



# Western Australian Meat Industry Authority



Annual Report 2019/20



### **Enquiries:**

Western Australian Meat Industry Authority  
Muchea Livestock Centre, Lot 5 Muchea East Road, MUCHEA WA 6501  
PO Box 390 BULLSBROOK WA 6084  
Telephone: (08) 9571 0013  
Email: [wamia@wamia.wa.gov.au](mailto:wamia@wamia.wa.gov.au)  
Website: [www.wamia.wa.gov.au](http://www.wamia.wa.gov.au)

### **Accessibility**

Copies of this publication are available in alternative formats upon request.

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## Statement of Compliance

For year ended 30 June 2020

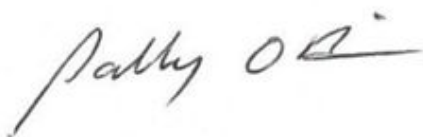
**HON. ALANNAH MACTIERNAN MLC**

**MINISTER FOR REGIONAL DEVELOPMENT; AGRICULTURE AND FOOD;  
PORTS; 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 2020.

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

The Financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board.



**S. O' Brien**

Chair of the Western Australian Meat  
Industry Authority

25 August 2020



**Mark Panizza**

Member of the Western Australian Meat  
Industry Authority

25 August 2020

## Chair's Report 2019/20

To all industry stakeholders, it is my pleasure to present the Chairman's report for the Western Australian Meat Industry Authority (WAMIA) for the year ended 30 June 2020.

2020 has been my first year as Chairman and what a year it has been! The onset of the Covid Pandemic in February 2020 has led to a day to day living and business operating environment that no one would have predicted in their wildest dreams twelve months ago. I am extremely proud of the WAMIA team, led by our CEO Greg Lott, and the way in which WAMIA has continued to operate and set an excellent example of saleyard operation under extreme circumstances.

It has been very pleasing to observe the co-operation within the whole meat supply chain working together to ensure supply was continued in a safe and timely manner. As with all significant threats to business, the challenge is to identify the opportunities they create to improve your business going forward. Two positives to emerge from the current situation is the rostering of administration staff to work from home on non-essential days, allowing for less commute time, improved work life balance and it is hoped better retention of key staff members into the future. The second relates to social distancing and segregation of buyers from the general public on sale days. This has allowed for less congested and smoother flowing auctions and less human traffic passing sale pens creating a less stressful environment for the livestock and is a practice we will continue going forward, animal welfare being one of our key values.

2020 has seen a change in the numbers and mix of livestock through the Muchea Livestock Centre (MLC). Cattle throughput for the year was 96,616 head, being slightly greater than budget and last year's number of 93,617 but below the 5-year average of 99,885 head. Private weigh cattle were 26,864 head being below budget but ahead of last year's number of 23,142 and below the 5-year average of 28,223. Cattle transshipment numbers were 117,671 cattle days being above budget and the 5-year average of 77,264 head. Sheep throughput for the year was 558,544 head, being above budget and last year's throughput of 539,849 but below the 5-year average of 607,185. Sheep transshipment days were 90,143 being considerably higher than the 5-year average of 22,533 head. The high transshipment volumes are a reflection of the large numbers of young breeding stock, both cattle and sheep, which have been sold to the eastern seaboard as re-stockers following the drought break there and feed and water shortages in WA. It is of concern that this will have a long-term impact on WA breeder numbers and ultimately sale animals.

The outcome of these numbers, combined with prudent financial management by the executive team and costs savings generated by agents taking responsibility for presentation of their clients' sale cattle has led to a loss of \$543,169 compared with a previous year loss of \$1,231,424. These losses are after depreciation of \$1,176,168 in the current year and \$1,172,291 in the prior year. A substantial 1-year improvement.

The Authority's commitment to the Health and Safety of all who we deal with is reflected in the improved OSH and injury management results. The Board will continue to place significant emphasis on continual improvement in this area and congratulates the management team on the improvements achieved during the past 12 months.

Significant work was completed during the year in the development of our Audit and Risk Committee, led by its Chair and Deputy Chair of the Board Julie Cox. Julie retired from the Board as at 30 June to pursue other interests, but I thank her for the considerable work put into ensuring that WAMIA has the Procedures and Policies in place to ensure the Board and its Officers are fulfilling our governance and oversight responsibilities in a fully compliant manner.

WAMIA maintained its compliance function, as set out in the WAMIA Act. We continue to work in a collaborative manner with other agencies to ensure the most appropriate and efficient outcomes.

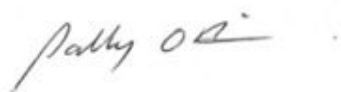
The WAMIA Board has had a reduced role regarding the future of the Boyanup Saleyards in 2020. Negotiations are continuing between The Shire of Capel, the existing leaseholder and government agencies to ensure a favourable outcome for both producers and operators.

During 2020 in addition to Julie Cox, we farewelled Belinda Murray in March as a Board Member Representing the Producers of Meat. Belinda made a significant contribution to the board room with her strengths being governance and industry knowledge. I wish both Julie and Belinda every future success and know they will make significant contributions to whatever ventures there are involved with.

With my move to the Chair, Dr Kelly Pearce joined the Board in August 2019 as a Representative of the Producers of Meat and also sits on our ARC committee. Kelly brings a wealth of experience in agricultural research and development along with being a grain and lamb producer from Yealering. Mrs Belinda Lay joined the Board in May 2020 in the position vacated by Belinda Murray. Belinda is a grain and sheep producer from Esperance who has a passion for animal welfare. The recruitment process for Julie Cox's position is well advanced and I look forward to welcoming another Board member soon.

I would like to thank my fellow Board Members for their ongoing support and contribution in what has certainly been an interesting year. The frank and open manner in which we are able to function as a Board is a strong attribute. I would also like to sincerely thank Greg Lott CEO, Judy Niblett EO and Sidney Pinto CFO for their support, hard work and dedication to the success of WAMIA.

The Board of WAMIA always welcomes any feedback in relation to its performance.



**Sally O'Brien**

**Chairman**

18 August 2020

## Overview

### Executive Summary

#### Performance Highlights

The Muchea Livestock Centre processed 96,616 cattle for auction sales (2,999 over last year's throughput of 93,617) and 558,544 sheep (18,695 above last year's throughput of 539,849).

26,864 cattle were weighed for private sale at the Muchea Livestock Centre, 3,722 above last year's volume of 23,142.

Transshipment of cattle for the year was 117,671 cattle days (41,667 cattle days above last year's volume of 76,004).

WAMIA has incurred a full year loss of \$543,169 versus budget loss of \$609,178 primarily due to higher throughput of cattle (4%) and sheep (2%) for auction and transshipment cattle 49% than estimated. Earnings before Interest, Tax, Depreciation and Amortisation was a profit of \$403,305 versus a budget earnings of \$419,171.



## 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; Ports; Minister assisting the Minister for State Development, Jobs and Trade (the Minister) in the performance of its functions. The functions of The Authority under the Act are:

- Manage the Muchea Livestock Centre.
- To review facilities for, and the operation of, establishments related to the sale, slaughter and processing of animals and meat.
- 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 Officer 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*.

## Board

The Authority consists of eight members appointed by the Minister and a representative of the Director General of the Department of Primary Industries and Regional Development (DPIRD). The Authority Members at 30 June 2020 were:

Sally O'Brien	Representing the Minister
Julie Cox (Deputy Chair)	Representing the Wholesale and Retail Meat Industry
Kim McDougall	Representing Private Abattoirs
Mark Panizza	Representing Private Abattoirs
Mark Ritchie	Representing the Director General's Office DPIRD
Dr Kelly Pearce	Representing the Producers of Meat
John Da Silva	Representing Employees of the Industry
Belinda Lay*	Representing the Producers of Meat

\*Mrs Belinda Murray represented the producers of meat, until her term expired in March 2020 and Mrs Belinda Lay was appointed to represent this industry in May 2020.

## Board Profiles

### Sally O'Brien (Chairman)

Ms O'Brien was appointed as Chairman of the Board in August 2019 following her prior role as Deputy Chairman, and her appointment to the Board in 2011. She operates a family mixed broad acre agricultural business located in Irwin (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.

### Julie Cox

Ms Cox was appointed to the Board in August 2018 for a two-year term and appointed as Deputy Chair in August 2019. Ms Cox has expertise in finance, mergers and acquisitions and strategy. She is a non-executive director and sits on the boards of five organisations across a range of sectors in agribusiness, health and tertiary education. Ms Cox had a thirty-year career with PricewaterhouseCoopers specialising in mergers and acquisitions, business valuation, financial evaluation and strategy. She then joined Craig Mostyn Group for a six-year period where she was

responsible for the mergers and acquisitions strategy that expanded the group's activities into new areas of agribusiness.

### **Kim McDougall**

Mr McDougall was reappointed to the Western Australian Meat Industry Authority Board as the representative for Private Abattoirs for a further three-year term in April 2020. 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 Agriculture, 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 thus receiving a Fellowship and a Graduate Certificate in Rural Leadership from James Cook University. Additionally, 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 further three-year term in April 2019. 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.

### **Mark Ritchie**

Mr Ritchie was appointed as the delegate of the Director General of the Department of Primary Industries and Regional Development in November 2018. Mr Ritchie is currently responsible for broad departmental livestock industry policy development and review and has previously been responsible for project and supply chain management initiatives and strategies within the northern WA beef industry. Mr Ritchie is a Churchill Fellow and holds formal qualifications in Agricultural Science

and Project Management, together with more than thirty years industry experience in executive, strategic, commercial and operational management across a range of agricultural industries, largely within the livestock industry. He has a track record of successfully engaging with and building industry and stakeholder relationships and has significant leadership, corporate governance, business management and communication skills within the agricultural sector.

### **John Da Silva**

Mr Da Silva was appointed to the Board in May 2019 and has been involved in the meat industry since his teenage years. He is currently the Assistant Secretary for the South and Western Australian Branch of the Australasian Meat Industry Employees Union based in Perth. He has represented the interests of employees across the retail, smallgoods, manufacturing and processing sectors of the meat industry across four decades. Mr Da Silva is also a board member of the Food, Fibre and Timber Industries Training Council as well.

### **Dr Kelly Pearce**

Dr Pearce was appointed to the Board for a three-year term in August 2019 representing the producers of meat. Dr Pearce is a grain and prime lamb producer based in Yealering. She has a seventeen-year career in Agricultural Research and continues to coordinate a number of regional science and innovation projects through her regionally based business Wheatbelt Science Pty Ltd. Dr Pearce is a Director of the Biosecurity Council of WA, Director of the Grower Group Alliance (WA) and a Committee Member of the Gene Technology Technical Advisory Committee, Corrigin Farm Improvement Group and the WA Sheep & Goat Industry Funding Scheme Management Committee. Dr Pearce is a graduate of the Australian Institute of Company Directors and a 2012 Nuffield Scholar.

### **Belinda Lay**

Mrs Lay was appointed to the Board for a one-year term in May 2020 as a representative of producers of meat. Mrs Lay is currently a business partner at Coolindown Farms, a family-owned mixed sheep and grain enterprise near Esperance and is a member of Asheep and SEPWA. She has worked in the Agricultural Industry since 1994 and holds a double Diploma in Business Studies and Agriculture and is a recent graduate of AICD. In 2019, Mrs Lay won the WA Agrifutures Rural Women's Award for her pilot project looking at GPS tracking of lambing ewes for animal welfare and production outcomes.

## Authority Meetings

Ten Authority meetings were held during 2019/20. Members' attendance at the meetings is detailed below.

Name of Member	Meetings Attended	Maximum Attendance
Sally O'Brien (Chairman)	10	10
Julie Cox	8	10
Kim McDougall	10	10
Mark Panizza	9	10
Mark Ritchie	9	10
John Da Silva	9	10
Dr Kelly Pearce	10	10
Belinda Lay	1	1

## Organisational Structure

### Mission

The Authority's mission is to provide an independent, accessible, and efficient livestock exchange facility for Western Australia that is safe for animals and people.

### Values

- Be honest and ethical.
- Display leadership and accountability at all levels.
- Focus on animal welfare and safety.
- Provide customer service with a positive attitude.

## WAMIA Management Team

### Greg Lott (Chief Executive Officer)

Mr Lott has extensive experience in food and agribusiness, having held senior management positions with Cadbury Schweppes and Craig Mostyn Group. Mr Lott was appointed as the CEO in January 2019.

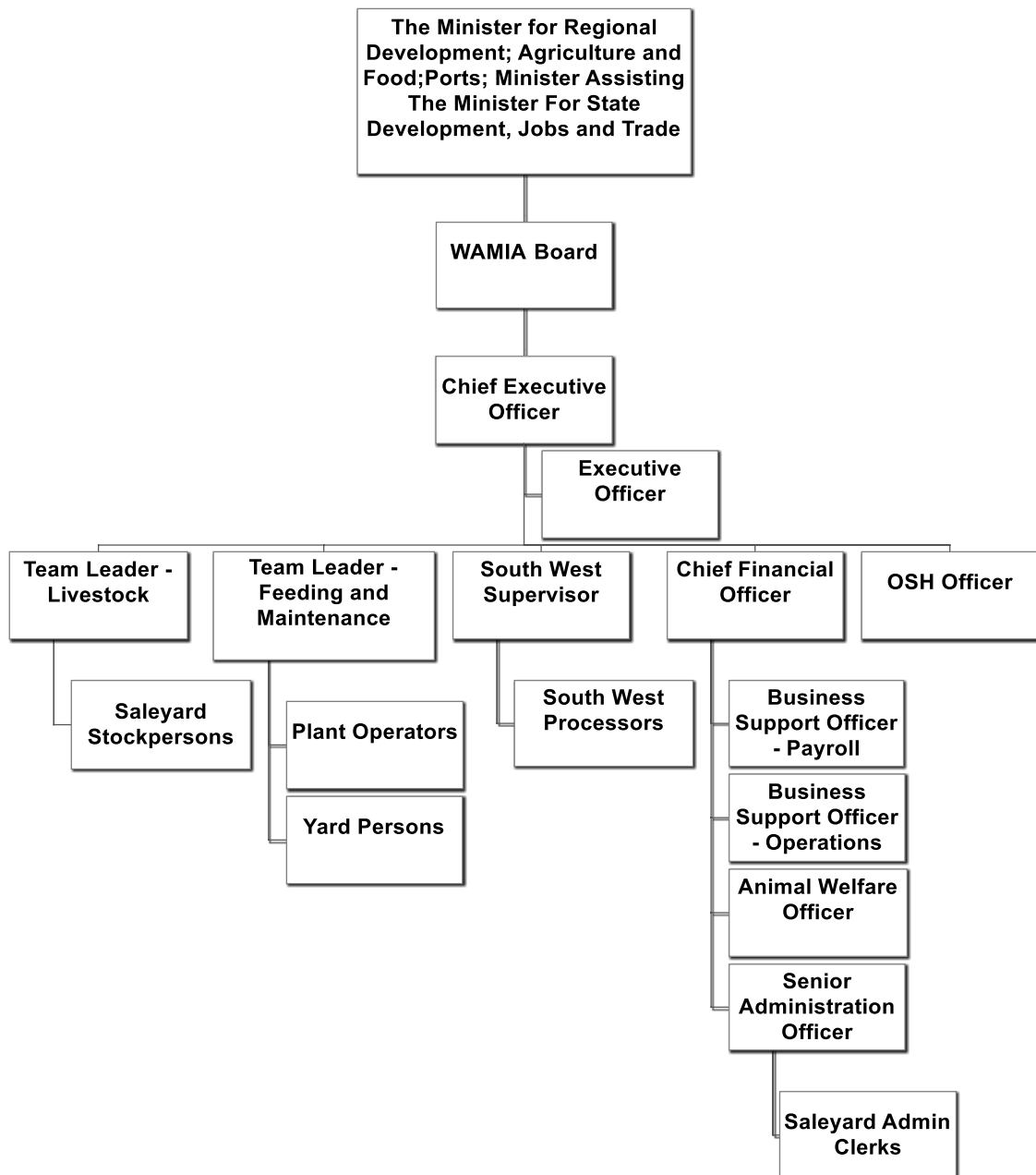
### Sidney Pinto (Chief Financial Officer)

Mr Pinto is a member of CPA and has extensive accounting experience that spreads over various industries including manufacturing, mining, retail and services. Mr Pinto joined WAMIA in May 2016.

## Judith Niblett (Executive Officer)

Ms Niblett has extensive managerial, administration, and human resources experience working for global corporations within energy and healthcare sectors. Ms Niblett joined WAMIA in October 2018.

## Organisational Chart



## **Administered Legislation**

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

- *Western Australian Meat Industry Authority Act 1976.*

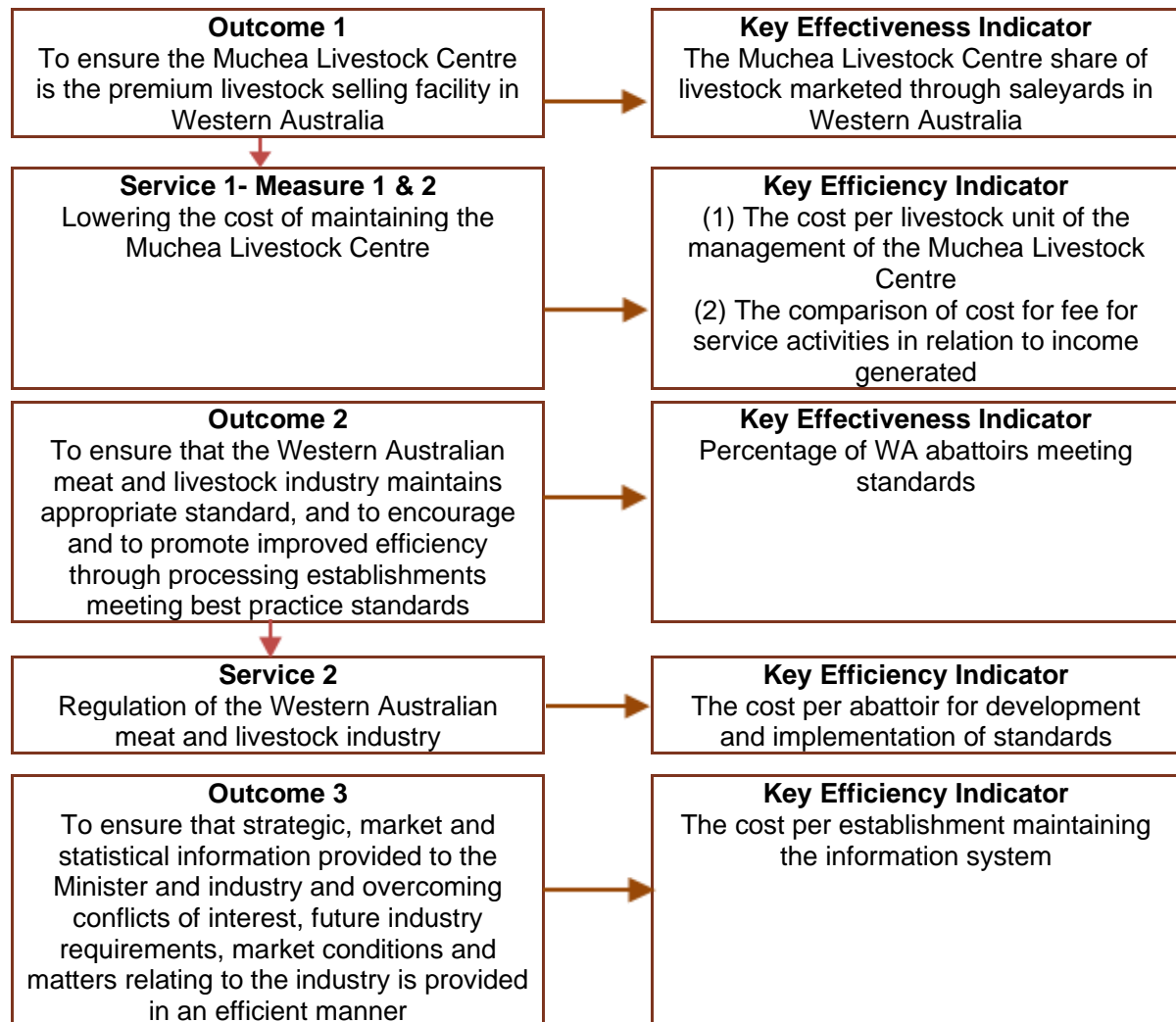
## **Other Key Legislation Impacting on the Western Australian Meat Industry Authority's Activities**

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

- *Auditor General Act 2006;*
- *Public Sector Management Act 1994;*
- *Occupational Safety and Health Act 1984;*
- *Equal Opportunity Act 1984;*
- *Financial Management Act 2006;*
- *Pay-Roll Tax Assessment Act 2002;*
- *Taxation Administration Act 2003;*
- *Freedom of Information Act 1992;*
- *Industrial Relations Act 1979;*
- *Workers Compensation and Injury Management Act 1981*
- *Minimum Conditions of Employment Act 1993;*
- *Salaries and Allowances Act 1975;*
- *State Records Act 2000; and*
- *State Supply Commission Act 1991.*
- *Professional Standards Act 1997;*
- *Animal Welfare Act 2002;*
- *Biosecurity and Agriculture Management Act 2007;*
- *Firearms Act 1973; and*
- *Dangerous Goods Safety Act.*

## Performance Management Framework

### Outcome-based Management Framework



### Changes to Outcome-based Management Framework

The Authority's outcome-based management framework did not change during 2019/20.

### Shared Responsibilities with Other Agencies

The Western Australian Meat Industry Authority did not share any responsibilities with other agencies in 2019/20.



# Agency Performance

## Report on Operations

### Actual Results versus Budget Targets

#### Financial Targets

	2019/20 Target <sup>(1)</sup>	2019/20 Actual	Variation <sup>(2)</sup>
	\$	\$	\$
Total cost of services(a)	4,360,422	4,488,003	(127,581)
Total Income(b)	3,751,244	3,944,834	193,590
Total equity(c)	54,360,547	54,433, 610	73,063
Net increase / (decrease) in cash held(d)	380,050	5,703,929	5,323,879
Approved salary expense(e)	1,876,676	2,056,226	(179,550)

(1) As specified in the Budget Statements.

(2) Further explanations are contained in Note 8.10 Explanatory statement to the financial statements.

- a. The variation is mainly due to additional salaries and wages of Saleyard staff on transhipments.
- b. Income over budget as a result of higher transhipment cattle and sheep volume than anticipated and operational restructure.
- c. The positive variance as a result of higher revenue from transhipment cattle and sheep.
- d. Classification of term deposits expiring within three months from 30 June 2020 under cash and cash equivalents from other financial assets.
- e. Salary expenses over budget as a result of additional salaries & wages costs incurred on transhipment cattle and sheep.

## Summary of Key Performance Indicators

	2019/20 Target <sup>(1)</sup> / Previous Year	2019/20 Actual	Variation <sup>(2)</sup>
<p>Outcome 1: To ensure the Muchea Livestock Centre is the premium livestock selling facility in Western Australia.</p> <p>Key Effectiveness Indicator:</p> <p><b>The Muchea Livestock Centre share of livestock marketed through saleyards in Western Australia.</b></p>	<p>Cattle 41.1%</p> <p>Sheep 39.2%</p>	<p>Cattle 41.5%</p> <p>Sheep 43.8%</p>	<p>Cattle 0.4%</p> <p>Sheep 4.6%</p>
<p>Service 1 – Measure 1</p> <p>Key Efficiency Indicator:</p> <p><b>Lowering the cost of maintaining the Muchea Livestock Centre.</b></p> <p>Relevance of indicator:</p> <p>Lowering the cost of maintaining the Muchea Livestock Centre</p>	\$1.79	\$1.78	(\$0.01)
<p>Service 1 – Measure 2</p> <p>Key Efficiency Indicator:</p> <p><b>The comparison of cost for fee for service activities in relation to income generated. *</b></p> <p>* Income generated for every \$1 of cost for fee for service activities.</p> <p>Relevance of indicator:</p> <p>The cost of any fee for service activity is not subsidised from income generated by ordinary saleyard fees.</p>	\$0.86	\$1.08	\$0.22
<p>Outcome 2: To ensure that the WA meat and livestock industry maintains appropriate standards.</p> <p>Key Effectiveness Indicator:</p> <p><b>Percentage of WA abattoirs meeting standards.</b></p> <p>* Number of abattoirs responded to the survey and the awarded ratings in 2019/20 were lower compared to last year.</p>	80.0%	73.5%	(6.5%)*

<p>Service 2: The Compliance and Licensing services are to ensure that WA abattoirs maintain minimum standards, and to encourage and promote improved efficiency through abattoirs meeting best practice standards.</p> <p>Key Efficiency Indicator:  <b>The cost per abattoir for development and implementation of standards.</b></p>	\$10,147	\$10,444	(\$297)
<p>Outcome 3: To ensure strategic, market and statistical information is provided to the industry in an efficient manner.</p> <p>Key Efficiency Indicator:  <b>The cost per establishment of maintaining the information system.</b></p>	\$353	\$363	(\$10)

- (1) As specified in the Budget Statements.
- (2) Explanations for the variations between target and actual results are presented in “Audited Key Performance Indicators”, refer pages 75 - 88.

## **Significant Issues Impacting the Agency**

### **Current and emerging issues and trends**

The major issue which faced the Authority during the year was the outbreak of the COVID – 19 pandemic. The outbreak led to many changes in the way business was conducted at the Muchea Livestock Centre. The major changes made were:

- Restricting access to the site on sale days to essential workers only,
- Reinforcing of good hygiene practices;
- Enforcing social distancing on sale days; and
- Implementing working from home procedures

### **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 to written law effecting the Authority during the year.

### **Likely developments and forecast results of operations**

Volumes during the 2020/21 year are expected to be in line with 2019/20 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's Board held workshops in 2019 to develop and finalise a new Strategic Plan which covers the period of 2020 to 2025. 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:

- Operate at all times in a honest and ethical manner.
- Display leadership and accountability at all levels.
- Commitment to welfare and safety of people and animals.
- Provide positive customer service.

### Strategic Issues

The Authority identified the following key strategic issues that will be to be addressed to meet the ongoing objectives of the organisation.

- How do we attract more volume and throughput.
- Ministerial approval required for potential site development activities outside of the Act.
- Risk of a serious safety incident.
- Increasing pressure on animal welfare.
- Renewable Energy Development.
- Depletion of cash reserves.
- Ongoing compliance function of the Act.
- Volume is at risk in an extended livestock standstill.

A range of detailed strategies with agreed execution timeframes have been developed by the Authority 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 regular 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; and
- The Minister will be apprised of cases of illegal slaughter at the periodic briefings with the Authority's Chairman and Chief Executive Officer.

### 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 2020, the Authority is not aware of any establishments in Western Australia which are failing to comply with the relevant Australian Standards.

## **Compliance Functions**

As outlined in the Strategic Plan, the Authority has reviewed 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 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.

## **Illegal Slaughter**

The Authority maintains close liaison with other regulatory authorities to ensure that only approved establishments process meat for human consumption. It investigates any illegal slaughter complaints in conjunction with the DOH and local government officers.

## **Carcase Branding Activity**

The Authority's Act and Regulations specify certain requirements for operators with respect to carcass 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.

## **Branding Compliance**

All establishments that carry out carcass roller branding do so under the supervision of full-time government meat inspection services or an approved arrangement. All carcass brands are held under the security of the inspection service.

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 30/06/19	Numbers as 30/06/20
Export	Export standards and importing country requirements / AQIS Inspection	No restrictions in Australia	12	12
Domestic Unrestricted	Australian Standard. Health Dept/ Local Govt Inspection	No restrictions in Australia.	6	6
Domestic Restricted	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	4
Under construction	Non operational	Non operational	0	1
<b>Total</b>			<b>28</b>	<b>29</b>



## Applications for Approvals

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

Table 2: Applications by year

	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020
Applications to construct an establishment	0	0	1	1
Applications to operate	0	2	3	0
Applications for variation to approval	0	0	0	0

Table 3: WAMIA Approved Abattoirs by Category as at 30 June 2020

Category	Abattoir	Location
<b>Export</b>	Ausvision Meat Processors Pty Ltd	Beaufort River
	Derby Industries Pty Ltd	Wooroloo
	Harvey Industries Pty Ltd	Harvey
	Fletcher International Pty Ltd	Narrikup
	Prime Meat Co 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
	WA Meat Co Pty*	Gingin
	Great Eastern Abattoir	Tammin
<b>Domestic Unrestricted</b>	Southern Brook Abattoir	Keysbrook
	Dardanup Butchering Company	Picton
	Konyen Farm (Rabbits)	Baldivis
	Avon Valley Abattoir	Northam
	Food Security International	Corrigin
	Goodchild Abattoirs*	Australind
	Hagan Bros	Greenough
<b>Domestic Restricted</b>	Kellerberrin Butchery	Kellerberrin
<b>Special Abattoirs</b>	Cunderdin Agricultural College	Cunderdin
	Denmark Agricultural College	Denmark
	Narrogin Agricultural College	Narrogin
	Morawa Agricultural College	Morawa
	Karnet Prison Farm	Serpentine
	Murdoch University*	Murdoch
<b>Under Construction</b>	Whitmore Gardens Pty Ltd	Darling Downs

\* Currently licenced but not operating

### Current Construction Approvals

The Board approved one application to construct an abattoir during 2019/20.

### 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 2018/19 and 2019/20

Category	Year	Cattle	Sheep	Lambs	Goat	Pigs
Export	2018/19	399,429	1,423,473	2,678,282	39,127	750,004
	2019/20	437,504	1,682,874	2,352,716	27,291	700,877
Domestic (unrestricted)	2018/19	48,495	68,124	172,915	1,473	62,258
	2019/20	54,327	98,022	168,518	2,595	99,162
Domestic without Meat Inspection	2018/19	3	49	0	3	0
	2019/20	4	47	11	5	0
Special	2018/19	2734	5887	37	0	398
	2019/20	2,761	6,008	173	0	263
<b>Totals</b>	2018/19	468,650	1,497,533	2,851,234	40,603	812,660
	2019/20	495,612	1,515,898	1,842,257	29,916	800,302
% Change	2019/20	6%	1%	(35%)	(26%)	(2%)

Table 5: Abattoir throughput for other species by category for the years 2018/19 and 2019/20

Category	Year	Deer	Rabbit	Other
Export	2018/19	1,188	0	2
	2019/20	0	0	0
Domestic (unrestricted)	2018/19	387	16,516	0
	2019/20	329	18,561	22
<b>Total</b>	2018/19	1,575	16,516	2
	2019/20	329	18,561	22

## Compliance Activity Summary

Table 6: Enquires received from 2017/18 to 2019/20

Enquires Received	2017/18	2018/2019	2019/20
Saleyard	20	42	97
Statistical	22	8	8
Market	3	8	16
Regulatory	8	25	7
General Information	31	23	15
Complaints *	3	2	18
<b>Total</b>	<b>61</b>	<b>108</b>	<b>161</b>

\* Increase in complaints are directly related to restricting access during the Covid-19 pandemic.

Table 7: Investigations undertaken from 2018/19 to 2019/20

Investigations Undertaken	2018/19			2019/20		
	New	Completed	Ongoing	New	Completed	Ongoing
Illegal slaughter	0	1	0	0	2	1
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	1	0
Other	0	1	0	0	0	0
Assist other regulators	0	0	0	0	1	0

### Reported: not completed Investigations

None

### Legal Action

None

## Muchea Livestock Centre (MLC)

### Services

The Muchea Livestock Centre was built with the vision of becoming the hub for the livestock industry in Western Australia. 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
- Truck Wash
- 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 the Department of Primary Industries and Regional Development has been developed and was signed on 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 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 of cattle, sheep and lambs for the Muchea Livestock Centre from 2011/12 to 2019/20 are listed in table 8.

Table 8: Muchea Livestock Centre throughput by year

Year	Cattle	Sheep, lambs and goats
2011/2012	86,582	423,081
2012/2013	80,917	550,343
2013/2014	92,780	785,750
2014/2015	104,774	660,050
2015/2016	108,830	557,713
2016/2017	98,990	601,335
2017/2018	93,310	655,241
2018/2019	93,617	539,849
2019/2020	96,616	558,544

Table 9: Muchea Livestock Centre transshipment and non-sale weighing throughput by year

Year	Non sale weighing	Cattle transshipment days	Sheep transshipment days
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	28,419	72,021	25,913
2017/2018	32,226	60,328	22,969
2018/2019	23,142	76,004	10,586
2019/2020	26,864	117,671	90,143

## Industry Development

### Activities

The Authority takes a proactive approach to promoting efficiency in the industry, through 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 abattoir industry. Reports from the database can be generated from 2005/06. These reports are used by several Government and Industry organisations.

### Education

The Authority recognises that the involvement of the saleyard industry in the agricultural education sector is an important function.

The Muchea Livestock Centre has been visited by a number of overseas delegation. 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 2020, 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 2020 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 Responsibility 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 entity'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.



A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of my auditor's report.

## **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 2020.

### **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 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 non-compliance 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 2020. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and 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 2020.

### 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 entity'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 2020 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 contact the entity to confirm the information contained in the 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  
27 August 2020

## Disclosures and Legal Compliance

### Financial Statements

#### Certification of Financial Statements

##### For the reporting period ended 30 June 2020

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 2020 and the financial position as at 30 June 2020.

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.



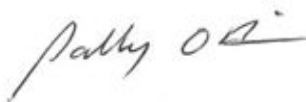
**S. Pinto**

Chief Financial Officer of the Western  
Australian Meat Industry Authority  
25 August 2020



**Mark Panizza**

Member of the Western Australian Meat  
Industry Authority  
25 August 2020



**S. O'Brien**

Chair of the Western Australian Meat  
Industry Authority  
25 August 2020

## Financial statements for the year ended 30 June 2020

The Authority has pleasure in presenting its audited general purpose financial statements for the financial reporting period ended 30 June 2020 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 2020

	Notes	2020 (\$)	2019 (\$)
<b>INCOME</b>			
<b>Revenue</b>			
Sales	3.2	643,570	436,884
Fees and charges	3.1	2,980,446	2,995,095
Interest revenue	3.3	135,638	163,678
Gain on disposal of non-current assets	3.4	-	2,700
Other revenue	3.5	185,180	143,521
<b>TOTAL INCOME</b>		<b>3,944,834</b>	<b>3,741,878</b>
<b>EXPENSES</b>			
Cost of sales	3.2	206,703	139,531
Employee benefits expense	2.1	2,056,226	2,290,360
Supplies and services	2.2	930,800	1,082,397
Depreciation and amortisation expense	4.1, 4.3, 4.4	1,176,168	1,172,291
Finance costs	6.3	787	-
Loss on disposal of non-current assets	3.4, 4.3	17,797	-
Other expenses	2.3	99,522	288,723
<b>TOTAL EXPENSES</b>		<b>4,488,003</b>	<b>4,973,302</b>
<b>DEFICIT FOR THE PERIOD</b>		<b>(543,169)</b>	<b>(1,231,424)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Changes in asset revaluation	4.1	7,053	(135,705)
<b>Total other comprehensive income/(loss)</b>		<b>7,053</b>	<b>(135,705)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(536,116)</b>	<b>(1,367,129)</b>

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

## Statement of Financial Position

As at 30 June 2020

	Notes	2020 \$	2019 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.1	5,703,929	176,407
Inventories	3.2	102,618	79,200
Receivables	5.1	343,141	301,315
Other assets	5.2	19,522	4,255
Other financial assets	5.3	1,000,000	6,300,000
<b>Total Current Assets</b>		<b>7,169,210</b>	<b>6,861,177</b>
<b>Non-Current Assets</b>			
Infrastructure, property, plant and equipment	4.1	45,553,491	46,442,518
Investment property	4.2	2,120,000	2,040,000
Right-of-use assets	4.3	28,710	-
Intangible assets	4.4	4,238	6,924
<b>Total Non-Current Assets</b>		<b>47,706,439</b>	<b>48,489,442</b>
<b>TOTAL ASSETS</b>		<b>54,875,649</b>	<b>55,350,619</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.4	210,516	203,885
Lease liabilities	6.2	8,064	-
Employee related provisions	2.1	107,347	72,971
<b>Total Current Liabilities</b>		<b>325,927</b>	<b>276,856</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	6.2	22,227	-
Employee related provisions	2.1	93,885	104,037
<b>Total Non-Current Liabilities</b>		<b>116,112</b>	<b>104,037</b>
<b>Total Liabilities</b>		<b>422,039</b>	<b>380,893</b>
<b>NET ASSETS</b>		<b>54,433,610</b>	<b>54,969,726</b>
<b>EQUITY</b>			
Contributed equity	8.8	-	-
Reserves		823,626	816,573
Accumulated surplus		53,609,984	54,153,153
<b>TOTAL EQUITY</b>		<b>54,433,610</b>	<b>54,969,726</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 2020

	Notes	Contributed equity \$	Reserves \$	Accumulated surplus/(deficit) \$	Total equity \$
<b>Balance at 1 July 2018</b>	8.8	-	<b>952,278</b>	<b>55,384,577</b>	<b>56,336,855</b>
Deficit for the period		-	-	(1,231,424)	(1,231,424)
Other comprehensive loss	8.8	-	(135,705)	-	(135,705)
Total comprehensive loss for the period		-	(135,705)	(1,231,424)	(1,367,129)
<b>Balance at 30 June 2019</b>		<b>-</b>	<b>816,573</b>	<b>54,153,153</b>	<b>54,969,726</b>
<b>Balance at 1 July 2019</b>	8.8	-	<b>816,573</b>	<b>54,153,153</b>	<b>54,969,726</b>
Deficit for the period		-	-	(543,169)	(543,169)
Other comprehensive income	8.8	-	7,053	-	7,053
Total comprehensive income/(loss) for the period		-	7,053	(543,169)	(536,116)
<b>Balance at 30 June 2020</b>		<b>-</b>	<b>823,626</b>	<b>53,609,984</b>	<b>54,433,610</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 2020

	Notes	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Sale of goods and services		666,825	603,407
Fees and charges		2,879,852	2,819,808
Interest received		135,638	163,678
GST receipts on sales		335,573	336,380
Other receipts		127,953	189,291
<b>Payments</b>			
Employee benefits		(2,037,762)	(2,325,499)
Supplies and services		(1,218,267)	(1,579,694)
Finance costs		(787)	-
Accommodation		(6,415)	(3,834)
GST payments on purchases		(149,896)	(139,860)
GST payments to taxation authority		(211,075)	(146,097)
<b>Net cash provided by/(used in) operating activities</b>		<b>521,639</b>	<b>(82,420)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Purchase of non-current assets		(293,525)	(129,984)
Payments to acquire financial assets		-	(3,300,000)
<b>Receipts</b>			
Proceeds from sale of non-current assets		12,725	-
Proceeds from financial assets		5,300,289	-
<b>Net cash provided by/(used in) investing activities</b>		<b>5,019,489</b>	<b>(3,429,984)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Principal elements of lease payments		(13,606)	-
<b>Net cash used in financing activities</b>		<b>(13,606)</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents		<b>5,527,522</b>	<b>(3,512,404)</b>
Cash and cash equivalents at the beginning of the period		176,407	3,688,811
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	6.1	<b>5,703,929</b>	<b>176,407</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 2020

### 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 25 August 2020.

### 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 (**TIs**)
3. Australian Accounting Standards (**AASs**)- Reduced Disclosure Requirements
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 (**TIs**) take precedence over **AASs**. Several **AASs** are modified by **TIs** 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. 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	2020 \$	2019 \$
Employee benefits expenses	2.1(a)	2,056,226	2,290,360
Employee related provisions	2.1(b)	201,232	177,008
Supplies and services	2.2	930,800	1,082,397
Other expenses	2.3	99,522	288,723

### 2.1(a) Employee benefits expenses

	2020 \$	2019 \$
Employee benefits	2,028,588	2,258,748
Superannuation – defined contribution plans	27,638	31,612
<b>Total employee benefits expenses</b>	<b>2,056,226</b>	<b>2,290,360</b>
Add: AASB 16 Non-monetary benefits	5,155	-
Less: Employee Contributions	(4,560)	-
<b>Net employee benefits</b>	<b>2,056,821</b>	<b>2,290,360</b>

**Employee Benefits:** Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, profit-sharing and bonuses; and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for employees.

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

**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.

**AASB 16 Non-monetary benefits:** Non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of Vehicle and Housing benefits are measured at the cost incurred by the Authority.

## 2.1(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.

	2020 \$	2019 \$
Current		
<u>Employee benefits provisions</u>		
Annual leave <sup>(a)</sup>	78,673	60,591
Long service leave <sup>(b)</sup>	18,093	5,496
	<b>96,766</b>	<b>66,087</b>
<u>Other provisions</u>		
Employment on-costs <sup>(c)</sup>	10,581	6,884
<b>Total current employee related provisions</b>	<b>107,347</b>	<b>72,971</b>
Non-current		
<u>Employee benefits provisions</u>		
Long service leave <sup>(b)</sup>	81,638	90,467
<u>Other provisions</u>		
Employment on-costs <sup>(c)</sup>	12,247	13,570
<b>Total non-current employee related provisions</b>	<b>93,885</b>	<b>104,037</b>
<b>Total employee related provisions</b>	<b>201,232</b>	<b>177,008</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.

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.

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 2.2' and not included as part of the Authority's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2020 \$	2019 \$
<b><u>Employment on-cost provisions</u></b>		
Carrying amount at start of period	20,454	24,517
Additional/(reversals of) provisions recognised	8,734	(4,063)
<b>Carrying amount at end of period</b>	<b>29,188</b>	<b>20,454</b>

### 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.

## 2.2 Supplies and services

	2020 \$	2019 \$
<b>Supplies and services</b>		
Communications	26,804	34,084
Computing	143,814	152,316
Consultants and contractors	129,488	238,062
Repairs and maintenance	216,284	201,333
Travel	12,952	21,210
Waste management	33,204	22,898
Water power gas	105,425	108,995
Fuel - diesel	22,052	23,162
Insurance (a)	133,409	157,271
Carcase disposal	33,254	25,500
Market reporting	19,800	20,000
Other	54,314	77,566
<b>Total supplies and services expenses</b>	<b>930,800</b>	<b>1,082,397</b>

(a) Insurance expenses include payments made to RiskCover Insurance of \$121,656 (2019: \$146,527). Refer to Note 8.4

## 2.3 Other expenses

	2020 \$	2019 \$
<b>Other Expenses</b>		
Bank fees	1,483	1,516
Expected credit losses	1,000	1,000
Audit fees <sup>(a)</sup>	52,931	71,614
Other <sup>(b)</sup>	44,108	214,593
<b>Total other expenses</b>	<b>99,522</b>	<b>288,723</b>

(a) Audit fees include statutory audit fees (2020:\$37,931, 2019:\$37,370: see Note 8.7), non-statutory audit fees (2019:\$15,000, 2019:\$33,683).

(b) Other expenses include investment properties' revaluation losses (2020:\$Nil, 2019:\$110,000: see Note 4.2), bad debts written off (2020:\$1,399, 2019:\$186), Staff amenities (2020: \$12,038, 2019:\$9,461) and Training costs (2020:\$4,785, 2019: \$121).

### 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.

### Other expenses:

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

**Expected credit losses** is an allowance of trade receivables and is measured at the lifetime expected credit losses at each reporting date. The Authority has estimated a provision that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### 3. 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	2020 \$	2019 \$
Fees and charges	3.1	2,980,446	2,995,095
Sales	3.2	643,570	436,884
Interest Revenue	3.3	135,638	163,678
(Losses)/gains	3.4	(17,453)	2,700
Other revenue	3.5	185,180	143,521

#### 3.1 Fees and charges

	2020 \$	2019 \$
Saleyard Fees and Services	1,309,027	1,225,183
Livestock Services	1,348,195	1,465,492
Abattoir Licensing and Services	140,632	131,698
Truck Wash	182,592	172,722
	<b>2,980,446</b>	<b>2,995,095</b>

Until 30 June 2019, revenue was recognised and measured at the fair value of consideration received or receivable.

From 1 July 2019, revenue is recognised at the transaction price when the Authority transfers control of the services to customers. Revenue is recognised for the major activities as follows:

Revenue is recognised at a point-in-time for Fees and charges for yarding and processing of cattle and sheep at the Muchea Livestock Centre. The performance obligations for these user fees and charges are satisfied when services have been provided when accepting and processing of cattle and sheep for the public auction.

Revenue is recognised over-time for cattle and sheep feeding income. The Agency typically satisfies its performance obligations in relation to these user fees and charges commenced when request for feeding of transshipment cattle and sheep received and continued until the dispatch of such cattle and sheep from the Muchea Livestock Centre.

### 3.2 Trading profit

	2020 \$	2019 \$
Sales	643,570	436,884
Cost of Sales:		
Opening inventory	79,200	65,727
Purchases	230,121	153,004
	309,321	218,731
<b>Closing inventory</b>	<b>102,618</b>	<b>79,200</b>
Cost of Goods Sold	<b>206,703</b>	<b>139,531</b>
<b>Trading Profit</b>	<b>436,867</b>	<b>297,353</b>
<b>Closing Inventory comprises:</b>		
<u>Current Inventories</u>		
Inventories held for resale:		
Finished goods		
At cost	102,618	79,200
<b>Total current inventories</b>	<b>102,618</b>	<b>79,200</b>

### Sale of Goods

Up to 30 June 2019, revenue was recognised from the sale of goods when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

From 1 July 2019, revenue is recognised at the transaction price when the Agency transfers control of the goods to customers.

### 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.

### 3.3 Interest Revenue

	2020 \$	2019 \$
Interest revenue (Interest on Term Deposits with BankWest and Rabobank)	135,638	163,678
<b>Total</b>	<b>135,638</b>	<b>163,678</b>



### 3.4 Gains/(loss) on disposal

	2020 \$	2019 \$
<u>Proceeds from disposal of non-current assets</u>		
Plant, equipment and vehicles	12,725	2,700
<u>Carrying amount of non-current assets disposed</u>		
Plant, equipment and vehicles	(30,178)	-
<b>Net (loss)/gain</b>	<b>(17,453)</b>	<b>2,700</b>

**Realised and unrealised (losses)/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).

### 3.5 Other Revenue

	2020 \$	2019 \$
Rental Income	92,838	89,316
Other Income(a)	92,342	54,205
	<b>185,180</b>	<b>143,521</b>

(a) Other income includes investment properties' revaluation gains (2020:\$80,000, 2019:\$Nil), market information fee income of \$3,386 (2019: \$8,850) and various combined miscellaneous income of \$8,956 (2019: \$45,355).

## 4. 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	2020 \$	2019 \$
Infrastructure, property, plant and equipment	4.1	45,553,491	46,442,518
Investment property	4.2	2,120,000	2,040,000
Right-of-use assets	4.3	28,710	-
Intangibles	4.4	4,238	6,924
<b>Total key assets</b>		<b>47,706,439</b>	<b>48,489,442</b>

#### 4.1 Infrastructure, property, plant and equipment

	Land	Buildings	Buildings under construction	Infrastructure	Plant, equipment and vehicles	Total
	\$	\$	\$	\$	\$	\$
<b>Year ended 30 June 2020</b>						
<b>1 July 2019</b>						
Gross carrying amount	2,160,000	14,671,286	-	38,801,291	2,146,686	57,779,263
Accumulated depreciation	-	(2,617,886)	-	(7,272,155)	(1,446,705)	(11,336,746)
Accumulated impairment loss	-	-	-	-	-	-
<b>Carrying amount at start of period</b>	<b>2,160,000</b>	<b>12,053,400</b>	<b>-</b>	<b>31,529,136</b>	<b>699,981</b>	<b>46,442,517</b>
Additions	-	4,980	-	5,606	282,940	293,526
Transfers	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
Other disposals	-	-	-	-	(30,179)	(30,179)
Revaluation increments/(decrements)	90,000	(82,947)	-	-	-	7,053
Impairment losses	-	-	-	-	-	-
Depreciation	-	(241,156)	-	(778,907)	(139,363)	(1,159,426)
<b>Carrying amount at 30 June 2020</b>	<b>2,250,000</b>	<b>11,734,277</b>	<b>-</b>	<b>30,755,835</b>	<b>813,378</b>	<b>45,553,491</b>
Gross carrying amount	2,250,000	14,593,319	-	38,806,897	2,399,447	58,049,663
Accumulated depreciation	-	(2,859,042)	-	(8,051,062)	(1,586,068)	(12,496,172)
Accumulated impairment loss	-	-	-	-	-	-

## Initial recognition

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

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.

**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 2019 and the valuations were performed during the year ended 30 June 2020 and recognised at 30 June 2020. In undertaking the revaluation, fair value of buildings was determined on the basis of current replacement cost of \$11,729,385 (2019: \$12,053,400) and fair value of land under buildings and infrastructure of \$2,250,000 (2019: \$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).

#### 4.1.1 Depreciation and impairment

Charge for the period

	2020 \$	2019 \$
<u>Depreciation</u>		
Plant, equipment and vehicles	139,363	139,791
Buildings	241,156	248,876
Infrastructure	778,907	780,862
<b>Total depreciation for the period</b>	<b>1,159,426</b>	<b>1,169,529</b>

As at 30 June 2020 there were no indications of impairment to property, plant and equipment or infrastructure.

All surplus assets at 30 June 2020 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 and investment properties.

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

Asset	Useful life: 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 building assets is anticipated to be materially the same as fair value.

Infrastructure asset is also 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.

## 4.2 Investment property

	2020 \$	2019 \$
Carrying amount at start of period	2,040,000	2,150,000
Revaluation increment/(decrement)	80,000	(110,000)
<b>Carrying amount at end of period</b>	<b>2,120,000</b>	<b>2,040,000</b>

**Amount recognised in profit or loss:** During 2020, investment property rentals of \$92,838 (2019: \$89,316) were included in 'Other Revenue' (Note 3.5). Maintenance expense relating to the investment property, included in 'Supplies and services' was \$nil (2019: \$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 2019 and the valuations were performed during the year ended 30 June 2020 and recognised at 30 June 2020. In undertaking the revaluation, fair value was determined by reference to market values for investment property of \$2,120,000 (2019: \$2,040,00).

## 4.3 Right-of-use assets

	2020 \$	2019 \$
Vehicles	39,746	
Accumulated amortisation	(11,036)	-
Net carrying amount at 30 June 2020	<b>28,710</b>	-

### Initial recognition

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

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

This includes all leased assets other than investment property ROU assets, which are measured in accordance with AASB 140 'Investment Property'.

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

### Subsequent Measurement

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

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

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

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

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 4.1.1

The following amounts relating to leases have been recognised in the statement of comprehensive income:

	2020 \$	2019 \$
Vehicles	14,056	-
Total right-of-use asset depreciation	<b>14,056</b>	-
Lease interest expense	787	
Loss arising from lease cessation transaction	344	

The total cash outflow for leases in 2020 was \$14,393.

The Authority's leasing activities and how these are accounted for:

The Authority has leases for vehicles.

Up to 30 June 2019, the Authority classified leases as operating leases. From 1 July 2019, at 1 July 2019, the Authority recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.2.

#### 4.4 Intangible assets

	2020 \$	2019 \$
<u>Computer software and website costs</u>		
At cost	22,102	22,102
Accumulated amortisation	(17,864)	(15,178)
	<b>4,238</b>	<b>6,924</b>
<b>Reconciliations</b>		
<u>Computer software and website costs</u>		
Carrying amount at start of period	6,924	9,686
Additions	-	-
Amortisation expense	(2,686)	(2,762)
<b>Carrying amount at end of period</b>	<b>4,238</b>	<b>6,924</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.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets at a minimum of \$5,000 that comply with the recognition criteria as per AASB 138.57 (as noted above) are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

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.

### 4.4.1 Amortisation and impairment

Charge for the period

	2020	2019
	\$	\$
Computer software and website costs	2,686	2,762
Total amortisation for the period	<b>2,686</b>	<b>2,762</b>

As at 30 June 2020 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 4.1.1.

## 5. 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	2020	2019
		\$	\$
Receivables	5.1	343,141	301,315
Other assets	5.2	19,522	4,255
Other financial assets	5.3	1,000,000	6,300,000
Payables	5.4	(210,516)	(203,885)

## 5.1 Receivables

	2020 \$	2019 \$
Receivables	278,586	206,322
Allowance for expected credit losses	(2,000)	(1,000)
Accrued revenue	66,555	80,546
	343,141	285,868
Other debtors	-	15,447
<b>Total</b>	<b>343,141</b>	<b>301,315</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.

## 5.2 Other assets

	2020 \$	2019 \$
Prepayments	19,522	4,255
	<b>19,522</b>	<b>4,255</b>

## 5.3 Other financial assets

	2020 \$	2019 \$
Financial assets at amortised cost –Term Deposits <sup>(a)</sup>	1,000,000	6,300,000
	<b>1,000,000</b>	<b>6,300,000</b>

- (a) Rabobank term deposit \$3,300,000 expiring on 10 August 2020 and Bankwest term deposit \$2,000,000 expiring on 4 August 2020 included under Cash and cash equivalents being the expiry dates were within 3 months from 30 June 2020, both were included under other financial assets at 30 June 2019. Bankwest term deposit \$1,000,000 expiring on 29 April 2021 included under Other financial assets above (2019:\$1,000,000).

## 5.4 Payables

	2020 \$	2019 \$
Trade payables	48,364	67,674
GST payables	40,360	48,680
Accrued expenses	41,762	11,631
Accrued salaries	26,756	19,005
Payroll Tax Payable	43,369	47,271
Superannuation payable	9,905	9,624
	<b>210,516</b>	<b>203,885</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.

## 6. 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	6.1
Lease liabilities	6.2
Finance costs	6.3

### 6.1 Cash and cash equivalents

	2020 \$	2019 \$
Cash and cash equivalents	5,703,929	176,407
<b>Balance at end of period</b>	<b>5,703,929</b>	<b>176,407</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.

## 6.2 Leases liabilities

	2020 \$	2019 \$
Current	8,064	-
Non-current	22,227	-
	<b>30,291</b>	<b>-</b>

The Authority measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Authority uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

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

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the Authority exercising an option to terminate the lease.

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

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

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

This section should be read in conjunction with note 4.3.

### Subsequent Measurement

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

### 6.3 Finance costs

	Notes	2020 \$	2019 \$
<b>Finance costs</b>			
Lease interest expense		787	-
<b>Finance costs expensed</b>		<b>787</b>	<b>-</b>

## 7. Financial instruments and Contingencies

	Notes
Financial instruments	7.1
Contingent assets	7.2.1
Contingent liabilities	7.2.2

### 7.1 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:

	2020 \$	2019 \$
<b>Financial Assets</b>		
Cash and cash equivalents	5,703,929	176,407
Financial assets at amortised cost <sup>(a)</sup>	1,343,141	6,601,315
<b>Total financial assets</b>	<b>7,047,070</b>	<b>6,777,722</b>
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost <sup>(a)</sup>	170,156	155,205
<b>Total financial liability</b>	<b>170,156</b>	<b>155,205</b>

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

### 7.2. Contingent assets and liabilities

#### 7.2.1 Contingent assets

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

#### 7.2.2 Contingent liabilities

##### Litigation in progress

There were no claims present at 30 June 2020.

##### Native title claims

There were no claims present at 30 June 2020.

## Contaminated sites

There were no suspected contaminated sites present at reporting date.

## 8. Other Disclosures

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

	Notes
Events occurring after the end of the reporting period	8.1
Initial application of Australian Accounting Standards	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies	8.5
Affiliated bodies	8.6
Remuneration of auditors	8.7
Equity	8.8
Supplementary financial information	8.9
Explanatory statement	8.10

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

There were no events after the end of the reporting date that required disclosure.

### 8.2 Initial application of Australian Accounting Standards

#### (a) AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue and AASB 111 Construction Contracts for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue when or as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 Income of Not-for-Profit Entities. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners related to an asset (such as cash or another asset) recognised by the Authority.

The Authority adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information is restated under this approach, and the Authority recognises the cumulative effect of initially applying the Standards as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Under this transition method, the Authority elects to apply the standards retrospectively to non-completed contracts at the date of initial application.

There is no material impact of adopting AASB 15 and AASB 1058.

Refer to Note 3.1 and 3.2 for the revenue and income accounting policies adopted from 1 July 2019.

#### **(b) AASB 16 Leases**

AASB 16 Leases supersedes AASB 117 Leases and related Interpretations. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

The Authority applies AASB 16 Leases from 1 July 2019 using the modified retrospective approach. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of accumulated surplus/(deficit).

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (where the underlying asset is valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16, the Authority takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- a) right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2.5%) on 1 July 2019;
- b) depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income; and

- c) the total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the Statement of Cash Flows.

In relation to leased vehicles that were previously classified as finance leases, their carrying amount before transition is used as the carrying amount of the right-of-use assets and the lease liabilities as of 1 July 2019.

The Authority measures concessionary leases that are of low value terms and conditions at cost at inception. There is no financial impact as the Authority is not in possession of any concessionary leases at the date of transition.

The right-of-use assets are assessed for impairment at the date of transition and the Authority has not identified any impairments to its right-of-use assets.

On transition, the Authority has elected to apply the following practical expedients in the assessment of their leases that were previously classified as operating leases under AASB 117:

- (a) A single discount rate has been applied to a portfolio of leases with reasonably similar characteristics;
- (b) The Authority has relied on its assessment of whether existing leases were onerous in applying AASB 137 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review. The Authority has adjusted the ROU asset at 1 July 2019 by the amount of any provisions included for onerous leases recognised in the statement of financial position at 30 June 2019;
- (c) Where the lease term at initial application ended within 12 months, the Authority has accounted for these as short-term leases;
- (d) Initial direct costs have been excluded from the measurement of the right-of-use asset;
- (e) Hindsight has been used to determine if the contracts contained options to extend or terminate the lease.

The Authority has not reassessed whether existing contracts are, or contained a lease at 1 July 2019. The requirements of paragraphs 9-11 of AASB 16 are applied to contracts that came into existence post 1 July 2019.



#### a. Measurement of lease liabilities

Operating Lease Commitments disclosed as at 30 June 2019	20,841
Discounted using incremental borrowing rate at date of initial application <sup>1</sup>	21,303
<b>Add:</b>	
Finance lease liabilities recognised as at 30 June 2019	-
<b>Less:</b>	
Short-term leases not recognised as liability	-
Low value leases not recognised as liability	-
<b>Lease liability recognised at 1 July 2019</b>	<b>21,303</b>

Current lease liabilities	3,200
Non-current lease liabilities	18,103

<sup>1</sup> The WATC incremental borrowing rate was used for the purposes of calculating the lease transition opening balance.

### 8.3 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

Compensation Band (\$)	2020	2019
20,001 – 30,000	1	2
10,001 – 20,000	6	5
Up to 10,000	2	-
	\$	\$
<b>Total compensation of members of the accountable authority</b>	<b>125,135</b>	<b>127,545</b>

## Compensation of senior officers

Compensation Band (\$)	2020	2019
200,001 – 210,000	1	-
170,001 – 180,000	1	-
130,001 – 140,000	-	1
90,001 – 100,000	-	1
40,001 – 50,000	-	1
	\$	\$
<b>Total compensation of senior officers</b>	<b>373,061</b>	<b>274,650</b>

Total compensation includes the superannuation expense incurred by the Authority in respect of members of the accountable authority and senior officers.

## 8.4 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 board members, 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).

### ***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.

## 8.5 Related bodies

There are no related bodies.

## 8.6 Affiliated bodies

There are no affiliated bodies.

## 8.7 Remuneration of auditors

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

	2020 \$	2019 \$
Auditing the accounts, controls, financial statements and key performance indicators	37,931	37,931

## 8.8 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.

	2020 \$	2019 \$
<b>Reserves</b>		
<u>Asset revaluation surplus</u>		
Balance at start of period	816,573	952,278
Land	90,000	-
Buildings	(82,947)	(135,705)
<b>Balance at end of period</b>	<b>823,626</b>	<b>816,573</b>

	2020 \$	2019 \$
<b>Accumulated Surplus</b>		
Balance at start of period	54,153,153	55,384,577
Result for the period	(543,169)	(1,231,424)
<b>Balance at end of period</b>	<b>53,609,984</b>	<b>54,153,153</b>
<b>Total equity at end of period</b>	<b>54,433,610</b>	<b>54,969,726</b>

## 8.9 Supplementary financial information

### (a) Write-offs

During the financial year, \$1,399 (2019: \$186) was written off the Authority's accounts receivable under the authority of:

	<b>2020</b> \$	<b>2019</b> \$
The accountable authority	1,399	186
	<b>1,399</b>	<b>186</b>

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

	<b>2020</b> \$	<b>2019</b> \$
Losses of public money and public and other property through theft or default	-	-
Amounts recovered	-	-
	<b>-</b>	<b>-</b>

### (c) Gifts of public property

	<b>2020</b> \$	<b>2019</b> \$
Gifts of public property provided by the Authority	-	-
	<b>-</b>	<b>-</b>

## 8.10 Explanatory statement

All variances between estimates (original budget) and actual results for 2020, and between the actual results for 2020 and 2019 are shown below. Narratives are provided for key major variances, which are greater than 10% and \$1 million for the Statements of Comprehensive Income, Cash Flows, and the Statement of Financial Position.

### 8.10.1 Statement of Comprehensive Income Variances

	Variance Note	Original Budget 2020 \$ A	Actual 2020 \$ B	Actual 2019 \$ C	Variance between budget and actual \$ (A-B)	Variance between actual results for 2020 and 2019 \$ (B-C)
<b>INCOME</b>						
<b>Revenue</b>						
Sales		488,323	643,570	436,884	155,247	206,686
Fees and charges		3,000,629	2,980,446	2,995,095	(20,183)	(14,649)
Interest revenue		156,400	135,638	163,678	(20,762)	(28,040)
Gain on disposal of non-current assets		-	-	2,700	-	(2,700)
Other revenue		105,892	185,180	143,521	79,288	41,659
<b>TOTAL INCOME</b>		<b>3,751,244</b>	<b>3,944,834</b>	<b>3,741,878</b>	<b>193,590</b>	<b>202,956</b>
<b>EXPENSES</b>						
Cost of sales		168,145	206,703	139,531	(38,558)	(67,172)
Employee benefits expense		1,876,676	2,056,226	2,290,360	(179,550)	234,134
Supplies and services		1,034,851	930,800	1,082,397	104,051	151,597
Depreciation and amortisation expense		1,184,750	1,176,168	1,172,291	8,582	(3,877)
Finance costs		-	787	-	(787)	(787)
Loss on disposal of non-current assets		-	17,797	-	(17,797)	(17,797)
Other expenses		96,000	99,522	288,723	(3,522)	189,201

<b>TOTAL EXPENSES</b>	<b>4,360,422</b>	<b>4,488,003</b>	<b>4,973,302</b>	<b>(127,581)</b>	<b>485,299</b>
<b>LOSS FOR THE PERIOD</b>	<b>(609,178)</b>	<b>(543,169)</b>	<b>(1,231,424)</b>	<b>66,009</b>	<b>688,255</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Items not reclassified subsequently to profit or loss					
Changes in asset revaluation surplus	-	7,053	(135,705)	7,053	142,758
<b>Total other comprehensive income/(loss)</b>	<b>-</b>	<b>7,053</b>	<b>(135,705)</b>	<b>7,053</b>	<b>142,758</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(609,178)</b>	<b>(536,116)</b>	<b>(1,367,129)</b>	<b>73,062</b>	<b>831,013</b>

#### Major Estimate and Actual (2020) Variance Narratives

No major variances which are greater than 10% and \$1 million for the Statements of Comprehensive Income.

#### Major Actual (2020) and Comparative (2019) Variance Narratives

No major variances which are greater than 10% and \$1 million for the Statements of Comprehensive Income.

### 8.10.2 Statement of Financial Position Variances

	Variance Note	Original Budget 2020 \$ A	Actual 2020 \$ B	Actual 2019 \$ C	Variance between budget and actual \$ (A-B)	Variance between actual results for 2020 and 2019 \$ (B-C)
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	1, a	380,050	5,703,929	176,407	5,323,879	5,527,522
Inventories		72,900	102,618	79,200	29,718	23,418
Receivables		338,500	343,141	301,315	4,641	41,826
Other current assets		5,000	19,522	4,255	14,522	15,267
Other financial assets	2, b	6,300,000	1,000,000	6,300,000	(5,300,000)	(5,300,000)
<b>Total Current Assets</b>		<b>7,096,450</b>	<b>7,169,210</b>	<b>6,861,177</b>	<b>72,760</b>	<b>308,033</b>
<b>Non-Current Assets</b>						
Infrastructure, Property, plant and equipment		45,648,579	45,553,491	46,442,518	(95,088)	(889,027)
Investment property		2,040,000	2,120,000	2,040,000	80,000	80,000
Right-of-use assets		-	28,710	-	28,710	28,710
Intangible Assets		4,174	4,238	6,924	64	(2,686)
<b>Total Non-Current Assets</b>		<b>47,692,753</b>	<b>47,706,439</b>	<b>48,489,442</b>	<b>13,686</b>	<b>(783,003)</b>
<b>TOTAL ASSETS</b>		<b>54,789,203</b>	<b>54,875,649</b>	<b>55,350,619</b>	<b>86,446</b>	<b>(474,970)</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables		199,972	210,516	203,885	(10,544)	(6,631)
Lease liabilities		-	8,064	-	(8,064)	(8,064)
Employee related provisions		98,684	107,347	72,971	(8,663)	(34,376)
<b>Total Current Liabilities</b>		<b>298,656</b>	<b>325,927</b>	<b>276,856</b>	<b>(27,271)</b>	<b>(49,071)</b>

<b>Non-Current Liabilities</b>					
Lease liabilities	-	22,227	-	(22,227)	(22,227)
Employee related provisions	130,000	93,885	104,037	36,115	10,152
<b>Total Non-Current Liabilities</b>	<b>130,000</b>	<b>116,112</b>	<b>104,037</b>	<b>13,888</b>	<b>(12,075)</b>
<b>Total Liabilities</b>	<b>428,656</b>	<b>442,039</b>	<b>380,893</b>	<b>(13,383)</b>	<b>(61,146)</b>
<b>NET ASSETS</b>	<b>54,360,547</b>	<b>54,433,610</b>	<b>54,969,726</b>	<b>73,063</b>	<b>(536,116)</b>
<b>EQUITY</b>					
Contributed equity					
Reserves	816,573	823,626	816,573	7,053	7,053
Retained earnings	53,543,974	53,609,984	54,153,153	66,010	(543,169)
<b>TOTAL EQUITY</b>	<b>54,360,547</b>	<b>54,433,610</b>	<b>54,969,726</b>	<b>73,063</b>	<b>(536,116)</b>

#### Major Estimate and Actual (2020) Variance Narratives

- 1) Cash and cash equivalents over budget by \$5,323,879 due to classification of term deposits \$5,300,000 from other financial assets.
- 2) Other financial assets under budget by \$5,300,000 due to classification of term deposits \$5,300,000 to cash and cash equivalents.

#### Major Actual (2020) and Comparative (2019) Variance Narratives

- a, b) Due to classification of term deposits \$5,300,000 from Other financial assets to Cash and cash equivalents in 2020.



### 8.10.3 Statement of Cash Flow Variances

	Variance Note	Original Budget 2020 \$	Actual 2020 \$	Actual 2019 \$	Variance between budget and actual \$	Variance between actual results for 2020 and 2019 \$
		A	B	C	(A-B)	(B-C)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Receipts</b>						
Sale of goods and services		468,790	666,825	603,407	198,035	63,419
Fees and charges		2,850,598	2,879,852	2,819,808	29,255	60,044
Interest received		125,120	135,638	163,678	10,518	(28,040)
GST receipts on sales		327,961	335,573	336,380	7,612	(807)
Other receipts		97,136	127,953	189,291	30,817	(61,339)
<b>Payments</b>						
Employee benefits		(1,782,842)	(2,037,762)	(2,325,499)	(254,919)	287,738
Supplies and services		(1,313,059)	(1,218,267)	(1,579,694)	94,792	361,427
Finance costs		-	(787)	-	(787)	(787)
Accommodation		(3,500)	(6,415)	(3,834)	(2,915)	(2,581)
GST payments on purchases		(150,000)	(149,896)	(139,860)	104	(10,035)
GST payments to taxation authority		(200,000)	(211,075)	(146,097)	(11,075)	(64,978)
<b>Net cash provided by/(used in) operating activities</b>		<b>420,203</b>	<b>521,639</b>	<b>(82,420)</b>	<b>101,437</b>	<b>604,061</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Payments</b>						
Purchase of non-current assets		(200,000)	(293,525)	(129,984)	(93,525)	(163,541)
Payments to acquire financial assets	c	-	-	(3,300,000)	-	3,300,000
<b>Receipts</b>						
Proceeds from sale of non-current assets		-	12,725	-	12,725	12,725

Proceeds from financial assets	3, c	-	5,300,289	-	5,300,289	5,300,289
<b>Net cash provided by/(used in) investing activities</b>		<b>(200,000)</b>	<b>5,019,489</b>	<b>(3,429,984)</b>	<b>5,219,489</b>	<b>8,449,473</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Principal elements of lease payments		(16,560)	(13,606)	-	2,954	(13,606)
<b>Net cash used in financing activities</b>		<b>(16,560)</b>	<b>(13,606)</b>	<b>-</b>	<b>2,954</b>	<b>(13,606)</b>
Net increase/(decrease) in cash and cash equivalents		203,643	5,527,522	(3,512,404)	5,323,880	9,039,928
Cash and cash equivalents at the beginning of the period		176,407	176,407	3,688,811	-	(3,512,404)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>380,050</b>	<b>5,703,929</b>	<b>176,407</b>	<b>5,323,880</b>	<b>5,527,524</b>

### Major Estimate and Actual (2020) Variance Narratives

- 3) Variance due to classification of term deposits from Other financial assets to cash and cash equivalents based on maturity dates.

### Major Actual (2020) and Comparative (2019) Variance Narratives

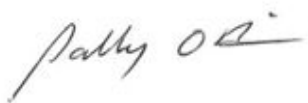
- c) Variance due to classification of term deposits from Other financial assets to cash and cash equivalents based on maturity dates.

## **Audited Key Performance Indicators for the year ended 30 June 2020**

### **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 2020.



**S. O'Brien**

Chair of the Western Australian Meat Industry Authority

25 August 2020



**Mark Panizza**

Member of the Western Australian Meat Industry Authority

25 August 2020

## **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 of 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 Muchea Livestock Centre is attractive to sellers, agents and buyers of livestock and is therefore well managed and serving its intended purpose.

### **Source of Information/M Measurement**

In July 2006, the Western Australian Meat Industry Authority (WAMIA or Authority) 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 2019/2020. 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 2019/2020 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 maintained its position as the second highest sheep throughput in the state.

The market share of cattle and sheep have increased by 0.4% and 4.6% respectively compared to last year.

### **Comparative Performance**

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

### Cattle and Calves

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
MLC	92,780	104,754	108,830	98,990	93,310	93,617	96,616
Total saleyards	224,932	244,701	241,052	237,011	215,963	227,505	233,060
% through MLC	41.3%	42.8%	45.2%	41.8%	43.2%	41.1%	41.5%
Next highest saleyard	69,010	69,661	63,552	67,389	60,187	68,447	69,398

### Sheep, Lambs and Goats

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
MLC	785,505	660,093	557,713	608,002	655,241	539,849	558,544
Total saleyard:	1,598,139	1,451,073	1,216,801	1,378,523	1,490,124	1,378,778	1,275,755
% through MLC	49.1%	45.5%	45.8%	44.1%	44.0%	39.2%	43.8%
Highest saleyard	753,590	734,397	624,619	703,895	834,883	838,929	717,211

## Performance of Targets

WAMIA set target throughputs as part of its 2019/2020 budget process. These estimates were based on forecasting and seasonal conditions for the coming year. Based on the 2019/2020 actual throughput WAMIA met its expected targets with stock numbers for cattle being higher than the estimates by 4%. The throughput number for sheep was higher than the estimate by 2%.

	BUDGET	ACTUALS	VARIANCE	VARIANCE
Cattle	93,000	96,616	3,616	4%
Sheep, lambs, and goats	550,000	558,544	8,544	2%

## 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

Lowering the cost of maintaining 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>\$3,944,834</b>	\$1,446,317	\$2,055,846	\$178,197	\$3,386	\$261,088
Expenditure	<b>\$4,488,003</b>	\$2,105,597	\$1,896,563	\$292,429	\$82,077	\$111,338

### Performance

The total cost of maintaining Muchea Livestock Centre in 2019/2020 was \$2,105,597. The Muchea Livestock Centre's throughput for the year was 1,180,661 livestock units based on the Authority equivalency formula (sheep or lambs equal 1 unit, calves 2 units and cattle 7 units). The methodology for calculating for cost of maintaining the Muchea Livestock Centre and livestock units has been applied consistently since opening in May 2010.

The cost per unit for 2019/2020 to maintain the Muchea Livestock Centre was \$1.78 compared to target cost per unit of \$1.79. The cost per unit excluding depreciation cost of \$705,701 was \$1.19 (target was \$1.30). The actual cost per unit decreased from \$2.08 in 2018/19 to \$1.78 in 2019/20 mainly due to a cost saving initiative through an operational restructure in November 2018.

## Comparative Performance

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Total cost of maintaining Muchea Livestock Centre	\$2,402,177	\$2,668,163	\$2,857,056	\$2,360,534	\$2,105,597
No. of livestock units handled in the year	1,266,373	1,256,687	1,267,106	1,134,518	1,180,661
Cost per unit	\$1.90	\$2.12	\$2.25	\$2.08	\$1.78
Target cost per unit	\$1.86	\$2.07	\$2.30	\$1.81	\$1.79
Cost per unit (less Depreciation)	\$1.08	\$1.54	\$1.67	\$1.46	\$1.19
Target cost per unit (less Depreciation)	\$1.27	\$1.59	\$1.75	\$1.33	\$1.30

## **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 2019/2020 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 2019/2020 the cost of providing fee for service activities at the Muchea Livestock Centre was \$1,896,563. The income generated by these activities was \$2,055,846.

In 2019/2020 the return of fee for service activities at the Muchea Livestock Centre was \$1.08 for every \$1.00 incurred in providing the service. This represents a return of 8% on the cost of those activities. Target was \$0.86 for every \$1 budgeted in providing the service.

### **Comparative Performance**

The results indicate that the Authority has covered its costs through the fees and has not been subsidised by any other revenue.



	2015/16	2016/17	2017/18	2018/19	2019/20
Total cost of providing fee for service activities at Muchea Livestock Centre	\$792,493	\$2,298,826	\$2,216,598	\$2,019,397	\$1,896,563
Income generated by fee for service Activities	\$1,543,580	\$2,525,290	\$2,364,811	\$2,026,153	\$2,055,846
Income generated for every \$1.00	\$1.95	\$1.10	\$1.07	\$1.003	\$1.08
Target Income for every \$1.00	\$1.75	\$1.50	\$1.18	\$1.14	\$0.86
Incurred to provide service Percentage return on costs	95%	10%	7%	0.3%	8%

Note that comparison with the percentage return on fee for service activities in 2019/20 saw an increase in the percentage return on the provision of services at the Muchea Livestock Centre due to cost savings initiatives.

## **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/M 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 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 acceptable standards with the average rating for the twenty-eight (28) abattoirs operating at 30 June 2020 calculated at 73.5%.

## Comparative Performance

The following table compares ratings for abattoirs:

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Construction Standard	91.3%	82.6%	82.6%	84.6%	83.3%	83.3%
Product Description System	70.7%	64.1%	66.3%	76.9%	73.6%	71.9%
Health and Hygiene Standard	92.4%	85.9%	85.9%	90.4%	86.1%	85.4%
Training Standard	78.3%	71.7%	70.7%	76.9%	75.0%	74.0%
Quality Assurance System	53.6%	47.8%	47.8%	61.5%	59.3%	52.8%
Average Rating	77.2%	70.4%	70.7%	78.1%	75.5%	73.5%
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 carcass 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 \$292,429. The cost of attaining the standard per abattoir \$292,429 divided by 28 approved abattoirs) is \$10,444. The average rating for 2019/2020 has been calculated at 73.5%. The efficiency performance (the cost per percentage point of processing establishments rating) is \$142. This means that it cost the Authority 142 per percentage point of achievement for abattoirs.

## Comparative Performance

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

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Cost of achieving Standards	\$245,802	\$272,313	\$313,102	\$312,854	\$293,625	\$292,429
Number of Establishments	28	28	27	24	28	28
Actual cost per abattoir	\$8,779	\$9,725	\$11,596	\$13,036	\$10,487	\$10,444
Target cost per abattoir	\$6,728	\$7,056	\$10,826	\$12,647	\$9,980	\$10,147
Average abattoir rating	77.2%	70.4%	70.7%	78.1%	75.5%	73.5%
Cost per rating unit	\$114	\$138	\$164	\$167	\$139	\$142

The results show that the Authority has increased 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 2019/2020 was \$82,077.

Twenty-eight (28) abattoirs, one hundred and eleven (111) processing works, thirty-one (31) saleyards and fifty-six (56) other outlets were operating during the 2019/2020 year. The cost per establishment for delivering the service was \$363. (\$82,077 divided by two hundred and twenty-six (226) establishments).

The total cost of maintenance and distribution of information in 2019/2020 has reduced as a result of lower salaries and wages costs compared to 2018/2019. This explains the decrease in cost per establishment for delivering service from prior year.

## Comparative Performance

	2015/16	2016/17	2017/18	2018/19	2019/20
Total cost of maintenance and distribution of information	\$89,771	\$99,630	\$106,959	\$90,290	\$82,077
Number of establishments	226	225	222	227	226
Actual cost per establishment for Delivering service	\$397	\$443	\$482	\$398	\$363
Target cost per establishment for Delivering service	\$299	\$444	\$467	\$379	\$353

## 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

<b>Total possible points for each abattoir</b>	<b>18 points</b>
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## 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 fees and charges were published in the Government Gazette on 1<sup>st</sup> July 2019 and introduced/payable from 1<sup>st</sup> July 2019. Details are available on the Authority's website at [www.wamia.wa.gov.au](http://www.wamia.wa.gov.au).

#### Capital Works

All major capital projects are complete for 2019/20.

#### Employment and Industrial Relations

Staff Profile	2020	2019
Full-time permanent	15	9
Full-time contract	-	3
Part-time measured on a FTE basis	3	4.6
On secondment	-	-
	<b>18</b>	<b>16.6</b>

#### Staff Development

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

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

#### Workers Compensation

Zero compensation claims were recorded during the financial year. This compares to six 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 regarding 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 2019/20 was \$11,937.

## Board and Committee Remuneration

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration 2019/20 financial year
Chairman	Sally O'Brien	Annual	12 months	\$28,028
Chairman	David Lock	Annual	1 month	\$4,674
Deputy	Julie Cox	Annual	12 months	\$14,939
Member	Kelly Pearce	Annual	11 Months	\$14,986
Member	Mark Ritchie	Annual	12 months	-
Member	Kim McDougall	Annual	12 months	\$14,939
Member	Belinda Lay	Annual	2 months	\$2,227
Member	Mark Panizza	Annual	12 months	\$19,411
Member	Belinda Murray	Annual	9 months	\$12,237
Member	John Da Silva	Annual	12 months	\$13,694
<b>Total</b>				<b>\$125,135</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 seven 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.

Recruitment and selection procedures have been undertaken in accordance with Public Sector Standards. Compliance with the Code is monitored by the Chief Executive Officer. 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 others 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 employees and recognises its legal obligations under the *Equal Opportunity Act, 1984*.

### Occupational Safety, Health and Injury Management

The Chief Executive considers the health and safety of employees, third-party users, contractors, and the public to be of primary importance and is ranked equally with all other activities of the Authority. 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.

To ensure that staff are adequately advised of safety issues, the Management team consults with staff and other MLC Stakeholder Groups.

Formal mechanisms for consulting employees include the OSH Committee meetings, briefings with Team Leaders, Toolbox Meetings, and Employee Working Groups. The Authority appointed a new Health and Safety Representative to office in May 2020, and they will continue their consultative role with staff on workforce policy improvements and implementation matters.

The consideration of all safety incidents and hazard reports is a standard agenda item at meetings of the Authority and the Muchea Livestock Centre Stakeholder Groups. Any injuries that occur are managed closely in conjunction with the insurer RiskCover (Insurance Commission of Western Australia [ICWA]), both to ensure that appropriate return to work programs are implemented and managed 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, Agents and Transporters to address any safety issues identified.

Return to Work Plans are developed in consultation with RiskCover (ICWA), an approved rehabilitation provider or medical practitioner, and tracked by the Executive Officer when the need arises. No return to work plans were formulated in the reporting period.

An audit review of WAMIA's occupational safety and health management system was carried out in January 2018 with a follow up in March 2018. The assessment was aligned with AS/NZS 4801:2001 Occupational health and safety management systems – specification with guidance for use.

Eight (8) of the agreed actions were 100% closed out by June 2020. Completed work included the consolidation of processes and procedures, establishment of working groups to review the documentation and a training gaps analysis.

WAMIA continued to ensure that staff were provided with training relevant to the safe operation of the workplace with several new staff completing low stress livestock handling and saleyard operations and existing staff receiving refresher training.

Persons seeking access to the Centre's operational area and out of hours access are required to undertake an induction program. Twenty-seven persons were inducted by the Authority staff during this period, making a total of 1,217 people inducted since the Muchea Livestock Centre's opening in May 2010.

Table1: OSH and Injury Management Summary:

Measure	Results 2017-18	Results 2018-19	Results 2019-20	Target	Comments towards targets
Number of fatalities	0	0	0	0	Achieved
Lost time injury and/or disease incidence rate	15.15	12.05	0	0 or 10% reduction	Achieved
Lost time injury and/or disease severity rate	100%	50%	0	0 or 10% reduction	Achieved
Percentage of injured workers returned to work: (i) within 13 weeks	0%	50%	N/A	100%	No injuries among staff
(ii) within 26 weeks	33%	50%	N/A	100%	No injuries among staff
Percentage of managers trained in occupational safety, health and injury management responsibilities	100%	100%	100%	Greater than or equal to 80%	Achieved





