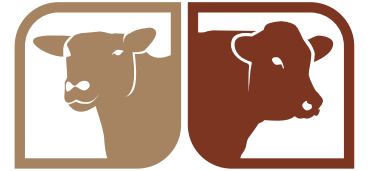




GOVERNMENT OF  
WESTERN AUSTRALIA



WESTERN AUSTRALIAN MEAT  
INDUSTRY AUTHORITY

# Western Australian Meat Industry Authority

## ANNUAL REPORT 2022-23



## Acknowledgement of Country

The Western Australian Meat Industry Authority respectfully acknowledges the Traditional Custodians of the many lands that we work on throughout Western Australia.

We recognise their culture and connection to the land and waters, and pay our respects to Elders past, present and emerging.



### Contact

#### Western Australian Meat Industry Authority

Muchea Livestock Centre, Lot 5 Muchea East Road, MUCHEA WA 6501

PO Box 390 BULLSBROOK WA 6084

☎ (08) 9571 0013

✉ [wamia@wamia.wa.gov.au](mailto:wamia@wamia.wa.gov.au)

[www.wamia.wa.gov.au](http://www.wamia.wa.gov.au)

### Alternative formats

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

© Western Australian Meat Industry Authority 2023

This report was published by the Western Australian Meat Industry Authority, September 2023.

Use of this report in part or as a whole is permitted provided there is acknowledgement of any material quoted or reproduced.

#### Disclaimer

The Western Australian Meat Industry Authority accepts no liability whatsoever by reason of negligence or otherwise arising from the use of this information or any part of it.

WAMIA is committed to quality services to its customers and makes every attempt to ensure accuracy, currency and reliability of data contained in this annual report. The information in this annual report is not to be used or interpreted out of context and no inference is to be made from it.

## Statement of Compliance

For year ended 30 June 2023

**HON JACKIE JARVIS MLC**

**MINISTER FOR AGRICULTURE AND FOOD; FORESTRY; SMALL BUSINESS**

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 2023.

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.



**Sarah Lang**  
Chair of the Western Australian Meat  
Industry Authority

04 September 2023



**Mark Panizza**  
Member of the Western Australian Meat  
Industry Authority

04 September 2023



# Contents

■	<b>Acknowledgement of Country</b>	<b>2</b>
■	<b>Statement of Compliance</b>	<b>3</b>
	Chairman's Overview	6
	Acting Chief Executive Officer Report	8
	Executive Summary	10
■	<b>About the Western Australian Meat Industry Authority</b>	<b>11</b>
	Enabling Legislation	12
	Responsible Minister	12
	WAMIA Board	12
	Board Profiles	13
	WAMIA Leadership Team	15
	Organisational Chart	16
	Administered Legislation	18
■	<b>Agency Performance</b>	<b>19</b>
	Report on Operations	19
	Report on Industry Trends	25
	Financial Targets and Results	28
	Performance Management Framework	29
	Key Performance Indicator Targets and Results	30
■	<b>Disclosures and Legal Compliance</b>	<b>32</b>
	Government Policy Requirements	32
	Other Legal Requirements	34
	Other Reporting Requirements	35
■	<b>Independent Auditor's Report</b>	<b>36</b>
■	<b>Audited Financial Statements</b>	<b>41</b>
■	<b>Audited Key Performance Indicators</b>	<b>75</b>

## Chairman's Overview

2022-23 continues to be a year of rebuilding for the Western Australian Meat Industry Authority (WAMIA) as the Authority consolidates its roles and functions outlined in the *Western Australian Meat Industry Authority Act 1976*. Although I was appointed as Chair of WAMIA following the conclusion of the 2022-23 financial year, I am heartened by the achievements of the organisation through this period of change.

While there have been personnel changes, the core focus of WAMIA remains the same. As the owner and operator of the Muchea Livestock Centre, we continue to provide a world-class infrastructure for the livestock industry in Western Australia. WAMIA continues to focus on improvement in safety, animal welfare and biosecurity. I am pleased that we have signed a memorandum of understanding with the Department of Primary Industries and Regional Development, signalling a strong partnership and commitment of the two parties to improved animal welfare outcomes in the Muchea Livestock Centre.

I am proud that WAMIA has been awarded the 2023 Australian Livestock Markets Association (ALMA) Excellence in Animal Welfare Award. This Award recognises the commitment of past and present Board members, employees, users and agents of the Muchea Livestock Centre and our shared vision of implementing best animal welfare practices in the facility.

The Authority reported a decrease of \$1.65 million in our financial cash reserves as a result of increased

costs to operate and maintain the facilities to ensure a world-class facility for livestock sales and transactions. The Authority is cognisant of the continuing decline in its cash reserves and are striving to improve the cost recovery ratio for services provided at the Muchea Livestock Centre (MLC). The fees and charges now better reflect the cost of providing those services and are a stepping stone in the ongoing work undertaken to ensure the long-term viability of the business.

One of our challenges is balancing the provision of value for money services for the users of MLC with securing the long term financial sustainability and viability of the world class livestock selling facility. WAMIA will work across government and industry to develop and implement a strategy which looks to creative approaches in line with industry need and government policy.

It is not just the organisation that saw changes in 2022-23. The meat and livestock industry in Western Australia faces a range of uncertainties including impacts of Federal Government policies surrounding live sheep exports and changes in biosecurity traceability requirements.

The Authority commenced its engagement strategy with meat processors in Western Australia, aimed at supporting and enabling the sector in meeting the challenges it faces and overcoming the barriers. This will allow the Authority to advise the WA Government as part of one of its key functions under the WAMIA Act.

*WAMIA recognised with the 2023 ALMA Excellence in Animal Welfare Award. (L-R) Peter Malady, Saleyard Manager; Jesse Birkin, Senior Saleyard Officer; I-Lyn Loo, Acting CEO*





Alongside animal welfare, WAMIA continues to prioritise biosecurity outcomes in MLC. WAMIA will lead the way in demonstrating the technology for large-scale scanning of electronic identification for sheep and goats in saleyards. We will be ready for the mandatory implementation of electronic identification for sheep and goats ahead of the implementation date of 1 January 2025.

In 2022-23, we bid farewell to longstanding WAMIA Board member and Chairman, Sally O'Brien. Sally's commitment and leadership to WAMIA and the meat industry of Western Australia has been exemplary. Under her leadership, improvements were made to animal welfare, safety and biosecurity at the Muchea Livestock Centre. Sally has left big shoes and I look forward to the challenge of filling them.

As incoming Chairman, appointed on 3 July 2023, I would like to thank Jo Williams for stepping into the Acting Chairman role since Sally stepped down. In the short timeframe that Jo was acting, she steered WAMIA towards a foundational stepping stone of improving the financial bottom line. I am looking forward to working with Jo as she continues in her role as Deputy Chairman.

I also extend my gratitude to Kim McDougall, another long term WAMIA Board Member and wish him well in his future. Kim's position remains vacant as an external expression of interest process is undertaken to fill his position.

I am pleased that the Board has extended the contract of I-Lyn Loo, Acting Chief Executive Officer, for another year, providing stability and leadership to the organisation as we continue refining the strategy and direction for WAMIA in the coming year.



Looking forward, I am excited at this opportunity to lead WAMIA together with other members of the Board and the Acting CEO. I am optimistic that 2023-24 will bring a period of stability, allowing WAMIA to support the Western Australian meat industry to thrive in the face of these challenges.

**Sarah Lang**  
Chairman

## Acting Chief Executive Officer Report

It has been such a pleasure and privilege to lead WAMIA employees and engage with our meat industry stakeholders over the past eight months.

**My aim and commitment to the employees and stakeholders are to provide stability to the organisation and to the delivery of our services to the industry and the Western Australian Government. Improvement of clarity and standardisation of stakeholder agreements and formalisation of relationships where required improve clarity of roles and responsibilities for everyone.**

The WAMIA team is small but committed. Through the changes faced by the organisation over the past year, our employees remain committed to achieving the best possible outcomes for the organisation and the meat industry in Western Australia. The team's focus and determination to deliver improved outcomes for animal welfare, biosecurity and safety through the changes has been exemplary.



WAMIA Employees in MLC







We have reviewed our site access framework and communication approaches to improve biosecurity integrity and reporting in MLC. We continue to engage with the Department of Primary Industries and Regional Development and look to them for leadership in biosecurity surveillance, response and compliance.

I am confident that we are ahead of schedule in our implementation of required infrastructure modifications and installation for the mandatory electronic identification for sheep and goats. Significant progress has also been made to identify suitable equipment for MLC. Learning from our counterparts in Victoria, we commenced the procurement process for equipment for MLC ahead of the mandatory implementation.

Our employees have the advantage of experience and knowledge in electronic traceability systems for cattle. Leveraging on this capability, the Authority intends to work in partnership with MLC agents and users to complete the installation of one demonstration system by early 2024.

WAMIA has excellent systems and practices in place in MLC to ensure best practice animal welfare outcomes. In recognition of these systems and practices, WAMIA was awarded the 2023 Australian Livestock Markets Association Excellence in Animal Welfare Award. This award not only recognises WAMIA's employees and Board, but also all Agents and Users of MLC who share our vision of the best outcomes for welfare of livestock that go through MLC.

I am humbled and grateful to the Board for extending my contract for another year. In this upcoming year, I am looking forward to working with the Board in a strategy to fulfill all our roles and responsibilities as outlined under the WAMIA Act. Our roles and responsibilities extend beyond ownership and management of the MLC. The rebuilding of our engagement in this sector commenced through conversations with meat



processors, industry groups and other stakeholders. These conversations are crucial to shape the future strategy and role of WAMIA in developing a thriving meat industry in Western Australia.

It has been a great pleasure to work with the Board through my time here. With the appointment of Sarah Lang as the Chair, I am looking forward to unpacking the strategy forward for WAMIA, and capitalising on opportunities to provide a long-term sustainable strategy for MLC and a thriving meat industry in Western Australia.

**I-Lyn Loo**  
Acting Chief Executive Officer

# Executive Summary

## Year at a glance



Signed Memorandum of Understanding on animal welfare with DPIRD

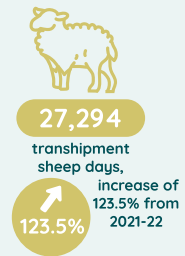
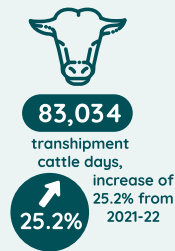
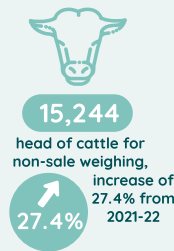


Recognised for excellence in animal welfare by the Australian Livestock Markets Association

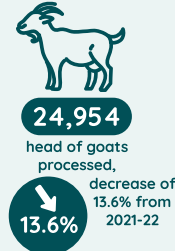
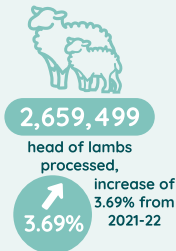
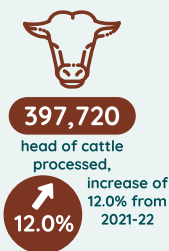


Approved 3 applications to operate abattoirs across WA

## Muchea Livestock Centre Throughout



## Western Australian Meat Processing Statistics



## About the Western Australian Meat Industry Authority

**The Western Australian Meat Industry Authority (WAMIA or the Authority) is an independent statutory authority established under the *Western Australian Meat Industry Authority Act 1976*. The Authority's functions are set out under section 16(1) of the Act, namely to:**

- Survey and keep under review the establishments and facilities available in the State for the sale of livestock and the slaughter of animals, and for the processing of carcasses, for human consumption
- Review the operation of abattoirs and processing works, including inspecting and where appropriate approving the premises and facilities and the conduct of operations there and recording in respect of each establishment its effective capacity and actual performance
- Implement schemes and practices for the branding of any carcasses of meat, which may include practices to define or identify its source, method of production, processing treatment, quality or other characteristics
- Assume responsibility for or arrange for the management of the MLC and other undertaking, establishment or facility in the meat industry if the Minister directs and subject to section 16(2)
- Encourage and promote improved efficiency throughout the meat industry
- Advise the Minister generally and in particular as to methods of overcoming areas of conflicting interest within the meat and livestock industries, future requirements for saleyards, abattoirs and processing works (particularly in relation to the overall slaughtering capacity of the State and the location of those establishments) and any other matter in the meat industry
- Carry out other functions as required to give effect to the Act

**To achieve these roles and functions, the Authority:**

- Engages with meat processors and annually surveys their capacity and throughput
- Regulates the establishment and operations of meat processing facilities in Western Australia
- Owns and operates the MLC

The 8-member Board provides strategic direction and governance to the organisation, with strategic operational leadership provided by a Chief Executive Officer and the senior leadership team.

*Entrance to the saleyard in the Muchea Livestock Centre*



# About the Western Australian Meat Industry Authority

## Enabling Legislation

The Authority was established on 18 October 1976 under the *Western Australian Meat Industry Authority Act 1976* and *Western Australian Meat Industry Authority Regulations 1985*.



## Responsible Minister

**Hon Jackie Jarvis MLC, Minister for Agriculture and Food; Forestry; Small Business**

The Hon Jackie Jarvis MLC is the Minister for Agriculture and Food, Forestry, and Small Business and has been Member for the South West Region in the Legislative Council since 2021. Minister Jarvis was appointed as the Minister for Agriculture and Food; Forestry and Small Business in December 2022 and is passionate about continuing to provide a strong voice for regional communities in WA.

## WAMIA Board

The Authority consists of seven 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 in 2022-23 were:

Sally O'Brien <sup>(i)</sup>	Representing the Minister (Outgoing)
Sarah Lang <sup>(ii)</sup>	Representing the Minister (Incoming)
Joanna Williams <sup>(iii)</sup>	Representing the Wholesale and Retail Meat Industry
Kelly Pearce	Representing the Producers of Meat
Kim McDougall <sup>(iv)</sup>	Representing Private Abattoirs
Mark Panizza	Representing Private Abattoirs
Michael Bowley	Representing the Director General of DPIRD
Belinda Lay	Representing the Producers of Meat
John Nazary	Representing Employees of the Meat Processing Industry

<sup>(i)</sup> Sally O'Brien resigned as of 27 February 2023

<sup>(ii)</sup> Sarah Lang appointed on 3 July 2023

<sup>(iii)</sup> Joanna Williams acted as Chairman from 28 February 2023 to 2 July 2023

<sup>(iv)</sup> Kim McDougall's term expired on 31 March 2023

# About the Western Australian Meat Industry Authority

## Board Profiles



### **Sally O'Brien (Chairman - outgoing)**

Ms O'Brien was appointed to the board in 2011 and has previously held the Deputy Chairman role. Ms O'Brien operates a family-owned broad acre agricultural business located at Irwin (WA's Midwest) producing grain, beef cattle, wool and prime lambs. She has also held the positions of Vice Chairman (2010-2017) and Treasurer (1998-2001) of the Mingenew Irwin Group. Ms O'Brien was a founding Board Member of MIGO (Mingenew Irwin Group Operations) a commercial division of the Mingenew Irwin Group. She resigned her position on the WAMIA Board in February 2023 due to increased operational demands with her family's agricultural businesses.



### **Sarah Lang (Chairman - incoming)**

Ms Lang was appointed to the Chairman role on 3 July 2023. Ms Lang is about to conclude her 4 year term as Chair of the Rural, Regional and Remote Women's Network of WA.

Ms Lang has over 18 years experience in banking and finance and previously held Senior Management roles with ANZ in Commercial and Agribusiness banking. Ms Lang has extensive experience in cash flow management & modelling, financial analytics, risk management, benchmarking and financial modelling. Ms Lang is a strong supporter of regional economic prosperity and primarily works with rural and regional clients and industry as a Director of Regional Finance Hub.



### **Joanna Williams (Acting Chairman/Deputy Chair)**

Ms Williams was reappointed to the Board for a further three-year term in June 2022 and appointed a Deputy Chair. The Board appointed her as Acting Chairman in February 2023 following the resignation of Ms O'Brien. Ms Williams is a highly accomplished operations, sales and marketing professional with over 15 years of experience within the consumer goods (FMCG) industry and has worked extensively across both Australian domestic and international markets. She has considerable business and entrepreneurial experience through her partnerships within the wholesale and retail industries, having successfully negotiated supply agreements with all the major multiples in Australia. Ms Williams, management roles with Craig Mostyn Group, Cannon Foods and Woolworths have provided her a comprehensive understanding of supply chain management within an accomplished integrated meat processing model. Ms Williams also has experience in continuous improvement and work health and safety.



### **Dr Kelly Pearce**

Dr Pearce was reappointed to the Board for an additional three-year term in May 2022, representing the producers of meat. She previously held the position of Deputy Chair until May 2022. Dr Pearce is a grain and prime lamb producer based in Yealering. She has a twenty two-year career in Agricultural Research and continues to coordinate several regional science and innovation projects. Dr Pearce was recently appointed Director of the new Western Australian Agricultural Research Collaboration. Prior to starting this new role, Kelly was Chief Executive Officer of The Facey Group based at Wickiepin. Dr Pearce is also an Advisory Member of the Biosecurity Council of WA, a Committee Member of the Gene Technology Technical Advisory Committee, and a member of 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.

## About the Western Australian Meat Industry Authority



### Mark Panizza

Mr Panizza was reappointed to the Board for a further two-year term in June 2022 and represents the interest of private abattoirs. Mr Panizza is a Certified Practising Accountant. He is the Chairman of WAMIA's Finance Committee as well as a member of its Audit and Risk Committee. 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 a member of the Australian Meat Industry Council's national processing body, the National Processor Council.



### Kim McDougall (term concluded on 31 March 2023)

Mr McDougall board term concluded in March 2023 as the Representative of Private Abattoirs. His career has spanned more than 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) and was a management committee member of Livestock Logistics WA. McDougall's career highlights include, for 13 years he led Western Australia's largest vertically integrated beef supply chain including responsibility for the cattle supply for Harvey Beef which the states most prominent beef processor in both domestic and export markets. 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 Australian Meat Processors Corporation (AMPC) to participate in the prestigious Australian Rural Leadership Program. He received a Fellowship and a Graduate Certificate in Rural Leadership from James Cook University. Mr McDougall holds an advanced diploma in Leadership and Management from the University of Western Australia.



### Mike Bowley

Mr Bowley was appointed as the delegate of the Director General of the Department of Primary Industries and Regional Development in March 2022. Mr Bowley has over 35 years working in Rural Services across regional Australia. He has extensive experience in livestock supply chains from working with producers and processors, and the wider industry. Mr Bowley holds the position of the Director of Regional Development with the Mid West Development Commission, focusing on delivering economic improvements for a range of key drivers including Agribusiness, Tourism, Infrastructure, Resources and Energy and the promotion of the lifestyle offered within WA regional areas.



### Belinda Lay

Mrs Lay was reappointed to the Board for a further two-year term in June 2022, as a representative of producers of meat. Mrs Lay is a business partner at Coolindown Farms, which is a family-owned mixed sheep and grain enterprise near Esperance. Her main role within the business is managing the financial operations including grain marketing. She has worked in the Agricultural Industry since leaving school in 1994 and in that time has attained three Diplomas in Business Studies, Agriculture and Project Management as well as completing the full Australian Institute of Company Directors Course in 2020. In 2019 Mrs Lay won the WA Agrifutures Rural Women's Award for her pilot project looking at GPS tracking of sheep and has a keen interest in understanding emerging innovations and technologies connected to the farm, this includes the full utilisation of EIDs and the data available for decision making.

# About the Western Australian Meat Industry Authority

## WAMIA Leadership Team

### I-Lyn Loo (Acting Chief Executive Officer)

Ms Loo joined WAMIA in January 2023 with over 20 years of diverse experience in biosecurity, regional economic development, policy development and advice, and environmental assessments.

### 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 & HR Officer)

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

### Peter Malady (Saleyard Manager)

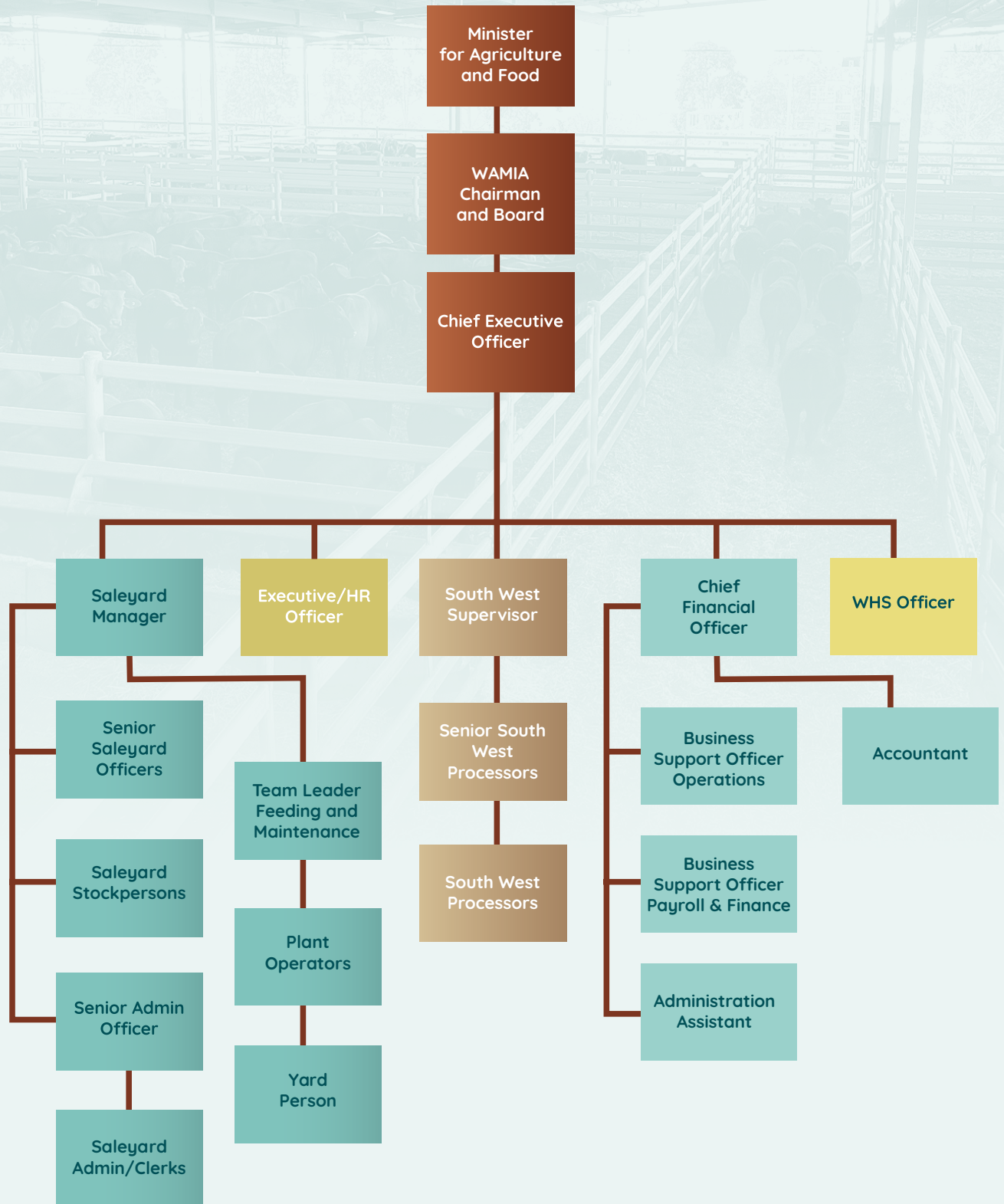
Mr Malady joined WAMIA in August 2022 as Saleyard Team Leader and was appointed as Acting Saleyard Manager from February 2023. He was later appointed as Saleyard Manager role in July 2023. Mr Malady has extensive agricultural and legislative working experience in animal welfare and husbandry, livestock compliance and biosecurity legislation.



WAMIA leadership team from left to right:  
Sidney Pinto, Chief Financial Officer;  
I-Lyn Loo, Acting Chief Executive Officer;  
Peter Malady, Saleyard Manager;  
Judith Niblett, Executive and HR Officer

# About the Western Australian Meat Industry Authority

## Organisational Chart

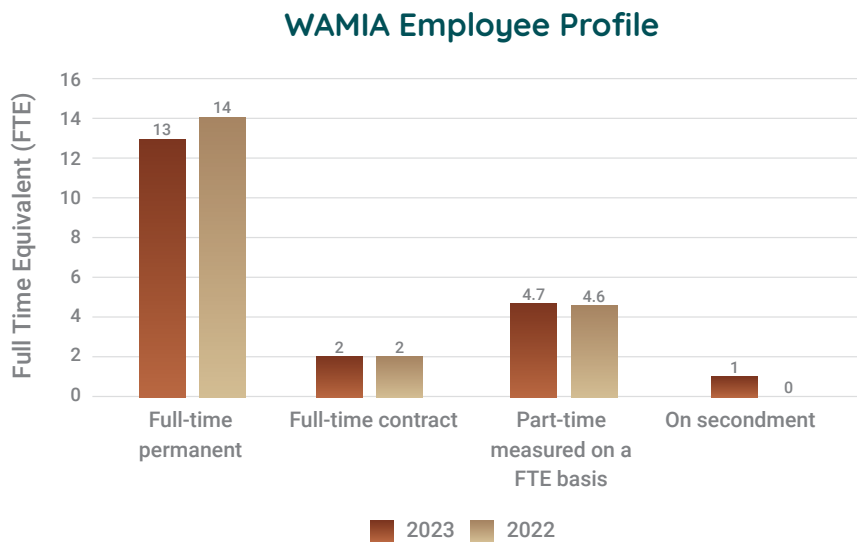




# About the Western Australian Meat Industry Authority

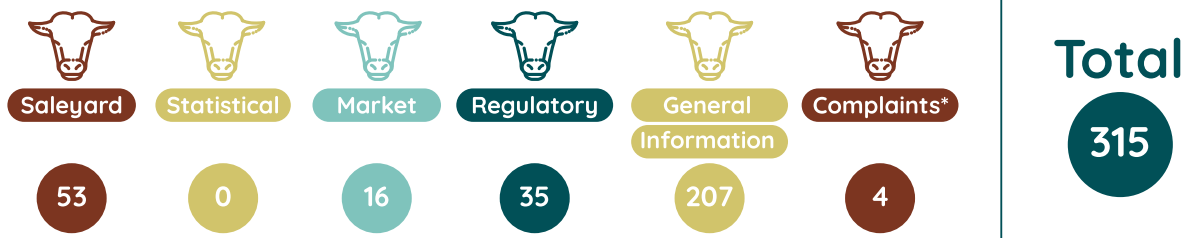
## Employee Profiles

In 2023, WAMIA has 20.7 full time equivalent (FTE) employees.



In 2022-23, WAMIA received a total of 315 enquiries, categorised into enquiries about the saleyard, statistical enquiries, market enquiries, regulatory enquiries, general information and complaints.

### Enquiries Received by WAMIA in 2022-23



# About the Western Australian Meat Industry Authority

## Administered Legislation

WAMIA was established on 18 October 1976 under the *Western Australian Meat Industry Authority Act 1976*. The Authority assists the Minister for Agriculture and Food in the administration of the *Western Australian Meat Industry Authority Act 1976*.

## Other Key Legislation Impacting on WAMIA's Activities

In the performance of its functions, WAMIA complies with all relevant written legislation, including but not limited to:

- Auditor General Act 2006
- Animal Welfare Act 2002
- Biosecurity and Agriculture Management Act 2007
- Dangerous Goods Safety Act 2004
- Equal Opportunity Act 1984
- Financial Management Act 2006
- Firearms Act 1973
- Freedom of Information Act 1992
- Industrial Relations Act 1979
- Long Service Leave Act 1958
- Minimum Conditions of Employment Act 1993
- Pay-roll Tax Assessment Act 2002
- Procurement Act 2020
- Professional Standards Act 1997
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- State Government Insurance Commission Act 1986
- State Records Act 2000
- State Superannuation Act 2000
- Taxation Administration Act 2003
- Work Health and Safety Act 2020
- Workers' Compensation and Injury Management Act 1981



Truck unloading cattle in the Muchea Livestock Centre

# Agency Performance

## Report on Operations

### Muchea Livestock Centre

WAMIA aims to have MLC as a world class facility focused on delivering best practice and outcomes for animal welfare, biosecurity and safety. This is reflected in the partnerships, education and communication approached by leadership and management of WAMIA.

#### *Animal Welfare*

In recognition of its excellent facilities, systems and practices in place in MLC, WAMIA was awarded the 2023 ALMA Excellence in Animal Welfare Award. Not only does WAMIA have employees dedicated to ensuring the best possible outcomes for livestock in MLC, our partnership with our agents and users, who share our vision for best practice animal welfare, is crucial to this achievement.

This is underpinned by robust frameworks for animal welfare policies and procedures in MLC, providing clarity on expectations and each stakeholder's respective roles and responsibilities. WAMIA signed a new memorandum of understanding with the WA animal welfare regulator, DPIRD in June 2023, highlighting WAMIA's commitment to its own compliance with the *Animal Welfare Act 2002* and support for DPIRD's compliance activities.

#### *Biosecurity*

In 2022-23, WAMIA revised its site access framework with a view to strengthening biosecurity in MLC balanced with providing adequate access for Agents and Users of the site. The hours that the entrance gate is open has been reviewed and, during non-trade sale days, allowing access to registered security card holders. This increases visibility of users accessing the site, improving biosecurity traceability.

WAMIA also regularly reminds Agents and Users of the importance of compliance with the *Biosecurity and Agriculture Management Act 2007* through user communications.



Lisa Parmenter checking on the welfare of a bull in the Muchea Livestock Centre

## Agency Performance

To prepare for the implementation of mandatory electronic identification for sheep and goats from 1 January 2025, WAMIA's Saleyard Manager visited Victorian saleyards to assess suitable equipment for MLC. From the report recommendations, WAMIA has commenced procurement for scanning equipment and will convene a working group with Users of the facility during the installation and testing phase.

### *Throughput*

Throughput of trade cattle and sheep were lower than expected in 2022-23. Trade cattle throughput of 71,741 head was 23.8% lower than throughput in 2021-22. Total throughput for trade sheep was 268,206 head, 26.4% lower compared to throughput in 2021-22.

Prices of cattle and sheep remain low, which likely contributed to the lower-than-expected throughput of trade cattle and sheep in MLC. Other factors that could play a part are the availability of feed and the completion of herd rebuilding activities in the Eastern states.

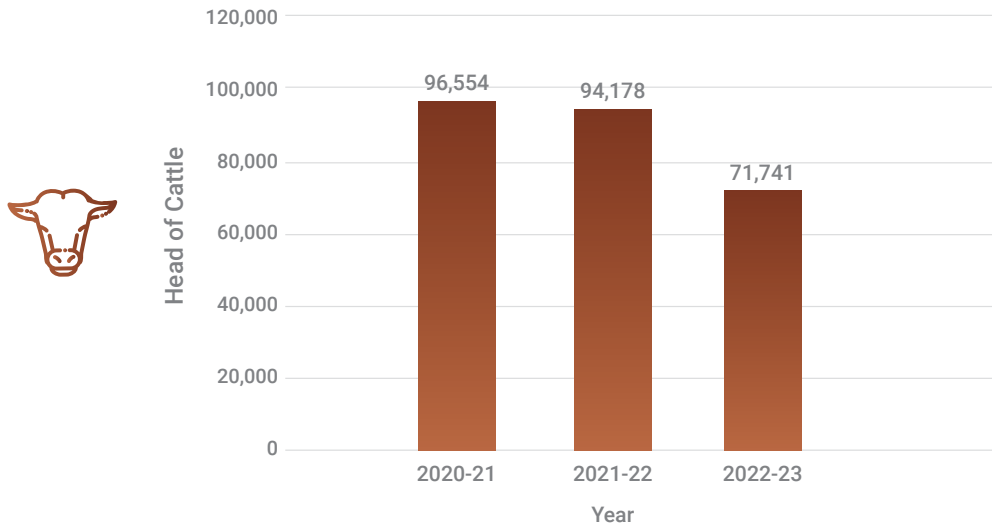
*Samantha Henttonen tagging the ear of a lamb to ensure livestock traceability and compliance with the Biosecurity and Agriculture Management Act 2007*



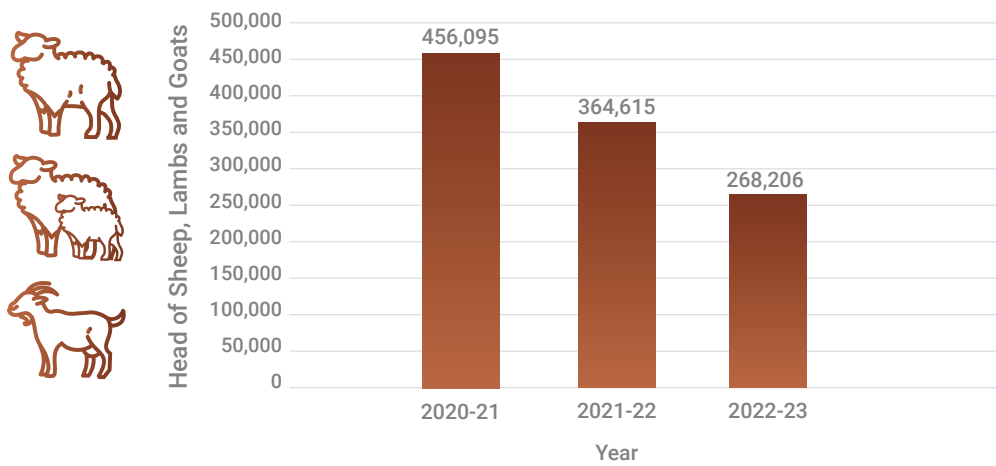
*268,206 head of trade sheep went through the Mucchea Livestock Centre in 2022-23*

# Agency Performance

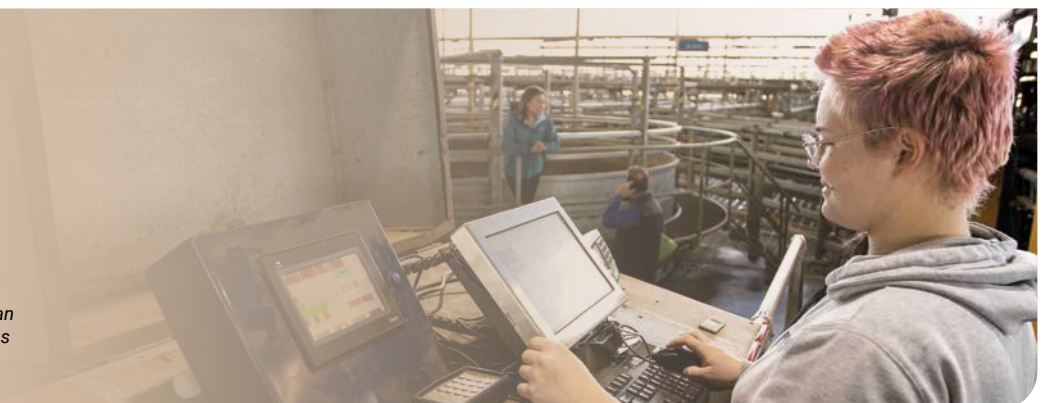
## MLC Throughput - Trade Cattle



## MLC Throughput - Trade Sheep, Lambs and Goats



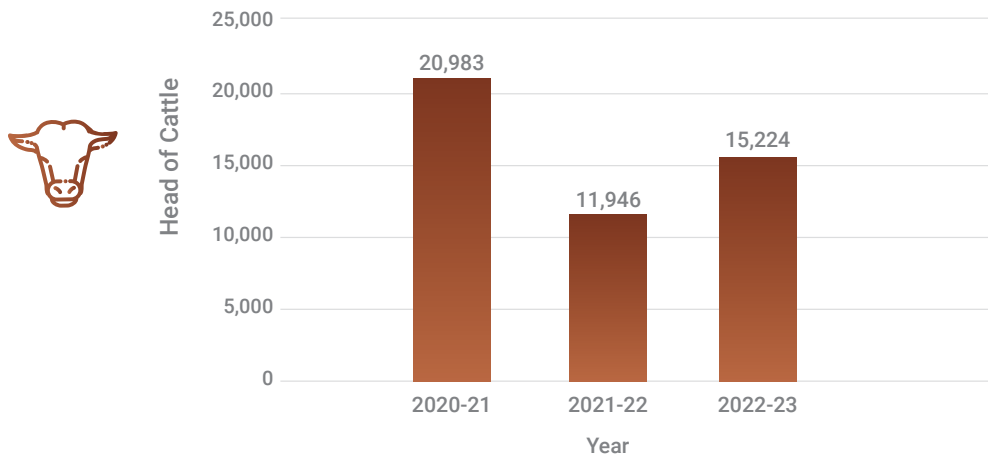
Technology and infrastructure to weigh and scan cattle are operated by skilled WAMIA employees



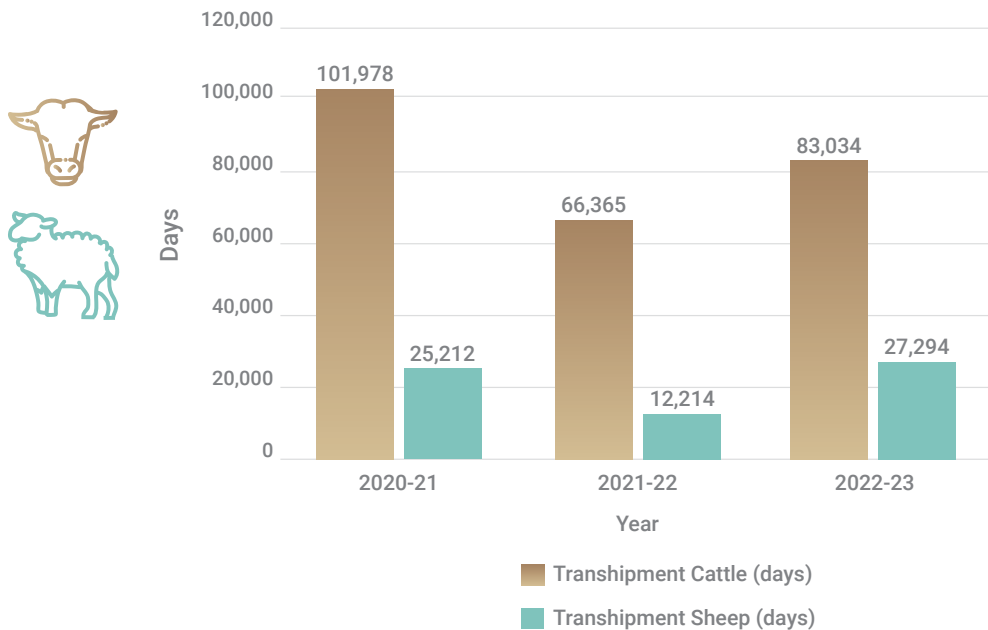
# Agency Performance

Private or non-sale weighing and transhipment cattle through MLC increased in 2022-23 compared to 2021-22. With low prices during auction sales, this trend suggests cattle are sold through private contracts between buyers and sellers, rather than through auction processes in MLC. 15,224 head of private or non-sale weighing cattle went through MLC in 2022-23, an increase of 27.4% compared to the previous financial year. Transhipment cattle increased by 25.1% from 66,365 cattle days in 2021-22 to 83,034 cattle days in 2022-23.

## MLC Non-sale Weighing



## Muchea Livestock Centre Transhipment Throughput



## Agency Performance

### Financial sustainability

A majority of WAMIA's revenue comes from fees and charges imposed on users of MLC. MLC's income is primarily based on per head of livestock. The low throughput numbers compare to forecasted budget resulted in a higher than anticipated deficit in the budget. The ageing infrastructure in MLC also resulted in increased costs for maintenance and repairs. Along with the significant inflationary pressures experienced by the economy in general, WAMIA's cash reserves decreased by \$1.65 million in the 2022-23 financial year.

To improve the financial sustainability of WAMIA, the strategy to improve the cost recovery ratio for services provided in MLC has commenced with the 2022-23 fee increase applied from 16 February 2023. This was later than anticipated and therefore also impacted on the revenue of the organisation. The low livestock throughput in 2022-23 also impacted on the outcome of this strategy.

WAMIA has regulatory and compliance roles in the meat processing sector and imposes fees for these activities. In addition, WAMIA also has government reporting and advisory roles.

In developing its full financial sustainability strategy, WAMIA will consider all its roles and functions under the WAMIA Act. The strategy will consider MLC and the opportunity provided by the land surrounding MLC, in addition to identifying the diversification of funding sources for WAMIA.



### Meat processing facilities engagement and compliance

During the reporting period compliance continued to undertake audit and investigative work to ensure compliance with the WAMIA Act. This included audits at non-Aus Meat accredited works to ensure compliance with branding requirements. WAMIA completed one investigation into product misdescription in 2022-23.

A number of potential cases of illegal slaughter resulting from monitoring of social media, industry information and public enquires were followed up, however none led to sufficient evidence for further legal action. In 2022-23, WAMIA commenced 8 new investigations into illegal slaughter, completed 7 investigations. Three illegal slaughter investigations are ongoing.

WAMIA has also assisted other regulators in three investigations.

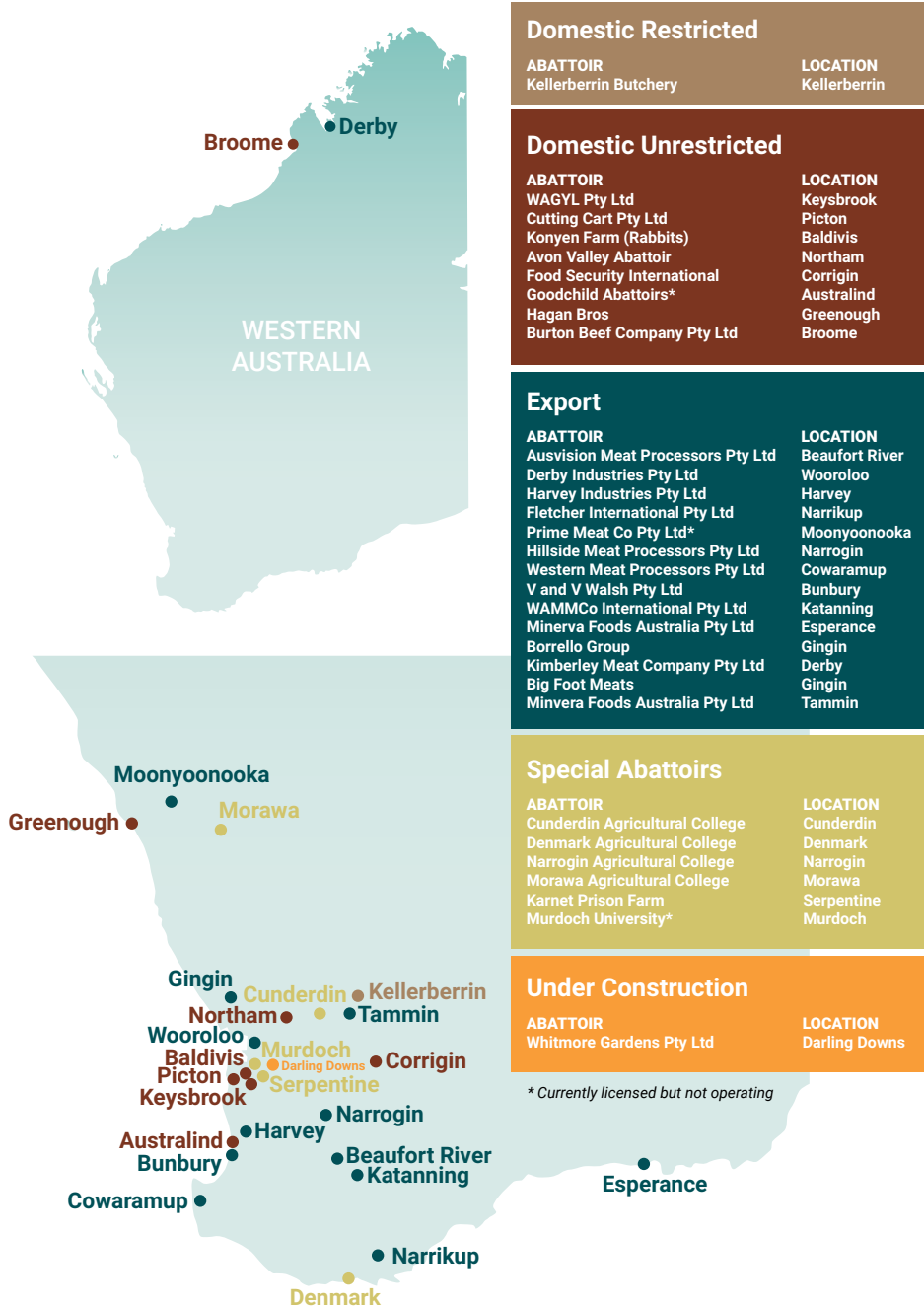
No legal action was taken by the Authority in 2022-2023.

In 2022-23, WAMIA received and approved 3 applications to operate an abattoir. There were no applications to construct abattoirs.

*Sign at the entrance of the saleyard in the Muchea Livestock Centre*

# Agency Performance

## WAMIA-approved Abattoirs by Category as of 30 June 2023



Export-accredited abattoirs meet export standards set by the Australian Department of Agriculture, Fisheries and Forestry and importing country requirements. These facilities are inspected under the Australian Export Meat Inspection System. There are no market access restrictions on these facilities in Australia.

Abattoirs categorised as Domestic Unrestricted meet Australian Standards and relevant legislation and are inspected by the WA Department of Health and the relevant Local Government Authority. There are no market access restrictions on these facilities in Australia. Abattoirs categorised as Domestic Restricted have additional special conditions related to distribution and capacity.

Special Abattoirs meet Australian Standards and relevant legislation and are inspected by the WA Department of Health and the relevant Local Government Authority. These facilities are subject to capacity restrictions and can only supply meat and meat products internally.



## Agency Performance

### Report on Industry Trends

#### Western Australian Meat Processing Trends

Abattoir throughput increased for cattle, sheep, lambs and pigs in 2022-23, compared to 2021-22.

After a 19.6% drop in throughput in 2021-22, the number of sheep processed in Western Australia increased by 54.4% in 2022-23 from 2021-22. This represents the biggest increase in abattoir throughput across all species. Since 2019-20, when 1,787,593 head was processed in WA abattoirs, sheep processing throughput decreased over two years to 1,151,964 head in 2021-22 before increasing by 54.4% to 1,777,784 head of sheep processed in 2022-23.

Majority of the increase is attributed to export-accredited abattoirs, processing 639,343 more head of sheep compared to 2021-22. The number of lambs processed in Western Australia remained relatively stable, with a slight increase of 3.69% in throughput for 2022-23 compared to 2021-22.

The number of cattle processed in Western Australia increased by 12.0% in 2022-23 from 2021-22. Like the sheep trend, the largest contributor to this increase comes from export-accredited abattoirs. This follows a 12.2% decrease in the number of head of cattle processed in the preceding year. In 2022-23, export-accredited abattoirs processed 45,655 more head of cattle compared to the previous year.

Total pigs processed in Western Australia increased by 63,734 head compared to throughput in 2021-22. Number of head of pigs processed by export-accredited abattoirs increased by 6.51% while the number processed by abattoirs categorised as domestic increased by 15.6%.

Throughput of goats decreased by 13.6% after seeing a jump in throughput numbers of 55.96% in 2021-22 compared to 2020-21. Number of head of goats processed in export-accredited abattoirs decreased by 4,819 head while the number increased by 904 head in abattoirs categorised as domestic.



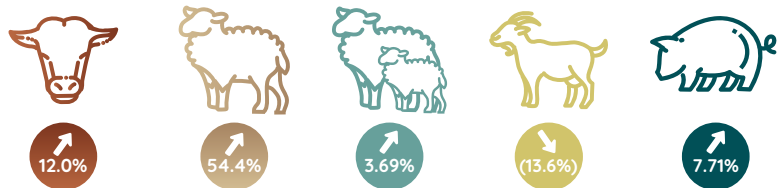
*Cattle in the feeding pens in the Muchea Livestock Centre*

## Agency Performance

**Table 3: Abattoir throughput by category for 2022-23**

Abattoir Category	Cattle (head)	Sheep (head)	Lambs (head)	Goat (head)	Pigs (head)
Export	370,301	1,707,520	2,548,085	20,246	763,670
Domestic	24,959	64,462	111,347	4,708	126,430
Special	2,455	5,686	67	0	125
Other	5	116	0	0	0
<b>Total</b>	<b>397,720</b>	<b>1,777,784</b>	<b>2,659,499</b>	<b>24,954</b>	<b>890,225</b>

Change from 2021-22



**Table 4: Abattoir throughput for other species by category for 2022-23**

Abattoir Category	Deer (head)	Rabbit (head)	Other (head)
Export	0	0	0
Domestic	418	18,311	29
<b>Total</b>	<b>418</b>	<b>18,311</b>	<b>29</b>

Twelve surveys on the capacity of abattoirs in Western Australia showed that most abattoirs can increase their processing capacity. Labour (availability and accommodation) is the biggest constraint to abattoir processing capacity. Other key barriers identified through the returned surveys consistently included government regulation and licenses, infrastructure, production costs and export markets.

### Emerging trend of small abattoirs and mobile abattoirs in Western Australia

There is a growing trend of Western Australian producers wishing to directly market their own product and are having difficulty sourcing service kill largely due to the location and small number of abattoirs offering the service. This has led to a number of producer enquiries seeking information as to the requirements to construct a small abattoir. There was also interest in the approval of mobile abattoirs.

## Agency Performance

The increased interest in mobile abattoirs in Western Australia is reshaping traditional practices and offering numerous advantages to both producers and consumers. Mobile abattoirs bring the abattoir to the farm, minimising the animal welfare and logistical challenges associated with transporting animals over long distances. These mobile units potentially address the issues of limited access to processing facilities in remote areas, fostering local economies and reducing carbon emissions linked to transportation. As the demand for locally sourced and ethically processed meat continues to grow, this approach to meat processing brings about a transformative shift in the traditional supply chain dynamics.

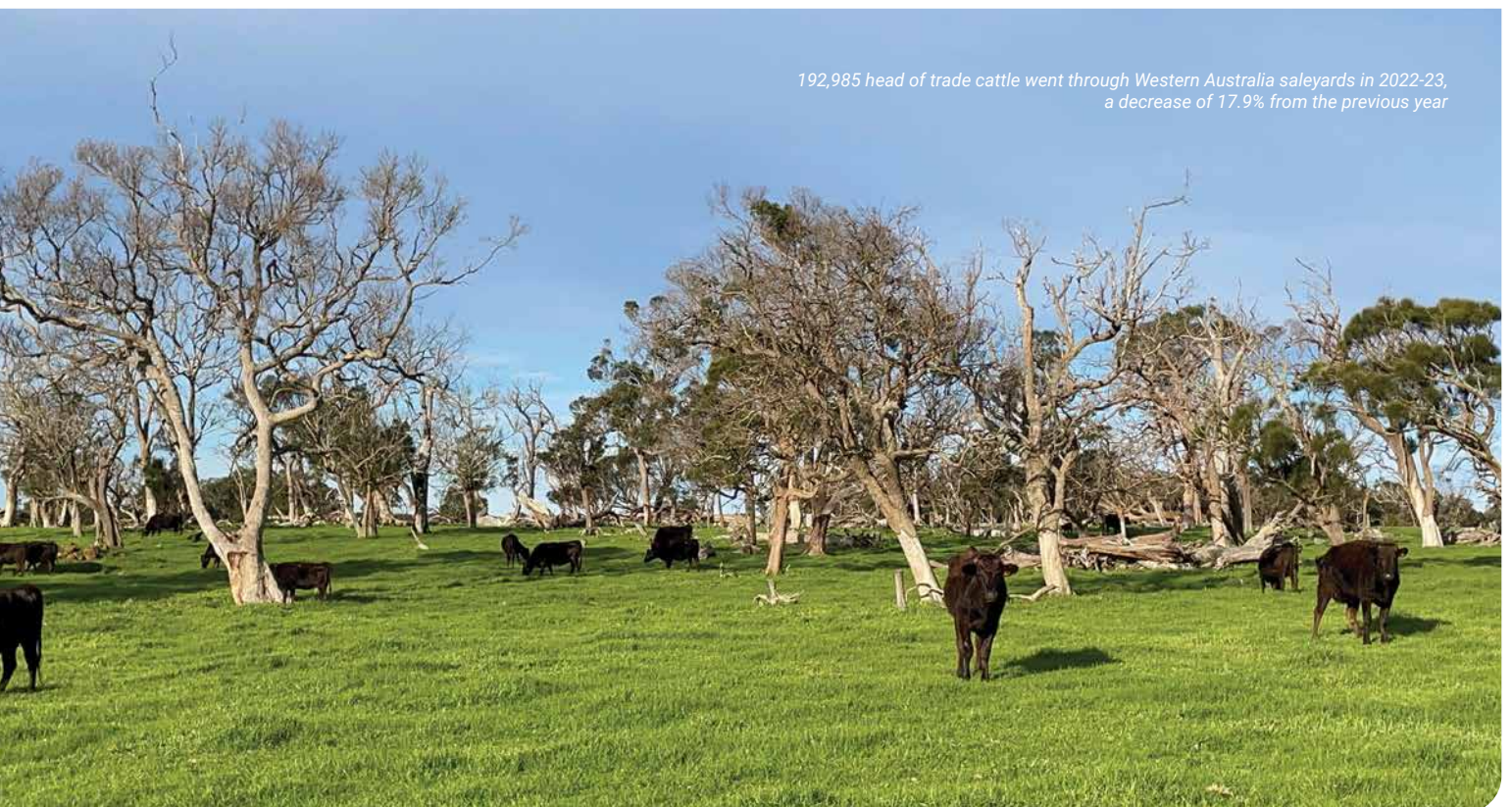
WAMIA is keeping in review this emerging trend and its impact on the meat industry and supply chains. In particular, the organisation is looking into the WAMIA Act and its intersection with mobile abattoirs, balancing the need for regulation while keeping in mind the need to provide an ecosystem for innovation for the benefit of the Western Australian meat industry.

### Western Australian Saleyard Throughput Trends

The total number of trade sheep, lamb and goats through saleyards in Western Australia decreased by 58.2% over the past five years. In total, 576,843 sheep, lamb and goats have been through Western Australian saleyards in 2022-23.

The trend in trade cattle throughput in Western Australia saleyards over the past five years is variable, with the throughput in 2022-23 the lowest in the past five years. In total, 192,985 head of trade cattle went through saleyards in Western Australia, a decrease of 17.9% from 2021-22 numbers and a decrease of 21.7% from the 246,566 head of cattle that went through saleyards in 2020-21.

*192,985 head of trade cattle went through Western Australia saleyards in 2022-23, a decrease of 17.9% from the previous year*



## Agency Performance

### Financial Targets and Results

**Table 5: Financial Targets**

	2022-23 Target <sup>(1)</sup> \$	2022-23 Actual \$	Variation <sup>(2)</sup> \$
Total cost of services <sup>(a)</sup>	5,611,441	5,665,492	54,051
Total Income <sup>(b)</sup>	4,133,202	3,170,817	(962,385)
Total equity <sup>(c)</sup>	51,226,257	52,338,182	1,111,925
Net increase / (decrease) in cash held <sup>(d)</sup>	147,562	352,426	204,864
Approved salary expense <sup>(e)</sup>	2,667,166	2,848,807	(181,641)

(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 lower cost of sales and reversal of expected credit loss expenses.

b. Income below budget as a result of fall in trade cattle and sheep throughput significantly lower than estimated.

c. The positive impact on equity is mainly due to land and buildings' revaluation gains.

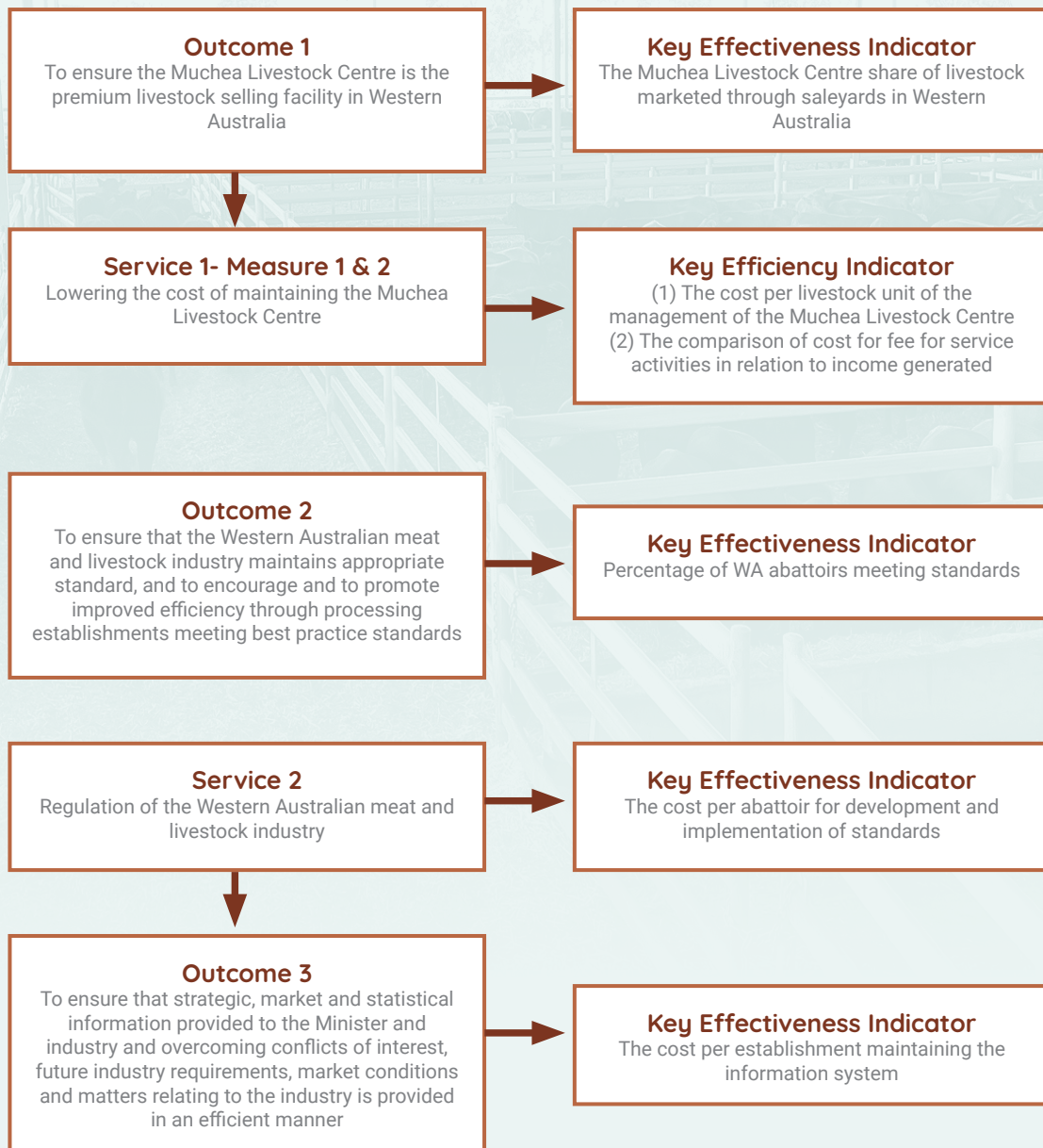
d. Cashflow increased as a result of term deposit withdrawals.

e. Salary expenses over budget as a result of additional salaries & wages costs including cost of living payments.

## Agency Performance

### Performance Management Framework

#### Outcome-based Management Framework



#### Changes to Outcome-based Management Framework

The Authority's outcome-based management framework did not change during 2022-23.

#### Shared Responsibilities with Other Agencies

The Western Australian Meat Industry Authority did not share any responsibilities with other agencies in 2022-23.

## Agency Performance

### Key Performance Indicator Targets and Results



**Table 6: Summary of Key Performance Indicators**

	2022-23 Target <sup>(1)</sup> /Previous Year	2022-23 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: <b>The Muchea Livestock Centre share of livestock marketed through saleyards in Western Australia.</b></p>	<p>Cattle 40.1%</p> <p>Sheep 42.4%</p>	<p>Cattle 37.2%</p> <p>Sheep 46.5%</p>	<p>Cattle (2.88%)</p> <p>Sheep 4.1%</p>
<p>Service 1 – Measure 1</p> <p>Key Efficiency Indicator: <b>Lowering the cost of maintaining the Muchea Livestock Centre.</b></p> <p>Relevance of indicator: Lowering the cost of maintaining the Muchea Livestock Centre</p>	\$2.52	\$3.45	(\$0.93)
<p>Service 1 – Measure 2</p> <p>Key Efficiency Indicator: <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: The cost of any fee for service activity is not subsidised from income generated by ordinary saleyard fees.</p>	\$0.74	\$0.72	\$0.02
<p>Outcome 2: To ensure that the WA meat and livestock industry maintains appropriate standards.</p> <p>Key Effectiveness Indicator: <b>Percentage of WA abattoirs meeting standards</b></p>	80.0%	66.7%	(13.3%)
<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>	\$11,184	\$11,291	(\$107)
<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>	\$429	\$433	(\$4)

(1) As specified in the Budget Statements.

(2) Explanations for the variations between target and actual results are presented in "Audited Key Performance Indicators" section of the 2022-23 WAMIA Annual Report.



## Disclosures and Legal Compliance

### Government Policy Requirements

#### **Work Health and Safety and Injury Management**

WAMIA is committed to providing a healthy and safe workplace for all its employees, Agents and Users by complying with the *Work Health and Safety Act 2020* and the *Workers' Compensation and Injury Management Act 1981*.

Monthly safety reports including reported incidents are provided and considered by the WAMIA Board.

WAMIA is committed to continuous review and improvement of workplace safety and health.

#### **Board and committee attendance and remuneration**

Ten Board meetings were held during 2022-23 Members' attendance at the meetings is detailed below.

Name of Member	Meetings Attended	Maximum Attendance
Sally O'Brien (Chairman)*	6	7
Joanna Williams (Acting Chairman / Deputy Chairman)	9	10
Kelly Pearce	10	10
Kim McDougall **	5	8
Mark Panizza	10	10
Belinda Lay	10	10
Michael Bowley	10	10
John Nazary	0	10

\* Sally O'Brien resigned effective 28 February 2023

\*\* Kim McDougall's term expired on 30 March 2023



## Disclosures and Legal Compliance

Remuneration of Board members are outlined in the table below.

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration 2022/23
Chairman	Sally O'Brien	Annual	8 months	\$17,600.94
Deputy & (Acting Chair)	Joanna Williams	Annual	12 months	\$13,643.04
Member	Kelly Pearce	Annual	12 months	\$13,643.04
Member	Kim McDougall	Annual	9 months	\$10,232.28
Member	Belinda Lay	Annual	12 months	\$13,643.04
Member	Mark Panizza	Annual	12 months	\$16,223.04
Member	Michael Bowley	Annual	12 months	-
Member	John Nazary	Annual	12 months	-
<b>Total</b>				<b>\$84,985.38</b>

\*John Nazary was not remunerated due to non-attendance of Board meetings.

### **WA Multicultural Policy Framework**

WAMIA's Multicultural Plan 2022-2024 is a three-year plan and will act as a key strategic document to guide the Authority's service responsiveness, employment opportunities and community outputs for people from culturally and linguistically diverse backgrounds.

WAMIA takes a planned approach to identify and create opportunities for continuous improvement across all of its services to ensure inclusivity of all people. This includes taking action to ensure people from culturally and linguistically diverse backgrounds can reach their highest potential within WAMIA's workplace and have opportunities to participate in all aspects of the community.

# Disclosures and Legal Compliance

## Other Legal Requirements

### Personal Use of Credit cards

WAMIA is required to report on instances where a WAMIA-issued government purchasing card (credit card) was used for personal use. In 2022-23, there were no unauthorised use of WAMIA-issued credit cards.

### Act of Grace payments

WAMIA did not make any Act of Grace payments in 2022-23.

### Advertising, market research, polling and direct mail

\$2,492.01 was spent on advertising in 2022-23. The advertising was for information dissemination purposes as required under WAMIA regulations as well as for recruitment purposes.

### 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.

## Disclosures and Legal Compliance

**(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.

In 2022-23, the Authority initiated one disciplinary process under Part 5 of the *Public Sector Management Act 1994*.

### **Recordkeeping plans**

The Authority is required to comply with the requirements of the *State Records Act 2000*. The Authority expects to complete its review of the Record Keeping Plan by January 2024.

## Other Reporting Requirements

### **Ministerial directives**

No ministerial directives were received during the financial year.



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

2023

#### Western Australian Meat Industry Authority

To the Parliament of Western Australia

## Report on the audit of the financial statements

### Opinion

I have audited the financial statements of the Western Australian Meat Industry Authority (Authority) which comprise:

- the Statement of Financial Position at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- 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 2023 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

### Basis for opinion

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

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

### Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it 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
- 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 responsibilities 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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

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

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at

[https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

## **Report on the audit of 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 Board are those policies and procedures established 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 the State's financial reporting framework (the overall control objectives).

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 the State's financial reporting framework during the year ended 30 June 2023.

### **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 Engagement 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 involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an 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 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 audit of 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 2023. 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 2023.

### The Board's responsibilities 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 controls 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 Instructions 904 *Key Performance Indicators*.

### **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 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 management relating to the report on financial statements, 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 ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Other information**

The Board is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

### **Matters relating to the electronic publication of the audited financial statements and key performance indicators**

The 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 2023 included in the annual report 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, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. 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.



Patrick Arulsingham  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
5 September 2023



# Audited Financial Statements

## Certification of Financial Statements

For the reporting period ended 30 June 2023

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 2023 and the financial position as at 30 June 2023.

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.



**Sidney Pinto**  
Chief Financial Officer of the Western  
Australian Meat Industry Authority  
04 September 2023



**Mark Panizza**  
Member of the Western Australian  
Meat Industry Authority  
04 September 2023



**Sarah Lang**  
Chair of the Western Australian Meat  
Industry Authority  
04 September 2023

## Financial Statements

### Statement of Comprehensive Income

For the year ended 30 June 2023

	Note	2023 (\$)	2022 (\$)
<b>INCOME</b>			
<b>Revenue</b>			
Sales	3.2	543,812	541,501
Fees and charges	3.1	2,222,702	2,623,416
Interest revenue	3.3	114,517	32,174
Other revenue	3.4	289,786	258,485
<b>TOTAL INCOME</b>		<b>3,170,817</b>	<b>3,455,576</b>
<b>EXPENSES</b>			
Cost of sales	3.2	205,402	172,537
Employee benefits expense	2.1(a)	2,848,807	2,485,843
Supplies and services	2.2	1,276,508	1,362,163
Depreciation and amortisation expense	4.1, 4.3, 4.4	1,238,474	1,187,090
Finance costs	6.3	969	1,158
Other expenses	2.3	95,332	198,569
<b>TOTAL EXPENSES</b>		<b>5,665,492</b>	<b>5,407,360</b>
<b>DEFICIT FOR THE PERIOD</b>		<b>(2,494,675)</b>	<b>(1,951,784)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Changes in asset revaluation	4.1	2,128,358	1,429,382
<b>Total other comprehensive income</b>		<b>2,128,358</b>	<b>1,429,382</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(366,317)</b>	<b>(522,402)</b>

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

# Financial Statements

## Statement of Financial Position

As at 30 June 2023

	Note	2023 (\$)	2022 (\$)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.1	456,905	104,479
Inventories	3.2	38,321	86,295
Receivables	5.1	215,719	313,899
Other assets	5.2	166,316	16,771
Other financial assets	5.3	3,800,000	5,800,000
<b>Total Current Assets</b>		<b>4,677,261</b>	<b>6,321,444</b>
<b>Non-Current Assets</b>			
Infrastructure, property, plant and equipment	4.1	46,026,132	44,926,617
Investment property	4.2	2,410,000	2,250,000
Right-of-use assets	4.3	23,609	33,838
Intangible assets	4.4	1,528	2,431
<b>Total Non-Current Assets</b>		<b>48,461,269</b>	<b>47,212,886</b>
<b>TOTAL ASSETS</b>		<b>53,138,530</b>	<b>53,534,330</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.4	174,531	319,310
Other provision	5.5	136,003	-
Lease liabilities	6.2	7,018	11,166
Employee related provisions	2.1(b)	351,059	243,247
<b>Total Current Liabilities</b>		<b>668,611</b>	<b>573,723</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	6.2	18,372	24,514
Employee related provisions	2.1(b)	113,365	231,594
<b>Total Non-Current Liabilities</b>		<b>131,737</b>	<b>256,108</b>
<b>Total Liabilities</b>		<b>800,348</b>	<b>829,831</b>
<b>NET ASSETS</b>		<b>52,338,182</b>	<b>52,704,499</b>
<b>EQUITY</b>			
Reserves	8.8	4,291,842	2,163,484
Accumulated surplus	8.8	48,046,340	50,541,015
<b>TOTAL EQUITY</b>		<b>52,338,182</b>	<b>52,704,499</b>

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

## Financial Statements

### Statement of Changes in Equity

For the year ended 30 June 2023

	Note	Reserves \$	Accumulated surplus \$	Total equity \$
<b>Balance at 1 July 2021</b>	<b>8.8</b>	<b>734,102</b>	<b>52,492,799</b>	<b>53,226,901</b>
Deficit for the period		-	(1,951,784)	(1,951,784)
Other comprehensive income	8.8	1,429,382	-	1,429,382
<b>Total comprehensive income for the period</b>		<b>1,429,382</b>	<b>(1,951,784)</b>	<b>(522,402)</b>
<b>Balance at 30 June 2022</b>		<b>2,163,484</b>	<b>50,541,015</b>	<b>52,704,499</b>
<b>Balance at 1 July 2022</b>	<b>8.8</b>	<b>2,163,484</b>	<b>50,541,015</b>	<b>52,704,499</b>
Deficit for the period		-	(2,494,675)	(2,494,675)
Other comprehensive income	8.8	2,128,358	-	2,128,358
<b>Total comprehensive income/(loss) for the period</b>		<b>2,128,358</b>	<b>(2,494,675)</b>	<b>(366,317)</b>
<b>Balance at 30 June 2023</b>		<b>4,291,842</b>	<b>48,046,340</b>	<b>52,338,182</b>

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

# Financial Statements

## Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Sale of goods and services		591,777	530,100
Fees and charges		2,378,896	2,616,757
Interest received		114,517	32,174
GST receipts on sales		272,036	329,767
Other receipts		137,306	135,078
<b>Payments</b>			
Employee benefits		(2,668,214)	(2,388,066)
Supplies and services		(1,914,854)	(1,537,631)
Finance costs		(969)	(1,158)
GST payments on purchases		(163,129)	(224,172)
GST payments to taxation authority		(90,690)	(110,114)
<b>Net cash used in operating activities</b>		<b>(1,343,324)</b>	<b>(617,265)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Purchase of non-current assets		(291,367)	(339,397)
Payments to acquire financial assets		-	-
<b>Receipts</b>			
Proceeds from financial assets		2,000,000	529,915
<b>Net cash provided by investing activities</b>		<b>1,708,633</b>	<b>190,518</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Principal elements of lease payments		(12,883)	(12,883)
<b>Net cash used in financing activities</b>		<b>(12,883)</b>	<b>(12,883)</b>
Net increase/(decrease) in cash and cash equivalents		352,426	(439,630)
Cash and cash equivalents at the beginning of the period		104,479	544,109
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>6.1</b>	<b>456,905</b>	<b>104,479</b>

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

# Financial Statements

## Notes to the Financial Statements

### For the year ended 30 June 2023

#### 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 04 September 2023.

#### 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 - Simplified Disclosures
- (4) Where appropriate, those Australian Accounting Standards paragraphs applicable for not-for-profit entities have been applied.

The FMA and TIs take precedence over Australian Accounting Standards. Several Australian Accounting Standards are modified by the 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.

#### Accounting for Goods and Services Tax (GST)

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

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

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

# Financial Statements

## Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

## 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.

## 2. Use of our Funding

### 2.1 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:

	Note
Employee benefits expenses	2.1(a)
Employee related provisions	2.1(b)
Supplies and services	2.2
Other expenses	2.3

#### 2.1(a) Employee benefits expenses

	2023 \$	2022 \$
Employee benefits	2,675,291	2,449,352
Termination benefits	136,003	-
Superannuation – defined contribution plans	37,513	36,491
<b>Total employee benefits expenses</b>	<b>2,848,807</b>	<b>2,485,843</b>
Add: AASB 16 Non-monetary benefits	3,489	3,489
Less: Employee contributions	(5,425)	(3,271)
<b>Net employee benefits</b>	<b>2,846,871</b>	<b>2,486,061</b>

## Financial Statements

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

**Termination benefits** are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the 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.

**Superannuation** is the amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds.

**AASB 16 Non-monetary benefits** are 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.

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

### 2.1(b) Employee related provisions

	2023 \$	2022 \$
<b>Current</b>		
<u>Employee benefits provisions</u>		
Annual leave <sup>(a)</sup>	136,585	132,847
Long service leave <sup>(b)</sup>	174,622	84,448
	311,207	217,295
<u>Other provisions</u>		
Employment on-costs <sup>(c)</sup>	39,852	25,952
<b>Total current employee related provisions</b>	<b>351,059</b>	<b>243,247</b>
<b>Non-current</b>		
<u>Employee benefits provision</u>		
Long service leave <sup>(b)</sup>	98,578	201,387
<u>Other provision</u>		
Employment on-costs <sup>(c)</sup>	14,787	30,207
<b>Total non-current employee related provisions</b>	<b>113,365</b>	<b>231,594</b>
<b>Total employee related provisions</b>	<b>464,424</b>	<b>474,841</b>

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.



## Financial Statements

**(a) Annual leave liabilities** are 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** are 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** involve 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'.

Employment on-costs provision	2023 \$	2022 \$
Carrying amount at start of period	56,159	40,125
Additional provisions recognised	(1,520)	16,034
<b>Carrying amount at end of period</b>	<b>54,639</b>	<b>56,159</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.

## Financial Statements

### 2.2 Supplies and services

	2023 \$	2022 \$
<b>Supplies and services</b>		
Communications	30,990	30,845
Computing	170,517	240,843
Consultants and contractors	213,323	233,551
Repairs and maintenance	338,427	322,052
Travel	9,779	4,060
Waste management	95,162	71,870
Water power gas	81,735	108,419
Fuel - diesel	28,349	24,518
Insurance <sup>(a)</sup>	178,402	175,076
Carcase disposal	35,177	54,882
Market reporting	21,375	21,150
Other	73,272	74,897
<b>Total supplies and services expenses</b>	<b>1,276,508</b>	<b>1,362,163</b>

(a) Insurance expenses include payments made to RiskCover Insurance of \$140,113 (2022: \$162,110). Refer to Note 8.4

### 2.3 Other expenses

	2023 \$	2022 \$
<b>Other Expenses</b>		
Bank fees	749	913
Expected credit (reversal)/losses	(26,577)	88,661
Audit fees <sup>(a)</sup>	48,223	53,505
Other <sup>(b)</sup>	72,937	55,490
<b>Total other expenses</b>	<b>95,332</b>	<b>198,569</b>

(a) Audit fees include statutory audit fees (2023:\$35,000, 2022:\$38,700: see Note 8.7) and non-statutory audit fees (2023:\$13,223, 2022:\$14,805).

(b) Other expenses include bad debts written off (2023:\$73,721, 2022: \$1,915), Staff amenities (2023:\$15,604, 2022: \$8,813) and Training costs (2023:\$13,023, 2022: \$21,545).

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

**Repairs, maintenance costs** are recognised as expenses as incurred.

**Other 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.

# Financial Statements

## 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:

	Note
Fees and charges	3.1
Trading profits (sales)	3.2
Interest revenue	3.3
Other revenue	3.4

### 3.1 Fees and charges

	2023 \$	2022 \$
Saleyard Fees and Services	906,628	1,165,154
Livestock Services	1,012,662	1,177,695
Abattoir Licensing and Services	132,242	140,035
Truck Wash	171,170	140,532
<b>Total fees and charges</b>	<b>2,222,702</b>	<b>2,623,416</b>

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 Authority typically satisfies its performance obligations in relation to these user fees and charges when request for feeding of transshipment cattle and sheep is received and continued until the dispatch of such cattle and sheep from the Muchea Livestock Centre.

## Financial Statements

### 3.2 Trading profit (sales)

	2023 \$	2022 \$
Sales	543,812	541,501
Cost of Sales:		
Opening inventory	86,295	81,224
<b>Purchases</b>	<b>157,428</b>	<b>177,608</b>
	243,723	258,832
Less : closing inventory	(38,321)	(86,295)
<b>Cost of Goods Sold</b>	<b>205,402</b>	<b>172,537</b>
<b>Trading Profit</b>	<b>338,410</b>	<b>368,964</b>
<b>Closing Inventory comprises:</b>		
Current Inventory		
Finished goods		
At cost	38,321	86,295
<b>Total current inventories</b>	<b>38,321</b>	<b>86,295</b>

### Sale of Goods

Revenue is recognised at the transaction price when the Authority 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

	2023 \$	2022 \$
Interest revenue (Interest on term deposits with BankWest and Rabobank)	114,517	32,174
<b>Total interest revenue</b>	<b>114,517</b>	<b>32,174</b>

### 3.4 Other revenue

	2023 \$	2022 \$
Rental Income	120,957	118,177
Other Income <sup>(a)</sup>	168,829	140,308
<b>Total other revenue</b>	<b>289,786</b>	<b>258,485</b>

(a) Other income includes investment properties' revaluation gains of 2023:\$160,000 (2022: \$130,000), market information fee income of 2023:\$3,646 (2022: \$3,567) and various combined miscellaneous income of 2023:\$5,183 (2022: \$6,741).

# Financial Statements

## 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:

	Note
Infrastructure, property, plant and equipment	4.1
Investment property	4.2
Right-of-use assets	4.3
Intangibles assets	4.4

## Financial Statements

### 4.1 Infrastructure, property, plant and equipment

Year ended 30 June 2023	Land \$	Buildings \$	Assets under construction \$	Infrastructure \$	Plant, Equipment and vehicles \$
<b>1 July 2022</b>					
Gross carrying amount	2,730,000	15,462,809	86,672	38,806,897	2,673,924
Accumulated depreciation	-	(3,322,288)	-	(9,607,572)	(1,903,825)
<b>Carrying amount at start of period</b>	<b>2,730,000</b>	<b>12,140,521</b>	<b>86,672</b>	<b>29,199,325</b>	<b>770,099</b>
Additions	-	2,935	20,421	55,444	118,027
Transfers <sup>(a)</sup>	-	-	(86,672)	-	86,672
Revaluation increments	550,000	1,578,358	-	-	-
Depreciation	-	(242,825)	-	(778,749)	(204,096)
<b>Carrying amount at 30 June 2023</b>	<b>3,280,000</b>	<b>13,478,989</b>	<b>20,421</b>	<b>28,476,020</b>	<b>770,702</b>
Gross carrying amount	3,280,000	17,044,102	20,421	38,862,341	2,878,623
Accumulated depreciation	-	(3,565,113)	-	(10,386,321)	(2,107,921)

(a) Capital Work-In-Progress included in Assets under construction has been capitalised under Plant, equipment and vehicles during the financial year ended 30 June 2023.

# Financial Statements

## 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).

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 (Landgate) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2022 and the valuations were performed and recognised as at 30 June 2023. In undertaking the revaluation, fair value of buildings was determined on the basis of current replacement cost of \$13,478,989 (2022: \$12,140,521) and fair value of land under buildings and infrastructure of \$3,280,000 (2022: \$2,730,000) 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.

## Financial Statements

**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

	2023 \$	2022 \$
Depreciation		
Plant, equipment and vehicles	204,096	166,650
Buildings	242,825	228,398
Infrastructure	778,749	778,255
<b>Total depreciation for the period</b>	<b>1,225,670</b>	<b>1,173,303</b>

As at 30 June 2023 there were no indications of impairment to property, plant and equipment or infrastructure.

All surplus assets at 30 June 2023 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
Buildings	50 years
Plant and equipment	3 to 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.



## Financial Statements

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

	2023 \$	2022 \$
Carrying amount at start of period	2,250,000	2,120,000
Revaluation increment	160,000	130,000
<b>Carrying amount at end of period</b>	<b>2,410,000</b>	<b>2,250,000</b>

**Amount recognised in profit or loss:** During 2023, investment property rentals of \$51,597 (2022: \$48,602) were included in 'Other revenue' (Note 3.4). Maintenance expense relating to the investment property, included in 'Supplies and services' was \$nil (2022: \$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.

## Financial Statements

### 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 (Landgate) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Investment properties were revalued as at 1 July 2022 and the valuations were performed during the year ended 30 June 2023 and recognised at 30 June 2023. In undertaking the revaluation, fair value was determined by reference to market values for investment property of \$2,410,000 (2022: \$2,250,000).

### 4.3 Right-of-use assets

	2023 \$	2022 \$
Vehicles at gross carrying amount	61,844	41,652
Additions	-	24,521
Disposal <sup>(a)</sup>	-	(6,001)
Accumulated amortisation	(38,235)	(26,334)
<b>Net carrying amount at 30 June 2023</b>	<b>23,609</b>	<b>33,838</b>

(a) Lease expired motor vehicle was returned to State Fleet during the financial year 30 June 2022.

### 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.

## Financial Statements

### 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:

	2023 \$	2022 \$
Vehicles	11,901	12,883
<b>Total right-of-use asset depreciation</b>	<b>11,901</b>	<b>12,883</b>
Lease interest expense	969	1,158
Loss arising from lease cessation transaction	-	-

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

The Authority has leases for vehicles.

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

	2023 \$	2022 \$
<u>Computer software and website costs</u>		
<b>1 July</b>		
Gross carrying amount	22,102	22,102
Accumulated amortisation	(19,671)	(18,767)
<b>Carrying amount at start of period</b>	<b>2,431</b>	<b>3,335</b>
Amortisation expense	(903)	(904)
<b>Carrying amount at end of period</b>	<b>1,528</b>	<b>2,431</b>

## Financial Statements

### 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

	2023 \$	2022 \$
Computer software and website costs	903	904
<b>Total amortisation for the period</b>	<b>903</b>	<b>904</b>

As at 30 June 2023 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.

## Financial Statements

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 <sup>(a)</sup>	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:

	Note
Receivables	5.1
Other assets	5.2
Other financial assets	5.3
Payables	5.4
Other provision	5.5

### 5.1 Receivables

	2023 \$	2022 \$
Receivables	149,814	370,467
Allowance for expected credit losses	(10,321)	(88,746)
Accrued revenue	76,226	32,178
<b>Total receivables at end of the period</b>	<b>215,719</b>	<b>313,899</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.

## Financial Statements

### 5.2 Other assets

	2023 \$	2022 \$
Prepayments	166,316	16,771
<b>Total other assets at end of period</b>	<b>166,316</b>	<b>16,771</b>

### 5.3 Other financial assets

	2023 \$	2022 \$
Financial assets at amortised cost - Term Deposits(a)	3,800,000	5,800,000
<b>Total financial assets at end of period</b>	<b>3,800,000</b>	<b>5,800,000</b>

(a) These represent bank term deposits with their original maturities of more than 3 months.

### 5.4 Payables

	2023 \$	2022 \$
<u>Current</u>		
Trade payables	65,428	211,928
GST receivables	(3,103)	(7,590)
Accrued expenses	12,399	2,787
Accrued salaries	42,296	47,045
Payroll Tax Payable	46,416	52,979
Superannuation payable	11,095	12,161
<b>Total payables at end of period</b>	<b>174,531</b>	<b>319,310</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 20 days.

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

### 5.5 Other provision

	2023 \$	2022 \$
<u>Current</u>		
Redundancy provision	136,003	-
<b>Total current</b>	<b>136,003</b>	<b>-</b>
<u>Non-current</u>		
Redundancy provision	-	-
<b>Total non-current</b>	<b>-</b>	<b>-</b>
<b>Balance at end of period</b>	<b>136,003</b>	<b>-</b>

## Financial Statements

**Redundancy provision** recorded pertains to the estimated costs associated with the voluntary redundancy offer made to employees attached to the Southwest Saleyard operation and who have accepted the offer of redundancy. This provision represents the best estimated financial obligation with regard to redundancy entitlements and incentive payments upon their voluntary exit from WAMIA. The provision has been determined based on a careful assessment of projected benefits in compliance with the requirements by Public Sector Commission.

### 6. Financing

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

	Note
Cash and cash equivalents	6.1
Lease liabilities	6.2
Finance costs	6.3

#### 6.1 Cash and cash equivalents

	2023 \$	2022 \$
Cash and cash equivalents	456,905	104,479
<b>Balance at end of period</b>	<b>456,905</b>	<b>104,479</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

	2023 \$	2022 \$
Not later than one year	7,018	11,166
Later than one year and not later than five years	18,372	24,514
<b>Balance at end of period</b>	<b>25,390</b>	<b>35,680</b>
Current	7,018	11,166
Non-current	18,372	24,514
<b>Balance at end of period</b>	<b>25,390</b>	<b>35,680</b>

#### Initial measurement

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 Australian Treasury Corporation.

## Financial Statements

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

	2023 \$	2022 \$
<b>Finance costs</b>		
Interest expense on lease liabilities	969	1,158
<b>Total finance costs expensed</b>	<b>969</b>	<b>1,158</b>

## 7. Financial instruments and Contingencies

	Note
Financial instruments	7.1
Contingent assets and liabilities	7.2



# Financial Statements

## 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:

	2023 \$	2022 \$
<b>Financial Assets</b>		
Cash and cash equivalents	456,905	104,479
Financial assets at amortised cost <sup>(a)</sup>	4,015,719	6,179,432
<b>Total financial assets</b>	<b>4,472,624</b>	<b>6,283,911</b>
<b>Financial Liability</b>		
Financial liabilities measured at amortised cost <sup>(a)</sup>	199,921	354,990
<b>Total financial liability</b>	<b>199,921</b>	<b>354,990</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

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

### 7.2.1 Contingent assets

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

### 7.2.2 Contingent liabilities

WAMIA discloses certain items as contingent liabilities, as they are either possible obligations that arise from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events, not wholly within the control of WAMIA or they are present obligations that arise from past events where a transfer of economic resources is not probable or cannot be reliably measured. Contingent liabilities are not recognised on the balance sheet but are disclosed unless an outflow of economic resources is remote.

### Employees' potential Superannuation Guarantee (SG) adjustments

WAMIA's management believes that the calculation of Superannuation Guarantee for a number of employees are incorrect due to the uncertainty around arriving at a basis for calculation. A potential liability may arise due to the possibility of adjustments being made to the calculation of Superannuation Guarantee payments.

A professional accountancy firm has been engaged prior to 30 June 2023 to advise and assist in quantifying the adjustments. They may result in additional liabilities for the organisation. The exact amount of the liability cannot be reliably determined at this time.

### Litigation in progress

There were no claims present at 30 June 2023.

## Financial Statements

### Native title claims

There were no claims present at 30 June 2023.

### 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.

	Note
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

The following standards are operative for reporting periods ended on or after 30 June 2023:

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018 2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

The Authority has prepared its financial statements for financial year 2022/23 in accordance with these new standards.

### 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:

## Financial Statements

### Compensation of members of the accountable authority

Compensation Band (\$)	2023	2022
30,001 - 40,000	-	1
20,001 - 30,000	-	-
10,001 - 20,000	6	6
0 - 10,000	-	-
	\$	\$
<b>Total compensation of members of the accountable authority</b>	<b>97,420</b>	<b>127,149</b>

### Compensation of senior officers

Compensation Band (\$)	2023	2022
150,001 - 200,000	1	1
100,001 - 150,000	1	1
50,001 - 100,000	1	1
0 - 50,000	-	2
	\$	\$
<b>Total compensation of members of the accountable authority</b>	<b>97,420</b>	<b>127,149</b>

Total compensation includes the fees, salaries, superannuation, non-monetary benefits and other benefits 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.

## Financial Statements

### 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:

	2023 \$	2022 \$
Auditing the accounts, controls, financial statements and key performance indicators	35,000	38,700

### 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.

Reserves	2023 \$	2022 \$
Asset revaluation surplus		
Balance at start of period	2,163,484	734,102
Land	550,000	480,000
Buildings	1,578,358	949,382
<b>Balance at end of period</b>	<b>4,291,842</b>	<b>2,163,484</b>

Accumulated Surplus	2023 \$	2022 \$
Balance at start of period	50,541,015	52,492,799
Result for the period	(2,494,675)	(1,951,784)
<b>Balance at end of period</b>	<b>48,046,340</b>	<b>50,541,015</b>
<b>Total equity at end of period</b>	<b>52,338,182</b>	<b>52,704,499</b>

### 8.9 Supplementary financial information

#### (a) Write-offs

During the financial year, \$73,721 (2022: \$1,915) was written off the Authority's accounts receivable under the authority of:

Accumulated Surplus	2023 \$	2022 \$
The accountable authority	73,721	1,915
	<b>73,721</b>	<b>1,915</b>

## Financial Statements

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

	2023 \$	2022 \$
Losses of public money and public and other property through theft or default	-	-
Amounts recovered	-	-
	-	-

### (c) Gifts of public property

	2023 \$	2022 \$
Gifts of public property provided by the Authority	-	-
	-	-

## 8.10 Explanatory statement

All variances between estimates (original budget) and actual results for 2023, and between the actual results for 2023 and 2022 are shown below. Narratives are provided for key major variances, which vary more than 10% from their comparative and that the variation is more than 1% of the following variance analysis for the:

Estimate and actual results for the current year:

- Total Cost of Services of the estimate for the Statement of Comprehensive Income and Statement of Cash Flows (i.e. 1% of \$5,611,441 or \$56,114); and
- Total Assets of the estimate for the Statement of Financial Position (i.e. 1% of \$51,773,141 or \$517,731).

Actual results for the current year and the prior year actual:

- Total Cost of Services for the previous year for the Statement of Comprehensive Income and Statement of Cash Flows (i.e. 1% of \$5,407,360 or \$54,074); and
- Total Assets for the previous year for the Statement of Financial Position (i.e. 1% of \$53,534,330 or \$535,343).

## Financial Statements

### 8.10.1 Statement of Comprehensive Income Variances

	Variance Note	Original Budget 2023 \$	Actual 2023 \$	Actual 2022 \$	Variance between budget and actual \$	Variance between actual results for 2023 and 2022 \$
<b>INCOME</b>						
Sales	1	902,633	543,812	541,501	(358,821)	2,311
Fees and charges	2, a	3,077,921	2,222,702	2,623,416	(855,219)	(400,714)
Interest revenue	3, b	43,500	114,517	32,174	71,017	82,343
Other revenue	4	109,148	289,786	258,485	180,638	31,301
<b>TOTAL INCOME</b>		<b>4,133,202</b>	<b>3,170,817</b>	<b>3,455,576</b>	<b>(962,385)</b>	<b>(284,759)</b>
<b>EXPENSES</b>						
Cost of sales	5	325,375	205,402	172,537	(119,973)	32,865
Employee benefits expense	c	2,667,166	2,848,807	2,485,843	181,641	362,964
Supplies and services		1,276,500	1,276,508	1,362,163	8	(85,655)
Depreciation and amortisation expense		1,202,200	1,238,474	1,187,090	36,274	51,384
Finance costs		700	969	1,158	269	(189)
Other expenses	d	139,500	95,332	198,569	(44,168)	(103,237)
<b>TOTAL COST OF SERVICES</b>		<b>5,611,441</b>	<b>5,665,492</b>	<b>5,407,360</b>	<b>54,051</b>	<b>258,132</b>
<b>LOSS FOR THE PERIOD</b>		<b>(1,478,239)</b>	<b>(2,494,675)</b>	<b>(1,951,784)</b>	<b>(1,016,435)</b>	<b>(26,627)</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
Items not reclassified subsequently to profit or loss		-	-	-	-	-
Changes in asset revaluation surplus	6, e	-	2,128,358	1,429,382	2,128,358	698,976
<b>Total other comprehensive income</b>		<b>-</b>	<b>2,128,358</b>	<b>1,429,382</b>	<b>2,128,358</b>	<b>698,976</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(1,478,239)</b>	<b>(366,317)</b>	<b>(522,402)</b>	<b>1,111,923</b>	<b>672,349</b>

## Financial Statements

### Major Estimate and Actual (2023) Variance Narratives

- 1) Cattle feeding income included in sales decreased by \$358,821 (or by 40%) below budget due to lower than expected private scanning/weighing cattle throughput for the year ended 30 June 2023.
- 2) Fees and charges income decreased by \$855,219 (or by 28%) due to below budget trade cattle and sheep throughput by 24% and 29% respectively.
- 3) Interest earnings were \$71,017 above budget as a result of higher interest rates on term deposits.
- 4) Revaluation gains on investment properties of \$180,000 included in Other revenue.
- 5) Cost of sales have decreased in line with Note 1) above.
- 6) Revaluation surplus for the year includes gain on revaluation of land at Muchea Livestock Centre: \$550,000 (revalued at \$3,280,000 from \$2,730,000). Also included a gain on revaluation of buildings of \$1,578,358 (total gain of \$2,128,358 for the year ended 30 June 2023).

### Major Actual (2023) and Comparative (2022) Variance Narratives

- a) Fees and charges income in the current year decreased due to lower than expected trade cattle and sheep throughput compared to last year 24% and 26% respectively.
- b) Interest earnings improved in the current year as term deposits yielded higher interest.
- c) Employee benefits expense has increased mainly due to redundancy cost provision for Southwest operations in 2023.
- d) Due to a substantial decrease in expected credit loss expenses in 2023 compared to 2022.
- e) Refer to 6) above. Higher revaluation gains were realised in 2023 compared to 2022.

### 8.10.2 Statement of Financial Position Variances

	Variance Note	Original Budget 2023 \$	Actual 2023 \$	Actual 2022 \$	Variance between budget and actual \$	Variance between actual results for 2023 and 2022 \$
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents		252,041	456,905	104,479	204,864	352,426
Inventories		77,339	38,321	86,295	(39,018)	(47,974)
Receivables		114,500	215,719	313,899	101,219	(98,180)
Other current assets		170,500	166,316	16,771	(4,184)	149,545
Other financial assets	7, f	4,800,000	3,800,000	5,800,000	(1,000,000)	(2,000,000)
<b>Total Current Assets</b>		<b>5,414,380</b>	<b>4,677,261</b>	<b>6,321,444</b>	<b>(737,119)</b>	<b>(1,644,183)</b>
<b>Non-Current Assets</b>						
Infrastructure, Property, plant and equipment	8, g	44,086,880	46,026,132	44,926,617	1,939,252	1,099,515

## Financial Statements

	Variance Note	Original Budget 2023 \$	Actual 2023 \$	Actual 2022 \$	Variance between budget and actual \$	Variance between actual results for 2023 and 2022 \$
Investment property		2,250,000	2,410,000	2,250,000	160,000	160,000
Right-of-use assets		20,476	23,609	33,838	3,133	(10,229)
Intangible Assets		1,404	1,528	2,431	124	(903)
<b>Total Non-Current Assets</b>		<b>46,358,760</b>	<b>48,461,269</b>	<b>47,212,886</b>	<b>2,102,509</b>	<b>1,248,383</b>
<b>TOTAL ASSETS</b>		<b>51,773,141</b>	<b>53,138,530</b>	<b>53,534,330</b>	<b>1,365,389</b>	<b>(395,800)</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables		154,764	174,531	319,310	19,767	144,779
Other provision		-	136,003	-	136,003	(136,003)
Lease liabilities		10,158	7,018	11,166	(3,140)	4,148
Employee related provisions		273,000	351,059	243,247	78,059	(107,812)
<b>Total Current Liabilities</b>		<b>437,922</b>	<b>668,611</b>	<b>573,723</b>	<b>230,689</b>	<b>(94,488)</b>
<b>Non-Current Liabilities</b>						
Lease liabilities		11,961	18,372	24,514	6,411	6,142
Employee related provisions		97,000	113,365	231,594	16,365	118,229
<b>Total Non-Current Liabilities</b>		<b>108,961</b>	<b>131,737</b>	<b>256,108</b>	<b>22,776</b>	<b>124,371</b>
<b>Total Liabilities</b>		<b>546,884</b>	<b>800,348</b>	<b>829,831</b>	<b>253,464</b>	<b>29,483</b>
<b>NET ASSETS</b>		<b>51,226,257</b>	<b>52,338,182</b>	<b>52,704,499</b>	<b>1,111,925</b>	<b>(366,317)</b>
<b>EQUITY</b>						
<b>Contributed equity</b>						
Reserves	9, h	2,163,483	4,291,842	2,163,484	2,128,359	2,128,358
Retained earnings		49,062,774	48,046,340	50,541,015	(1,016,434)	(2,494,675)
<b>TOTAL EQUITY</b>		<b>51,226,257</b>	<b>52,338,182</b>	<b>52,704,499</b>	<b>1,111,925</b>	<b>(366,317)</b>

### Major Estimate and Actual (2023) Variance Narratives

- 7) Internal cash reserves used to fund capital projects and higher operational expenses due to lower than expected revenue.
- 8) Land at Muchea Livestock Centre has been revalued at \$3,280,000 resulting in a gain of \$550,000. Also included a gain from building revaluation of \$1,578,358 (total gain of \$2,128,358 in 2023).
- 9) Reserves were increased by revaluation gains as above 8).



## Financial Statements

### Major Actual (2023) and Comparative (2022) Variance Narratives

- f) Cash inflows from fees and charges significantly affected by lower cattle and sheep throughput in 2023 compared to 2022. Operational costs have been increased and ongoing capital projects to be continued using existing cash reserves (term deposits).
- g) Property, plant and equipment were increased by revaluation gains, refer 8) above.
- h) 2023 Reserves include revaluation gains of \$2,128,358 (land at Muchea Livestock Centre has been revalued at \$3,280,000 resulting in a gain of \$550,000. Building revaluation produced a gain of \$1,578,358).

### 8.10.3 Statement of Cash Flow Variances

	Variance Note	Original Budget 2023 \$	Actual 2023 \$	Actual 2022 \$	Variance between budget and actual \$	Variance between actual results for 2023 and 2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Receipts</b>						
Sale of goods and services	10,i	843,789	591,777	530,100	(252,012)	61,677
Fees and charges	11	2,982,607	2,378,896	2,616,757	(603,711)	(237,861)
Interest received	j	66,000	114,517	32,174	48,517	82,343
GST receipts on sales	12, k	360,180	272,036	329,767	(88,144)	(57,731)
Other receipts		128,500	137,306	135,078	8,806	2,228
<b>Payments</b>						
Employee benefits	l	(2,552,690)	(2,668,214)	(2,388,066)	(115,524)	(280,148)
Supplies and services	m	(1,854,749)	(1,914,854)	(1,537,631)	(60,105)	(377,223)
Finance costs		(975)	(969)	(1,158)	6	189
GST payments on purchases	13, n	(225,000)	(163,129)	(224,172)	61,871	61,043
GST payments to taxation authority		(135,600)	(90,690)	(110,114)	44,910	19,424
<b>Net cash used in operating activities</b>		<b>(387,938)</b>	<b>(1,343,324)</b>	<b>(617,265)</b>	<b>(955,386)</b>	<b>(726,059)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Payments</b>						
Purchase of non-current assets	14	(450,000)	(291,367)	(339,397)	158,633	48,030
<b>Receipts</b>						
Proceeds from financial assets	15, o	1,000,000	2,000,000	529,915	1,000,000	1,470,085
<b>Net cash provided by investing activities</b>		<b>550,000</b>	<b>1,708,633</b>	<b>190,518</b>	<b>1,158,633</b>	<b>1,518,115</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Principal elements of lease payments		(14,500)	(12,883)	(12,883)	1,617	-

## Financial Statements

	Variance Note	Original Budget 2023 \$	Actual 2023 \$	Actual 2022 \$	Variance between budget and actual \$	Variance between actual results for 2023 and 2022 \$
<b>Net cash (used in) / provided by financing activities</b>		<b>(14,500)</b>	<b>(12,883)</b>	<b>(12,883)</b>	<b>1,617</b>	<b>-</b>
Net decrease in cash and cash equivalents		147,562	352,426	(439,630)	204,864	792,056
Cash and cash equivalents at the beginning of the period		104,479	104,479	544,109	-	(439,630)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>252,041</b>	<b>456,905</b>	<b>104,479</b>	<b>204,864</b>	<b>352,426</b>

### Major Estimate and Actual (2023) Variance Narratives

- 10) Receipts from sale of goods and services decreased due to lower than expected cattle (24%) and sheep (29%) throughput compared to budget.
- 11) Fees and charges receipts were also impacted by above 10).
- 12) Estimated GST collection per budget impacted by lower revenue than anticipated.
- 13) GST payments impacted as a result of 12) above.
- 14) Actual non-current asset purchases were below budget as assets have been procured depending on operational requirements only.
- 15) Cash reserves were utilised due to lower revenue than expected.

### Major Actual (2023) and Comparative (2022) Variance Narratives

- i) Sale of goods and services receipts increased in 2023 due to higher transshipment cattle throughput.
- j) Higher interest rates on term deposits have contributed to \$82,343 increase in interest earnings in 2023 compared to 2022.
- k) GST receipts affected by lower revenue compared to 2022.
- l) Increase of \$280,148 in payments to employee benefits in 2023 compared to 2022 was mainly due to new employees, Cost of Living payments and provision for redundancy costs.
- m) Increase in 2023 consist of higher repairs and maintenance, contractor costs and insurance payments.
- n) Payment of GST in 2023 reduced as a result of lower supplies and services costs in 2023.
- o) Increase in proceeds from financial assets compared to 2022 was due to use of cash reserves as a result of lower revenue in 2023.

# Audited Key Performance Indicators

## Audited Key Performance Indicators

For the year ended 30 June 2023

### 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 2023.



**Sarah Lang**  
Chair of the Western Australian Meat  
Industry Authority

04 September 2023



**Mark Panizza**  
Member of the Western Australian  
Meat Industry Authority

04 September 2023

## Audited Key Performance Indicators

### 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 2022-23. 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, five (5) saleyards operated on a regular basis (at least six sales per year) during the 2022-23 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 have decreased by 2.9% and sheep have increased by 4.1% compared to last year.

#### Comparative Performance

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

## Audited Key Performance Indicators

							
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>Cattle and Calves</b>							
MLC	98,990	93,310	93,617	96,616	96,554	94,178	71,741
Total saleyards	237,011	215,963	227,505	233,060	246,566	235,105	192,985
% through MLC	41.8%	43.2%	41.1%	41.5%	39.2%	40.1%	37.2%
Next highest saleyard	67,389	60,187	68,447	69,398	78,111	79,465	66,906
<b>Sheep, Lambs and Goats</b>							
MLC	608,002	655,241	539,849	558,544	456,095	364,615	268,206
Total saleyards	1,378,523	1,490,124	1,378,778	1,275,755	1,136,048	859,984	576,843
% through MLC	44.1%	44.0%	39.2%	43.8%	40.1%	42.4%	46.5%
Highest saleyard	703,895	834,883	838,929	717,211	679,953	495,369	308,637

### Performance of Targets

WAMIA set target throughputs as part of its 2022-23 budget process. These estimates were based on forecasting and seasonal conditions for the coming year. Based on the 2022-23 actual throughput WAMIA has not met its expected targets for cattle and sheep. The stock numbers for cattle and sheep were lower than the estimates by 24% and 29% respectively.

	BUDGET	ACTUALS	VARIANCE	VARIANCE
Cattle	95,000	71,741	(23,259)	(24%)
Sheep, lambs, and goats	380,000	268,206	(111,794)	(29%)

Cattle and sheep actual throughput were largely affected by adverse weather conditions and lower auction prices.

## Audited Key Performance Indicators

### 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 increasing cost per unit indicates that the Authority is facing with increased 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).

	Total	Saleyards				
		Statutory	Fee for Service	Regulation	Information	Other
Income	\$3,170,817	\$1,015,130	\$1,856,872	\$180,653	\$3,645	\$114,517
Expenditure	\$5,665,492	\$2,588,260	\$2,587,437	\$293,576	\$96,930	\$99,289

#### Performance

The total cost of maintaining the Muchea Livestock Centre in 2022-23 was \$2,588,260. The Muchea Livestock Centre's throughput for the year was 750,803 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 2022-23 to maintain the Muchea Livestock Centre was \$3.45 compared to target cost per unit of \$2.52. The cost per unit excluding depreciation cost of \$743,086 was \$2.46 (target was \$1.98). The actual cost per unit increased from \$2.54 in 2021-22 and target cost per unit of \$2.52 to \$3.45 in 2022-23 mainly due to cost increases in salaries and wages, insurance and repairs.

## Audited Key Performance Indicators

### Comparative Performance

	2018-19	2019-20	2020-21	2021-22	2022-23
Total cost of maintaining Muchea Livestock Centre	\$2,360,534	\$2,105,597	\$2,247,311	\$2,525,709	\$2,588,260
No. of livestock units handled in the year	1,134,518	1,180,661	1,101,603	995,736	750,803
Cost per unit	\$2.08	\$1.78	\$2.04	\$2.54	\$3.45
Target cost per unit	\$1.81	\$1.79	\$1.82	\$2.19	\$2.52
Cost per unit (less Depreciation)	\$1.46	\$1.19	\$1.40	\$1.82	\$2.46
Target cost per unit (less Depreciation)	\$1.33	\$1.30	\$1.34	\$1.61	\$1.98

## Audited Key Performance Indicators

### 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 continuous negative percentage return indicates the management of the Authority is facing with higher costs providing its fee for service activities.

#### Source of Information

Fee for service income was determined from the Authority's accounts. Fee for service activities for 2022-23 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 2022-23 the cost of providing fee for service activities at the Muchea Livestock Centre was \$2,587,437. The income generated by these activities was \$1,856,872.

In 2022-23 the return of fee for service activities at the Muchea Livestock Centre was \$0.72 for every \$1.00 incurred in providing the service. This represents a negative return of 28% on the cost of those activities. Target was \$0.74 for every \$1 budgeted in providing the service.

#### Comparative Performance

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



## Audited Key Performance Indicators

	2018-19	2019-20	2020-21	2021-22	2022-23
Total cost of providing fee for service activities at Muchea Livestock Centre	\$2,019,397	\$1,896,563	\$2,035,230	\$2,416,635	\$2,587,437
Income generated by fee for service Activities	\$2,026,153	\$2,055,846	\$1,985,058	\$1,989,935	\$1,856,872
Income generated for every \$1.00	\$1.00	\$1.08	\$0.98	\$0.82	\$0.72
Target Income for every \$1.00	\$1.14	\$0.86	\$0.86	\$0.79	\$0.74
Incurred to provide service Percentage return on costs	0.3%	8%	(2%)	(18%)	(28%)

Note that comparison with the percentage return on fee for service activities in 2022-23 saw a decrease in the percentage return on the provision of services at the Muchea Livestock Centre due to higher wages, repair/maintenance costs and lower income generated by fee for service activities as a result of lower than expected cattle and sheep throughput.

## Audited Key Performance Indicators

### 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-six (26) abattoirs operating at 30 June 2023 calculated at 66.7%. The average rating has decreased from 70.5% in 2021-22 and target average rating of 80% to 66.7% in 2022-23 mainly due to lower ratings achieved by the abattoirs surveyed in 2022-23.



## Audited Key Performance Indicators

### 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/M 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 \$293,576. The cost of attaining the standard per abattoir (\$293,576 divided by 26 approved abattoirs) is \$11,291. The average rating for 2022-23 has been calculated at 66.7%. The efficiency performance (the cost per percentage point of processing establishments rating) is \$169. This means that it costs the Authority \$169 per percentage point of achievement for abattoirs.

## Audited Key Performance Indicators

### Comparative Performance

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

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Cost of achieving Standards	\$312,854	\$293,625	\$292,429	\$307,772	\$278,644	\$293,576
Number of Establishments	24	28	28	28	29	26
Actual cost per abattoir	\$13,036	\$10,487	\$10,444	\$10,992	\$9,608	\$11,291
Target cost per abattoir	\$12,647	\$9,980	\$10,147	\$10,222	\$7,956	\$11,184
Average abattoir rating	78.1%	75.5%	73.5%	71.5%	70.5%	66.7%
Cost per rating unit	\$167	\$139	\$142	\$154	\$136	\$169

The results show that the Authority has increased cost per rating unit and abattoirs achieved lower average rating in 2022-23 compared to 2021-22 due to reduction in number of establishments and rating scores received by abattoirs. WAMIA offered a higher level of service to ensure that satisfactory industry standards are maintained, and continued action taken against non-complying facilities.

## Audited Key Performance Indicators

### 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/M 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 2022-23 was \$96,930.

Twenty-six (26) abattoirs, one hundred and eleven (111) processing works, thirty-one (31) saleyards and fifty-six (56) other outlets were operating during the 2022-23 year. The cost per establishment for delivering the service was \$433 (\$96,930 divided by two hundred and twenty-four (224) establishments).

The total cost of maintenance and distribution of information in 2022-23 has increased as a result of higher salaries and wages costs compared to 2021-22. This explains the increase in cost per establishment for delivering service from prior year.

## Audited Key Performance Indicators

### Comparative Performance

	2018-19	2019-20	2020-21	2021-22	2022-23
Total cost of maintenance and distribution of information	\$90,290	\$82,077	\$90,236	\$95,923	\$96,930
Number of establishments	227	226	226	227	224
Actual cost per establishment for Delivering service	\$398	\$363	\$399	\$423	\$433
Target cost per establishment for Delivering service	\$379	\$353	\$371	\$350	\$429

## Audited Key Performance Indicators

### 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 carcass branding and ticketing)	2 points
Monitored Product Description System (AUS-MEAT A rating or equivalent)	3 points
Quality Assured Product Description System (AUS-MEAT A+ rating or equivalent)	4 points

#### Health and hygiene standards

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

#### Training standards

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

#### Quality assurance

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

**Total possible points for each abattoir**

**18 points**







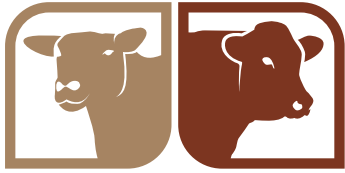
*Sunset from the Muehea Livestock Centre*



WESTERN AUSTRALIAN MEAT  
INDUSTRY AUTHORITY



Western Australian Meat Industry Authority



WESTERN AUSTRALIAN MEAT  
INDUSTRY AUTHORITY

**Western Australian Meat Industry Authority**

Muchea Livestock Centre, Lot 5 Muchea East Road, MUCHEA WA 6501

PO Box 390 BULLSBROOK WA 6084

☎ (08) 9571 0013

✉ [wamia@wamia.wa.gov.au](mailto:wamia@wamia.wa.gov.au)

[www.wamia.wa.gov.au](http://www.wamia.wa.gov.au)

