent with the policy on disabled access.

**2. People with disability have the same opportunities as other people to access the buildings and other facilities of a public authority.**

The Authority's administration building has disabled toilets and full access throughout the building. The Muchea Livestock Centre has full disabled access and facilities.

**3. People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.**

Authority information is available in person, via telephone, website and in hard copy and can be provided in a variety of formats upon request. All information is available in a clear, concise and easy to understand language and can be modified to suit individual requirements.

**4. People with disability receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority.**

Authority staff members with key client and public roles are aware of the key access needs of people with disabilities as well as their families and carers who use Authority facilities and services.

**5. People with disability have the same opportunities as other people to make complaints to a public authority.**

Complaints can be made to the Authority by various means. These include in person, in writing, by telephone or electronically.

**6. People with disability have the same opportunities as other people to participate in any public consultation by a public authority.**

When required, issues for public comment are advertised via local newspaper articles, media releases on the Authority website and letters to homeowners surrounding the relevant land area. Responses can be made by telephone, letter, email or in person. Should there be a requirement for public meetings, these meetings are conducted in venues with disabled access.

**7. People with disability have the same opportunities as other people to obtain and maintain employment with a public authority.**

The Authority is an equal opportunity employer and encourages people with disability, Aboriginal and Torres Strait Islander people and persons from culturally diverse backgrounds to apply.

## Compliance with public sector standards and ethical codes

The Authority is required to comply with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and an established Code of Ethics.

The Authority has formally adopted a Code of Conduct that has been prepared in consultation with the Office of the Commissioner of Public Sector Standards.

Recruitment and Selection procedures have been undertaken in accordance with Public Sector Standards. Compliance with the Code is monitored by the Chief Executive. No compliance issues have been considered in the period.

## Recordkeeping Plans

The Authority is required to comply with the requirements of the State Records Act 2000. The Authority has an approved record keeping plan and appointed Record Keeping Officer.

## Government Policy Requirements

### Substantive Equality

The Authority is committed to ensure that all employees, job applicants and other dealing with the Authority receive equitable treatment and that there is no bias on the grounds of sex, marital status, pregnancy, race, religion, political conviction or impairment. Furthermore the Authority seeks to ensure that no one is disadvantaged by conditions or requirements which cannot be shown to be relevant to performance and that the talents and resources of employees are utilised to the full.

The Authority is also committed to ensure the promotion of equal employment opportunities for all of its employees and recognises its legal obligations under the Equal Opportunity Act, 1984.

## Occupational Safety, Health and Injury Management

The Authority is committed to ensuring that it maintains a safe working environment to all users of The Muchea Livestock Centre and its administration office. It has set policies in place to ensure that staff are adequately advised of safety issues and it works closely with staff through its Health and Safety Committee and MLC users through its User Group.

The consideration of all safety incidents and hazard reports is a standard agenda item at meetings of the Authority and the Muchea Livestock Centre User Group. Any injuries that occur are managed closely in conjunction with the insurer RiskCover, both to ensure that appropriate return to work programs are implemented and in accordance with the requirements of the *Workers Compensation and Injury Management Act (1981)*.

During the period WAMIA continued to work closely with MLC users to address any safety issues identified.

During the period, WAMIA continued to ensure that staff were provided with training relevant to the safe operation of the workplace with a number of staff completing low stress stock handling, first aid, fire and building warden and fire extinguisher training.

In addition to the requirement for users handling livestock to provide Safety Management Plan's, persons seeking access to the Centre's operational area and out of hours access are required to undertake an induction program. 18 persons were inducted by the Authority staff in the period making a total of 1,154 persons since the Muchea Livestock Centre's opening.

<b>Measure</b>	<b>Actual Results</b>		<b>Results Against Target</b>	
	<b>2016/17</b>	<b>2017/18</b>	<b>Target</b>	<b>Comment on result</b>
Number of fatalities	0	0	0	Achieved
Lost time injury and/or disease incidence rate	14.28	15.15	0 or 10% reduction	FTE decreased although same number of incidents occurred
Lost time injury and/or disease severity rate	0	100	0 or 10% reduction	More severe injuries compared to last year. Further training has been provided and processes implemented.
Percentage of injured workers returned to work:				
(i) within 13 weeks	100%	33.33%		
(ii) within 26 weeks	100%	66.67%	Greater than or equal to 80%	Increase due to severity of injuries. Injury management providers have been appointed.
Percentage of managers trained in occupational safety, health and injury management responsibilities	100%	100%	Greater than or equal to 80%	Achieved



