



GOVERNMENT OF
WESTERN AUSTRALIA

2020-21

QUARTERLY FINANCIAL RESULTS REPORT

September 2020



2020-21

Quarterly Financial Results Report

September 2020

2020-21 Quarterly Financial Results Report
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An electronic copy of this report may be obtained at <http://www.treasury.wa.gov.au>
ISSN 1444-8548 (print)
ISSN 1447-9370 (on-line)

2020-21

Quarterly Financial Results Report
Three Months Ended 30 September 2020

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Foreword

This *Quarterly Financial Results Report* (QFRR) provides financial results for the Western Australian public sector for the three months to 30 September 2020.

Care should be exercised in extrapolating the likely outcome for the 2020-21 year based on the quarterly results to date, particularly in light of the seasonal and other timing factors that impact the State's finances. For example, the timing of grant revenue (from the Commonwealth), grant payments, and goods and services purchases and sales by agencies can be volatile, making comparisons between quarterly reporting periods difficult.

The presentation in this report is consistent with that used in the 2020-21 State Budget (presented to the Legislative Assembly on 8 October 2020).

The financial statements in this report have been prepared in accordance with applicable Australian Accounting Standards including AASB 134: *Interim Financial Reporting* and AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

In addition to the *Overview*, which outlines factors impacting the State's finances relative to the same period last year, this report includes:

- Appendix 1: *Interim Financial Statements*, which details general government and total public sector financial statements;
- Appendix 2: *Operating Revenue*, which discloses detail of general government and total public sector operating revenue;
- Appendix 3: *Public Ledger*, which summarises information on the Consolidated Account, Treasurer's Special Purpose Accounts and the Treasurer's Advance;
- Appendix 4: *Special Purpose Accounts*, which details movements in balances for a number of Special Purpose Accounts established for the delivery of key Government policy outcomes; and
- Appendix 5: *General Government Salaries*, which summarises salary outcomes by agency during the reporting period.

Information presented in this QFRR is not audited.

Statement of Responsibility

The following Interim Financial Statements and accompanying notes for the general government sector and the whole-of-government have been prepared by the Department of Treasury from information provided by agencies.

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In our opinion, the statements are a true and fair presentation of the operating statements and cash flows of these sectors for the three months ended 30 September 2020 and of the balance sheets of these reporting entities at 30 September 2020. The statements have been prepared in accordance with applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, and where there is no conflict with these standards, they are also consistent with the Australian Bureau of Statistics' *Government Finance Statistics Concepts, Sources and Methods 2015*.

Differences between accounting and economic aggregates are detailed in the notes as Convergence Differences, consistent with the requirements of AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.



MICHAEL BARNES
UNDER TREASURER



MAGDALENA WITTEK
MANAGER
FINANCIAL REPORTING

30 November 2020

Overview

Summary

The general government sector recorded an operating surplus of \$2,033 million for the three months to 30 September 2020, an increase of \$421 million on the \$1,612 million surplus reported for the same period in 2019-20.

- General government revenue for the first three months of 2020-21 was \$893 million higher than the same period last year. This mainly reflects higher Commonwealth grants (up \$454 million, reflecting the timing of Western Australia's GST top-up payment for 2020-21), higher royalty income (up \$275 million, mainly due to higher iron ore prices relative to the same period in 2019-20), and higher tax collections (up \$202 million, due mainly to stronger property market activity and the impact of a number of high value commercial landholder transactions).
- General government expenses were \$472 million higher than the three months to 30 September 2019. The increase largely reflects the impact of spending related to the COVID-19 pandemic and included higher current transfers (up \$313 million) and higher salaries expenditure (up \$179 million).

Asset investment of \$1.1 billion for the three months to 30 September 2020 was similar to the same period last year. Total public sector net debt was \$34.2 billion at 30 September 2020 (\$1.2 billion lower than the \$35.4 billion outcome recorded at 30 June 2020).

Results Compared to Prior Year

General Government Sector

The general government sector recorded an operating surplus of \$2,033 million for the three months to 30 September 2020, \$421 million higher than the \$1,612 million surplus reported for the same period in 2019-20.

Table 1

SUMMARY OF GENERAL GOVERNMENT FINANCES
Western Australia

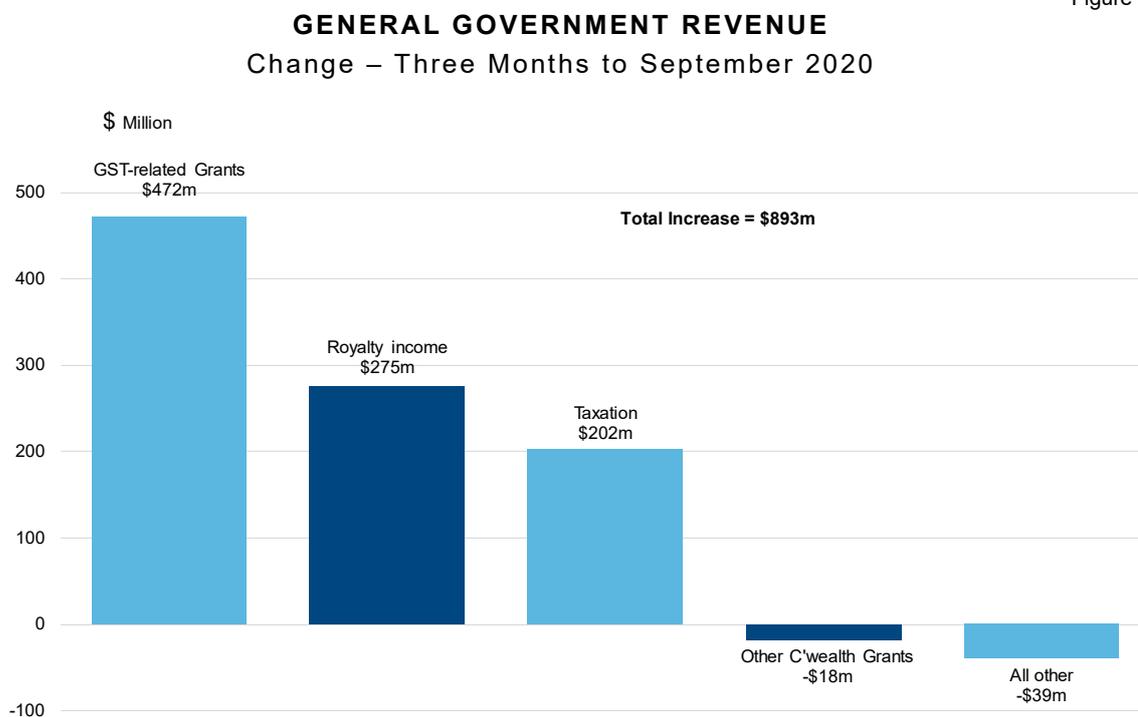
	2020-21		2019-20	
	Three Months to 30 Sept \$m	Budget Estimate ^(a) \$m	Three Months to 30 Sept \$m	Actual ^(b) \$m
Net operating balance	2,033	1,204	1,612	1,669
Net worth	104,963	102,726	101,314	102,438
Movement in cash balances	669	-1,628	585	640
<i>Memorandum items</i>				
Net lending	1,974	167	1,575	2,320
Net debt	23,261	25,576	24,058	23,758
Cash surplus/-deficit	1,059	402	1,099	2,134

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.
 (b) Consistent with final audited data contained in the 2019-20 *Annual Report on State Finances*, released 25 September 2020.

Revenue

Revenue for the three months to 30 September 2020 totalled \$9,922 million, \$893 million higher than the same period last year.

Figure 1



The higher revenue outcome for the September 2020 quarter primarily reflects the net impact of:

- higher Commonwealth funding (up \$454 million), primarily due to the combination of:
 - the timing of the Commonwealth’s payment of Western Australia’s 70% GST top-up payment for 2020-21 (up \$732 million)¹;
 - lower GST grants (down \$260 million), due to recoup of overpayment that occurred in 2019-20 and a reduction in Western Australia’s GST share in 2020-21;
 - lower North West Shelf petroleum grants (down \$107 million), due to lower prices for condensate, crude oil and LNG, and a higher \$US/\$A exchange rate, partially offset by a higher LPG price and higher volumes of crude oil and LNG;
 - lower disability sector grants (down \$43 million), largely due to the cessation of Commonwealth payments under the Disability Services National Specific Purpose Payment arrangements in June 2020. These payments have been redirected to the National Disability Insurance Agency (NDIA) as clients have transitioned to the National Disability Insurance Scheme. From 1 July 2020, the Commonwealth is providing its funding direct to the NDIA;

¹ The Commonwealth paid the full \$1,546 million GST top-up payment for 2020-21 in the September 2020 quarter. This compares with the 2019-20 funding which was received in two payments (\$434 million in the June 2019 quarter and \$814 million in the September 2019 quarter).

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- higher capital grants (up \$42 million), for the fast-tracking of transport and other infrastructure projects in Western Australia; and
- higher National Health Reform funding (up \$37 million), due to increased inpatient admissions and emergency department activity across the State;
- higher royalty income (up \$275 million), largely due to higher iron ore prices and a modest increase in iron ore volumes, partly offset by the higher \$US/\$A exchange rate:
 - the benchmark iron ore price averaged \$US117.9 per tonne in the three months to 30 September 2020, compared to an average price of \$US101.5 in the same period in 2019-20;
 - the \$US/\$A exchange rate averaged US71.5 cents in the three months to September 2020, compared to an average of US68.5 cents for the corresponding period a year earlier; and
 - based on Australian Bureau of Statistics data, iron ore export volumes in the three months to 30 September 2020 were 6.7 million tonnes higher than the same period last year; and

IRON ORE PRICE

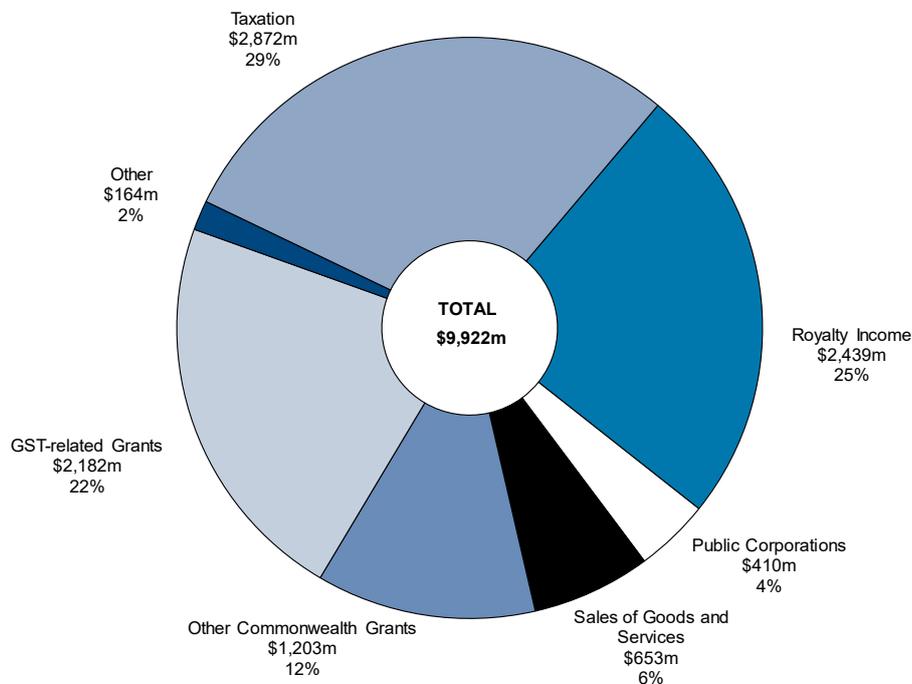
Figure 2



- higher tax collections (up \$202 million), largely due to the net impact of:
 - higher transfer duty (up \$97 million), primarily reflecting an increase in the number of transactions in the residential housing market;
 - higher landholder duty (up \$66 million), due to a larger number of high value commercial landholders’ transactions;
 - lower payroll tax (down \$62 million), reflecting softer labour market conditions and the introduction of a payroll tax exemption for JobKeeper payments;
 - higher land tax (up \$42 million), reflecting a higher concentration of assessments in the month of September compared to 2019-20;
 - lower Perth Parking Levy collections (down \$36 million), a result of extending the due date for payment of licence renewals by three months to 30 September 2020; and
 - higher motor vehicle taxes (up \$29 million) and vehicle licence duty (up \$20 million), significantly impacted by growth in the number of registered vehicles and vehicle transactions.

Figure 3

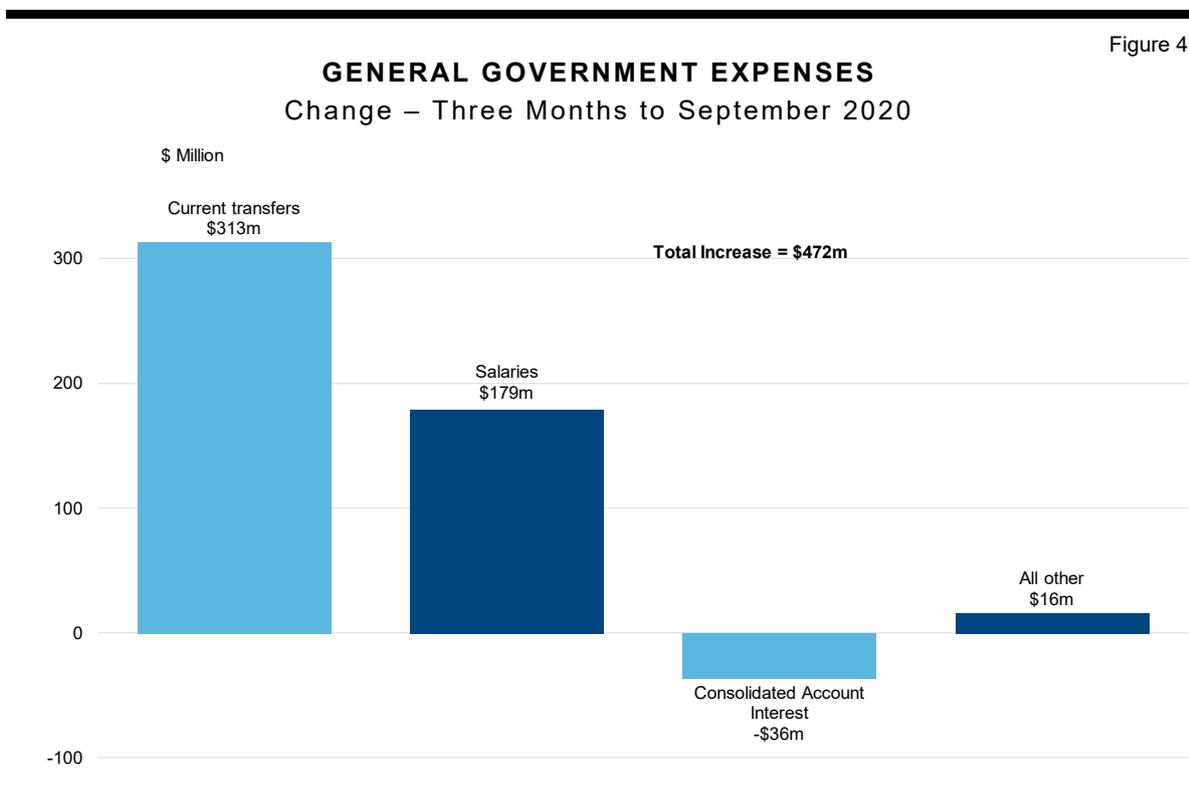
GENERAL GOVERNMENT REVENUE (a)
 Three Months to 30 September 2020



(a) Segments may not add due to rounding.

Expenses

Expenses for the three months to 30 September 2020 totalled \$7,889 million, up \$472 million on the same period in 2019-20.



The increase in spending for the three months to 30 September 2020 mainly reflects:

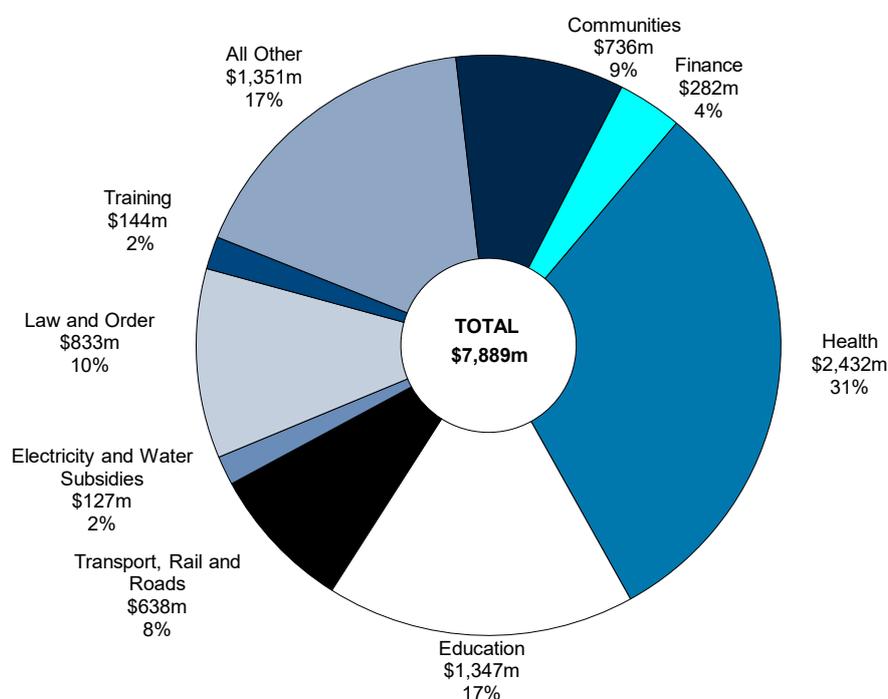
- higher current transfers (mainly grants and subsidies, up \$313 million), largely due to the combined impact of:
 - higher grant expenses by the Department of Communities (up \$162 million), reflecting an increase in the State’s contribution to the National Disability Insurance Scheme as Western Australia transitions to the Commonwealth-run scheme;
 - the timing of the Voluntary Taxi Plate Buyback Payment Scheme (down \$116 million), reflecting a one-off payment made in July 2019 by the Department of Transport;
 - the Small Business Payroll Tax Grant payments made during the September 2020 quarter amounting to \$97 million – these payments were approved to assist small and medium businesses manage the impact of COVID-19;
 - higher operating subsidies for the Public Transport Authority (up \$52 million), largely reflecting additional cleaning costs and lower revenue due to the pandemic; and

- higher funding (up \$50 million) for the Department of Communities (Housing Services) for Remote Essential Municipal Services and higher appropriation to the Housing Authority, primarily to support the Government’s Social Housing Economic Recovery Plan initiative;
- higher salaries (up \$179 million), mainly reflecting growth in workforce numbers across the health, education and community services sectors in response to COVID-19; and
- lower interest expenses (down \$36 million), mainly reflecting the overall reduction in the interest rate on Consolidated Account borrowings during the last year.

Figure 5

GENERAL GOVERNMENT EXPENSES (a)

Three Months to 30 September 2020



(a) Segments may not add due to rounding.

Balance Sheet

At \$105 billion², general government sector net worth increased by \$2.5 billion during the three months to 30 September 2020. This outcome mainly reflects:

- higher liquid assets (up \$455 million), mainly due to the timing of cash receipts and payments through the Public Bank Account;
- an increase in the value of equity in public corporations (up \$1.2 billion), mainly due to the operating surpluses recorded by these sectors; and

² Net worth is the widest measure of financial value of the public sector and includes the value of all assets less the value of all liabilities recorded on the balance sheet.

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- higher receivables (up \$784 million), mainly reflecting land tax assessments issued in the September quarter which have yet to be paid.

At \$45.4 billion, total liabilities remain largely unchanged from the balance at 30 June 2020.

Cash Flow

A cash surplus of \$1,059 million was recorded for the three months to 30 September 2020, broadly in line with the \$1,099 million cash surplus recorded for the same period in 2019-20. This outcome reflects a net cash surplus from operating activities of \$1,520 million (reflecting the impact on cash of the operating surplus detailed earlier) and a net cash deficit on infrastructure spending of \$461 million in the September 2020 quarter.

Total Public Sector

Operating Statement

Reflecting the stronger general government sector operating surplus and a one-off legal settlement for the Insurance Commission of Western Australia, the total public sector recorded an operating surplus of \$2,911 million for the three months to 30 September 2020, \$1,221 million higher than the \$1,689 million surplus in the same period in 2019-20. The stronger result flowed through to a \$1.2 billion reduction in total public sector net debt, which stood at \$34.2 billion at 30 September 2020.

Table 2

SUMMARY OF TOTAL PUBLIC SECTOR FINANCES Western Australia

	2020-21		2019-20	
	Three Months to 30 Sept \$m	Budget Estimate ^(a) \$m	Three Months to 30 Sept \$m	Actual ^(b) \$m
Net operating balance	2,911	-120	1,689	2,047
Net worth	104,963	102,726	101,314	102,438
Movement in cash balances	1,283	-2,823	1,976	2,284
<i>Memorandum items</i>				
Net lending	1,309	-3,416	1,452	320
Net debt	34,243	39,259	36,818	35,449
Cash surplus/-deficit	1,492	-3,391	1,030	2,217

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with final audited data contained in the 2019-20 *Annual Report on State Finances*, released on 25 September 2020.

The total public sector operating surplus for the three months to 30 September 2020 includes:

- the \$2,033 million operating surplus for the general government sector outlined earlier;
- an operating surplus of \$143 million for the public non-financial corporations sector, \$113 million higher than the surplus recorded in the same period in 2019-20. This is mainly due to the additional appropriation to the Housing Authority for the new Social Housing Economic Recovery Plan commencing in 2020-21, and the later timing of Remote Essential and Municipal Services funding noted earlier; and
- an operating surplus of \$955 million for the public financial corporations sector, \$723 million higher than the surplus recorded in the September quarter of 2019. This is largely due to \$665 million in proceeds from the Bell Group settlement received by the Insurance Commission of Western Australia³.

³ Approximately \$10 million of these proceeds will be retained by the Insurance Commission for legal costs, while the remaining \$655 million is to be paid to the Consolidated Account as dividend and income tax equivalent payments later in 2020-21.

Table 3

TOTAL PUBLIC SECTOR OPERATING BALANCE
By Sector

	2020-21		2019-20	
	Three Months to 30 Sept \$m	Budget Estimate ^(a) \$m	Three Months to 30 Sept \$m	Actual ^(b) \$m
Net Operating Balance				
General government sector	2,033	1,204	1,612	1,669
Public non-financial corporations sector	143	972	30	621
Public financial corporations sector	955	560	232	208
<i>less</i>				
General government dividend revenue	221	2,776	185	392
Public non-financial corporations dividend revenue ^(c)	-	88	-	63
Agency depreciation costs on right of use assets leased from other government sectors ^(d)	-1	-8	-1	-3
Total public sector net operating balance	2,911	-120	1,689	2,047

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 *Annual Report on State Finances*, released on 25 September 2020.

(c) Dividends received from Keystart (a public financial corporation) by the Housing Authority (a public non-financial corporation).

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

Balance Sheet

The value of the total public sector balance sheet (measured by net worth, or total assets less total liabilities) is identical to that of the general government sector (discussed earlier). This is because the net worth of the public corporations sectors is recognised as an investment asset of the general government sector.

Total public sector net debt decreased by \$1.2 billion during the three months to 30 September 2020 to stand at \$34.2 billion. This reflects the cash surplus recorded in the quarter, which was driven by the stronger operating surplus discussed in the previous section.

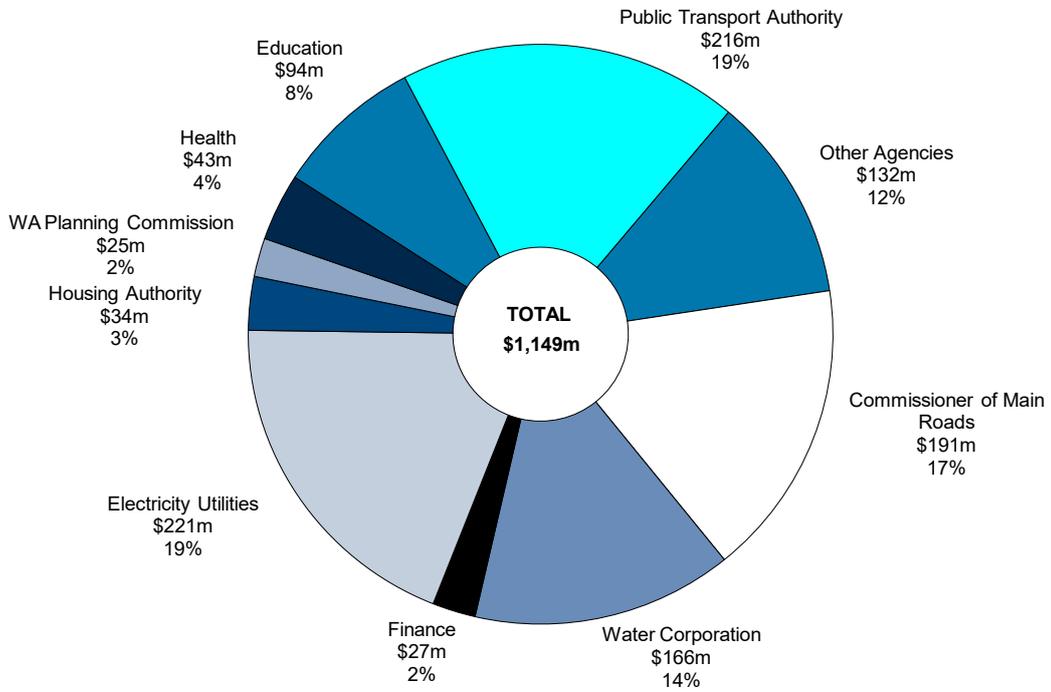
Cash Flow

A cash surplus of \$1,492 million was recorded for the three months to 30 September 2020, a \$461 million increase on the cash surplus recorded for the same period in 2019-20. This outcome reflects the impact of an operating cash surplus of \$2,569 million and a net cash deficit on infrastructure spending of \$1,078 million in the September 2020 quarter.

Total public sector infrastructure investment for the three months to 30 September 2020 totalled \$1,149 million, broadly in line with the \$1,133 million recorded in the same period in 2019-20.

Figure 6

ASSET INVESTMENT PROGRAM (a)
Three months to 30 September 2020



(a) Segments may not add due to rounding.

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Interim Financial Statements

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Introduction

Financial information presented in this appendix has been prepared in accordance with Australian Accounting Standards and pronouncements, including AASB 134: *Interim Financial Reporting*, AASB 1049: *Whole of Government and General Government Sector Financial Reporting*, and requirements under section 14A(3) of the *Government Financial Responsibility Act 2000*. The formats used in this report are the same as those used in 2020-21 State Budget Papers presented to the Legislative Assembly on 8 October 2020, facilitating comparisons between estimates and outturns.

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These financial statements (Operating Statement, Balance Sheet and Cash Flow Statement) also comply with Uniform Presentation Framework (UPF) disclosure requirements by reporting the finances of the general government sector and the total public sector. Other UPF disclosure requirements are included in the notes to the financial statements, and in Appendix 2 of this report.

Table 1.1

GENERAL GOVERNMENT OPERATING STATEMENT

	Note	2020-21		2019-20	
		Three Months to 30 Sept \$m	Budget Estimate (a) \$m	Three Months to 30 Sept \$m	Actual (b) \$m
RESULTS FROM TRANSACTIONS					
REVENUE					
Taxation		2,872	8,806	2,670	9,077
Current grants and subsidies		3,295	8,861	2,883	9,379
Capital grants		89	1,026	47	642
Sales of goods and services		653	2,783	701	2,754
Interest Income		18	100	35	124
Revenue from public corporations					
Dividends from other sectors		221	2,776	185	392
Tax equivalent income		189	902	180	732
Royalty income		2,439	8,287	2,163	8,450
Other		146	601	165	614
Total	2	9,922	34,139	9,029	32,162
EXPENSES					
Salaries		3,319	12,997	3,140	12,887
Superannuation					
Concurrent costs		332	1,290	311	1,276
Superannuation interest cost		15	74	18	89
Other employee costs		87	360	78	401
Depreciation and amortisation		419	1,854	431	1,751
Services and contracts		618	2,632	622	2,590
Other gross operating expenses		1,499	5,723	1,496	5,391
Interest					
Interest on leases		29	145	34	142
Other interest		161	664	197	737
Current transfers	3	1,377	6,665	1,064	5,003
Capital transfers	3	34	532	27	228
Total		7,889	32,935	7,417	30,493
NET OPERATING BALANCE		2,033	1,204	1,612	1,669
<i>Other economic flows - included in the operating result</i>					
Net gains on assets/liabilities		16	-18	1	-27
Provision for doubtful debts		-	-14	-	-126
Changes in accounting policy/adjustments of prior periods		65	-	-258	-44
Total other economic flows		81	-31	-256	-197
OPERATING RESULT		2,113	1,173	1,355	1,472
<i>All other movements in equity</i>					
<i>Items that will not be reclassified to operating result</i>					
Revaluations		-277	67	-74	392
Net actuarial gains/-loss - superannuation		-63	-207	-254	5
Gains recognised directly in equity		-	-54	-3	-1
Change in net worth of the public corporations sectors		752	-691	-303	217
All other		-	-	-	-239
Total all other movements in equity		411	-885	-634	373
TOTAL CHANGE IN NET WORTH		2,525	288	721	1,845
KEY FISCAL AGGREGATES					
NET OPERATING BALANCE		2,033	1,204	1,612	1,669
<i>Less Net acquisition of non-financial assets</i>					
Purchase of non-financial assets		477	3,013	487	2,553
Changes in inventories		22	21	1	38
Other movement in non-financial assets		-6	-	-5	-15
<i>less:</i>					
Sales of non-financial assets		16	143	16	1,476
Depreciation		419	1,854	431	1,751
Total net acquisition of non-financial assets		59	1,038	37	-651
NET LENDING/-BORROWING		1,974	167	1,575	2,320

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 Annual Report on State Finances, released on 25 September 2020.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.2

GENERAL GOVERNMENT BALANCE SHEET

	Note	For the period ending			
		30 Sept 2020 \$m	30 June 2021 ^(a) \$m	30 Sept 2019 \$m	30 June 2020 ^(b) \$m
ASSETS					
<i>Financial assets</i>					
Cash and deposits		4,250	477	641	513
Advances paid		741	748	723	715
Investments, loans and placements	5	2,616	3,441	4,667	5,924
Receivables	6	4,722	3,184	4,401	3,938
Shares and other equity					
Investments in other public sector entities - equity method		41,713	40,271	40,442	40,962
Investments in other public sector entities - direct injections		11,050	12,013	10,051	10,602
Investments in other entities		22	22	20	22
Other financial assets		8	8	8	8
Total financial assets		65,124	60,164	60,954	62,684
<i>Non-financial assets</i>					
Land		35,167	35,353	35,519	35,238
Property, plant and equipment		46,581	48,162	44,671	46,363
Right of use assets		2,452	2,465	2,714	2,484
Biological assets		109	109	3	109
Inventories					
Land inventories		-	-	-	-
Other inventories		130	130	71	108
Intangibles		595	585	612	603
Assets classified as held for sale		17	17	24	21
Investment property		7	7	7	7
Other		349	217	248	229
Total non-financial assets		85,408	87,044	83,871	85,162
TOTAL ASSETS		150,532	147,208	144,825	147,847
LIABILITIES					
Deposits held		1,345	730	451	1,472
Advances received		326	309	343	326
Borrowings	7				
Lease liabilities		2,739	3,098	2,777	2,722
Other borrowings		26,458	26,104	26,520	26,389
Unfunded superannuation		7,080	6,643	7,244	6,818
Other employee benefits		3,867	3,574	3,477	3,543
Payables		1,125	1,471	1,302	1,463
Other liabilities		2,629	2,553	1,397	2,674
TOTAL LIABILITIES		45,569	44,482	43,511	45,408
NET ASSETS		104,963	102,726	101,314	102,438
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		9,639	8,209	7,449	7,587
Other reserves		95,324	94,517	93,865	94,851
NET WORTH		104,963	102,726	101,314	102,438
MEMORANDUM ITEMS					
<i>Net financial worth</i>		19,555	15,682	17,444	17,276
<i>Net financial liabilities</i>		33,208	36,602	33,050	34,288
<i>Net debt</i>					
Gross debt liabilities		30,868	30,241	30,090	30,910
less: liquid financial assets		7,607	4,665	6,032	7,152
less: convergence differences impacting net debt		-	-	-	-
Net debt		23,261	25,576	24,058	23,758

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 *Annual Report on State Finances*, released on 25 September 2020.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.3

GENERAL GOVERNMENT STATEMENT OF CHANGES IN EQUITY
For the three months ended 30 September 2020

	Asset Revaluation Surplus \$m	Accumulated net gain on equity investments in other sector entities \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2020</i>	53,889	40,962	7,587	102,438
Operating result	-	-	2,113	2,113
All other movements in equity	-279	752	-62	411
<i>Total change in net worth</i>	-279	752	2,052	2,525
Balance at 30 September 2020	53,611	41,713	9,639	104,963

For the three months ended 30 September 2019

	Asset Revaluation Surplus \$m	Accumulated net gain on equity investments in other sector entities \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2019</i>	53,531	40,745	6,317	100,593
Initial application of AASB 16 ^(a)	-	-	-2	-2
Initial application of AASB 15/1058 ^(a)	-	-	-237	-237
<i>Restated balance at 1 July 2019</i>	53,531	40,745	6,078	100,354
Operating result	-	-	1,355	1,355
Movements in equity	-74	-303	-257	-634
<i>Total change in net worth</i>	-74	-303	1,098	721
Other	-33	-	272	239
Balance at 30 September 2019	53,423	40,442	7,449	101,314

(a) Details of these new accounting standards, which applied for the first time for reporting periods commencing 1 January 2020, is available in the 2019-20 *Annual Report on State Finances*.

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

GENERAL GOVERNMENT CASH FLOW STATEMENT

	2020-21		2019-20	
	Three Months to 30 Sept \$m	Budget Estimate ^(a) \$m	Three Months to 30 Sept \$m	Actual ^(b) \$m
CASH FLOWS FROM OPERATING ACTIVITIES				
<i>Cash received</i>				
Taxes received	2,019	8,715	2,102	9,018
Grants and subsidies received	3,594	11,564	3,301	11,825
Receipts from sales of goods and services	728	2,756	683	2,589
Interest receipts	19	95	40	119
Dividends and tax equivalents	401	3,761	178	1,071
Other	2,836	10,780	2,994	10,825
Total cash received	9,597	37,671	9,298	35,447
<i>Cash paid</i>				
Wages, salaries and supplements, and superannuation	-3,385	-14,711	-3,276	-14,192
Payments for goods and services	-2,532	-8,848	-2,423	-8,494
Interest paid	-193	-819	-243	-905
Grants and subsidies paid	-1,452	-8,356	-1,291	-6,641
Dividends and tax equivalents	-	-	-	-
Other	-514	-1,664	-496	-2,004
Total cash paid	-8,077	-34,399	-7,728	-32,237
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,520	3,272	1,570	3,211
CASH FLOWS FROM INVESTING ACTIVITIES				
<i>Cash flows from investments in non-financial assets</i>				
Purchase of non-financial assets	-477	-3,013	-487	-2,553
Sales of non-financial assets	16	143	16	1,476
Total cash flows from investments in non-financial assets	-461	-2,870	-471	-1,077
<i>Cash flows from investments in financial assets</i>				
<i>Cash received</i>				
For policy purposes	1	10	2	64
For liquidity purposes	14	64	14	56
<i>Cash paid</i>				
For policy purposes	-451	-1,786	-149	-862
For liquidity purposes	-48	-46	-8	-38
Total cash flows from investments in financial assets	-484	-1,758	-140	-780
NET CASH FLOWS FROM INVESTING ACTIVITIES	-945	-4,628	-612	-1,857
CASH FLOWS FROM FINANCING ACTIVITIES				
<i>Cash received</i>				
Advances received	-	17	-	17
Borrowings	167	284	16	845
Deposits received	-	-	-	-
Other financing receipts	46	54	98	312
Total cash received	213	355	114	1,174
<i>Cash paid</i>				
Advances paid	-	-17	-	-17
Borrowings repaid	-4	-118	-362	-1,379
Deposits paid	-	-	-	-
Other financing payments	-115	-492	-125	-492
Total cash paid	-119	-628	-487	-1,888
NET CASH FLOWS FROM FINANCING ACTIVITIES	94	-272	-373	-714
Net increase in cash and cash equivalents	669	-1,628	585	640
Cash and cash equivalents at the beginning of the year	5,645	5,645	5,005	5,005
Cash and cash equivalents at the end of the year	6,313	4,016	5,590	5,645
KEY FISCAL AGGREGATES				
Net cash flows from operating activities	1,520	3,272	1,570	3,211
Net cash flows from investing in non-financial assets	-461	-2,870	-471	-1,077
Cash surplus/-deficit	1,059	402	1,099	2,134

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 Annual Report on State Finances, released on 25 September 2020.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.5

TOTAL PUBLIC SECTOR OPERATING STATEMENT

	Note	2020-21		2019-20	
		Three Months to 30 Sept \$m	Budget Estimate ^(a) \$m	Three Months to 30 Sept \$m	Actual ^(b) \$m
<i>Results from Transactions</i>					
REVENUE					
Taxation		2,739	8,319	2,530	8,550
Current grants and subsidies		3,295	8,861	2,883	9,379
Capital grants		89	1,026	47	642
Sales of goods and services		11,695	44,136	10,041	37,054
Interest Income		122	664	148	555
Royalty income		2,439	8,287	2,163	8,450
Other		281	1,011	309	1,077
Total	2	20,660	72,303	18,122	65,706
EXPENSES					
Salaries		3,623	14,315	3,450	14,051
Superannuation					
Concurrent costs		362	1,421	341	1,392
Superannuation interest cost		15	74	18	89
Other employee costs		75	306	81	356
Depreciation and amortisation		978	4,038	965	3,908
Services and contracts		788	3,469	807	3,385
Other gross operating expenses		10,465	42,035	9,450	35,027
Interest					
Interest on leases		49	234	57	231
Other interest		300	1,442	374	1,333
Other property expenses		-	-	-	-
Current transfers	3	1,057	4,685	866	3,693
Capital transfers	3	37	404	24	194
Total		17,750	72,423	16,433	63,659
NET OPERATING BALANCE		2,911	-120	1,689	2,047
<i>Other economic flows - included in the operating result</i>					
Net gains on assets/liabilities		96	-47	74	-408
Provision for doubtful debts		-6	-48	-8	-198
Changes in accounting policy/adjustment of prior periods		-117	-	-351	-79
Total other economic flows		-27	-96	-285	-685
OPERATING RESULT		2,884	-216	1,404	1,362
<i>All other movements in equity</i>					
<i>Items that will not be reclassified to operating result</i>					
Revaluations		-277	771	-426	850
Net actuarial gains/-loss - superannuation		-63	-205	-259	-22
Gains recognised directly in equity		-19	-62	2	-
All other		-	-	-	-345
Total all other movements in equity		-359	504	-683	483
TOTAL CHANGE IN NET WORTH		2,525	288	721	1,845
KEY FISCAL AGGREGATES					
NET OPERATING BALANCE		2,911	-120	1,689	2,047
<i>Less Net acquisition of non-financial assets</i>					
Purchase of non-financial assets		1,149	7,549	1,133	5,188
Changes in inventories		1,484	140	136	2,088
Other movement in non-financial assets		18	134	24	94
<i>less:</i>					
Sales of non-financial assets		71	489	91	1,736
Depreciation		978	4,038	965	3,908
Total net acquisition of non-financial assets		1,601	3,296	238	1,727
NET LENDING/-BORROWING		1,309	-3,416	1,452	320

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 Annual Report on State Finances, released on 25 September 2020.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.6

TOTAL PUBLIC SECTOR BALANCE SHEET

	Note	For the period ending			
		30 Sept 2020 \$m	30 June 2021 ^(a) \$m	30 Sept 2019 \$m	30 June 2020 ^(b) \$m
ASSETS					
<i>Financial assets</i>					
Cash and deposits		6,500	1,802	1,554	2,346
Advances paid		5,404	6,107	4,907	5,259
Investments, loans and placements	5	16,858	23,282	20,859	25,495
Receivables	6	6,745	5,347	6,105	5,923
Equity - investments in other entities		1,928	2,033	2,020	1,844
Other financial assets		13	15	13	15
Total financial assets		37,448	38,585	35,459	40,882
<i>Non-financial assets</i>					
Land		43,507	43,624	43,802	43,599
Property, plant and equipment		102,924	106,516	99,814	102,575
Right of use assets		2,947	2,902	3,257	2,997
Biological assets		317	321	345	317
Inventories					
Land inventories		1,779	2,141	1,840	1,809
Other inventories		7,917	6,573	4,481	6,433
Intangibles		1,060	1,016	1,020	1,054
Assets classified as held for sale		22	33	33	37
Investment property		33	51	67	33
Other		578	499	458	424
Total non-financial assets		161,083	163,677	155,118	159,279
TOTAL ASSETS		198,531	202,263	190,577	200,161
LIABILITIES					
Deposits held		12	12	13	12
Advances received		326	309	343	326
Borrowings	7				
Lease liabilities		3,500	4,086	3,568	3,500
Other borrowings		59,167	66,043	60,213	64,711
Unfunded superannuation		7,176	6,731	7,342	6,920
Other employee benefits		4,308	3,981	3,878	3,981
Payables		10,821	9,834	7,144	9,978
Other liabilities		8,259	8,541	6,761	8,294
TOTAL LIABILITIES		93,568	99,537	89,262	97,723
NET ASSETS		104,963	102,726	101,314	102,438
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		29,896	28,581	27,241	27,083
Other reserves		75,067	74,145	74,074	75,355
NET WORTH		104,963	102,726	101,314	102,438
MEMORANDUM ITEMS					
<i>Net financial worth</i>		-56,120	-60,951	-53,804	-56,841
<i>Net financial liabilities</i>		56,120	60,951	53,804	56,841
<i>Net debt</i>					
Gross debt liabilities		63,005	70,450	64,137	68,549
less: liquid financial assets		28,761	31,191	27,320	33,100
less: convergence differences impacting net debt		-	-	-	-
Net debt		34,243	39,259	36,818	35,449

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 Annual Report on State Finances, released on 25 September 2020.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.7

TOTAL PUBLIC SECTOR STATEMENT OF CHANGES IN EQUITY
For the three months ended 30 September 2020

	Asset		Total Equity \$m
	Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	
	<i>Balance at 1 July 2020</i>	75,355	
Operating result	-	2,884	2,884
All other movements in equity	-288	-71	-359
<i>Total change in net worth</i>	-288	2,813	2,525
Balance at 30 September 2020	75,067	29,896	104,963

	Asset		Total Equity \$m
	Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	
	<i>Balance at 1 July 2019</i>	74,537	
Initial application of AASB 16 ^(a)	-	-114	-114
Initial application of AASB 15/1058 ^(a)	-	-231	-231
<i>Restated balance at 1 July 2019</i>	74,537	25,711	100,248
Operating result	-	1,404	1,404
Movements in equity	-426	-257	-683
<i>Total change in net worth</i>	-426	1,148	721
Other	-37	382	345
Balance at 30 September 2019	74,074	27,241	101,314

(a) Details of these new accounting standards, which applied for the first time for reporting periods commencing 1 January 2020, is available in the 2019-20 Annual Report on State Finances.

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

Table 1.8

TOTAL PUBLIC SECTOR CASH FLOW STATEMENT

	2020-21		2019-20	
	Three Months to 30 Sept \$m	Budget Estimate ^(a) \$m	Three Months to 30 Sept \$m	Actual ^(b) \$m
CASH FLOWS FROM OPERATING ACTIVITIES				
<i>Cash received</i>				
Taxes received	1,930	8,212	2,022	8,492
Grants and subsidies received	3,594	11,564	3,301	11,825
Receipts from sales of goods and services	8,521	29,769	6,590	27,956
Interest receipts	135	659	148	565
Other receipts	3,237	11,566	3,430	11,965
Total cash received	17,416	61,770	15,490	60,802
<i>Cash paid</i>				
Wages, salaries and supplements, and superannuation	-3,726	-16,218	-3,607	-15,441
Payments for goods and services	-8,019	-29,359	-6,742	-27,762
Interest paid	-484	-1,642	-563	-1,864
Grants and subsidies paid	-1,146	-5,455	-1,152	-4,810
Other payments	-1,471	-5,427	-1,353	-5,256
Total cash paid	-14,847	-58,100	-13,418	-55,132
NET CASH FLOWS FROM OPERATING ACTIVITIES	2,569	3,669	2,073	5,670
CASH FLOWS FROM INVESTING ACTIVITIES				
<i>Cash flows from investments in non-financial assets</i>				
Purchase of non-financial assets	-1,149	-7,549	-1,133	-5,188
Sales of non-financial assets	71	489	91	1,736
Total cash flows from investments in non-financial assets	-1,078	-7,060	-1,042	-3,453
<i>Cash flows from investments in financial assets</i>				
<i>Cash received</i>				
For policy purposes	1	10	2	64
For liquidity purposes	5,071	7,020	1,406	12,044
<i>Cash paid</i>				
For policy purposes	-3	-10	-4	-63
For liquidity purposes	-2,668	-8,052	-1,838	-14,195
Total cash flows from investments in financial assets	2,402	-1,032	-434	-2,150
NET CASH FLOWS FROM INVESTING ACTIVITIES	1,324	-8,092	-1,477	-5,603
CASH FLOWS FROM FINANCING ACTIVITIES				
<i>Cash received</i>				
Advances received	-	-	-	-
Borrowings	7,830	23,014	5,687	20,848
Deposits received	-	-	-	-
Other financing receipts	55	20	11	231
Total cash received	7,885	23,033	5,697	21,078
<i>Cash paid</i>				
Advances paid	-	-17	-	-17
Borrowings repaid	-10,373	-20,996	-4,196	-18,397
Deposits paid	-	-	-	-
Other financing payments	-123	-421	-122	-448
Total cash paid	-10,495	-21,434	-4,318	-18,862
NET CASH FLOWS FROM FINANCING ACTIVITIES	-2,611	1,599	1,380	2,217
Net increase in cash and cash equivalents	1,283	-2,823	1,976	2,284
Cash and cash equivalents at the beginning of the year	10,994	10,994	8,710	8,710
Cash and cash equivalents at the end of the year	12,277	8,170	10,686	10,994
KEY FISCAL AGGREGATES				
Net cash flows from operating activities	2,569	3,669	2,073	5,670
Net cash flows from investing in non-financial assets	-1,078	-7,060	-1,042	-3,453
Cash surplus/-deficit	1,492	-3,391	1,030	2,217

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 Annual Report on State Finances, released on 25 September 2020.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Notes to the Interim Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) General Statement

The financial statements in this appendix constitute general purpose financial statements for the general government sector and the whole-of-government. The whole-of-government is also known as the total public sector.

The quarterly financial statements are a requirement of the *Government Financial Responsibility Act 2000*.

(b) The Reporting Entity

The reporting entity is the Government of Western Australia (the total public sector) and includes entities under its control.

The total public sector includes the general government sector and the public corporations sector. The general government sector consists of those agencies and Crown entities that provide services that are predominantly funded from central revenue. Public corporations generally seek to recover the majority of the costs of operations through user charges and other own-source revenue.

(c) Basis of Preparation

The financial statements for the three months ended 30 September 2020 have been prepared in accordance with Australian Accounting Standards, in particular AASB 134: *Interim Financial Reporting*, and AASB 1049: *Whole of Government and General Government Sector Financial Reporting* and other authoritative pronouncements of the AASB.

This interim financial report does not include all the note disclosures that are included in an annual financial report. Accordingly, this report is to be read in conjunction with the audited Consolidated Financial Statements for the year ended 30 June 2020, presented in Appendix 1 of the *2019-20 Annual Report on State Finances (ARSF)* released on 25 September 2020. The accounting policies adopted in this publication are consistent with those outlined in the 2019-20 ARSF. The specific accounting policies of the Government of are described in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the *2019-20 Annual Report on State Finances*.

The Interim Financial Statements are presented in Australian dollars and all amounts are rounded to the nearest million dollars (\$m). As a consequence, totals and sub-totals quoted in this report may not add due to rounding.

(d) Unaudited Data

The Interim Financial Statements are not audited.

NOTE 2: OPERATING REVENUE

A detailed dissection of general government sector and total public sector operating revenue is included in Appendix 2: *Operating Revenue*.

NOTE 3: TRANSFER EXPENSES

Transfer expenses are defined as the provision of something of value for no specific return or consideration and include grants, subsidies, donations, transfers of assets free of charge, etc. The following tables provide detail of current and capital transfer expenses of the general government sector and total public sector.

TRANSFER EXPENSES (a)

General Government				
	2020-21		2019-20	
	Three Months to 30 Sept \$m	Budget Estimate (b) \$m	Three Months to 30 Sept \$m	Actual (c) \$m
<i>CURRENT TRANSFERS</i>				
Local government	103	465	87	323
Private and not-for-profit sector	520	2,037	505	1,609
Other sectors of government	754	4,164	472	3,071
Total Current Transfers	1,377	6,665	1,064	5,003
<i>CAPITAL TRANSFERS</i>				
Local government	10	62	7	96
Private and not-for-profit sector	22	332	15	68
Other sectors of government	2	138	5	64
Total Capital Transfers	34	532	27	228
Total Public Sector				
	2020-21		2019-20	
	Three Months to 30 Sept \$m	Budget Estimate (b) \$m	Three Months to 30 Sept \$m	Actual (c) \$m
<i>CURRENT TRANSFERS</i>				
Local government	103	465	87	323
Private and not-for-profit sector	718	3,546	706	2,744
Other sectors of government	236	673	73	626
Total Current Transfers	1,057	4,685	866	3,693
<i>CAPITAL TRANSFERS</i>				
Local government	10	62	7	96
Private and not-for-profit sector	27	342	17	99
Total Capital Transfers	37	404	24	194

(a) Includes grants, subsidies and other transfer expenses.

(b) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(c) Consistent with the final audited data contained in the 2019-20 *Annual Report on State Finances*, released on 25 September 2020.

Note: Columns may not add due to rounding.

NOTE 4: CONVERGENCE DIFFERENCES

Where possible, AASB 1049 harmonises GFS and accounting concepts into a single presentation. Where harmonisation cannot be achieved (e.g. the recognition of a doubtful debts provision is excluded from GFS net worth), a convergence difference arises. The standard requires that such differences are disclosed in annual outturn reports at the end of the financial year.

This note usually details all convergence differences for the September 2020 results. However, with the adoption of AASB 16: *Leases* the distinction between operating leases and finance leases as measured under previous accounting standards has been superseded. Accordingly, convergence data between the AASB 1049 key financial aggregates produced in the September 2020 results and GFS concepts is not currently available. The ABS is currently working with State and Territory jurisdictions to develop a methodological solution that will enable the ongoing distinction between operating and finance leases for GFS purposes.

NOTE 5: INVESTMENTS, LOANS AND PLACEMENTS

General Government				
	2020-21		2019-20	
	30 Sept \$m	Budget Estimate \$m	30 Sept \$m	Actual \$m
<i>Investments</i>				
Term deposits	2,611	3,424	4,650	5,907
Government securities	2	2	3	2
Total	2,613	3,426	4,653	5,909
<i>Loans and advances</i>				
Loans	3	15	15	15
Financial Assets held for trading/available for sale	-	-	-	-
Total	4	15	15	15
Total	2,616	3,441	4,667	5,924
Total Public Sector				
	2020-21		2019-20	
	30 Sept \$m	Budget Estimate \$m	30 Sept \$m	Actual \$m
<i>Investments</i>				
Term deposits	8,672	11,485	12,811	13,674
Government securities	3,009	3,553	3,581	3,553
Total	11,681	15,037	16,393	17,227
<i>Loans and advances</i>				
Loans	4,240	7,330	3,826	7,353
Financial Assets held for trading/available for sale	937	915	641	915
Total	5,177	8,244	4,466	8,268
Total	16,858	23,282	20,859	25,495

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NOTE 6: RECEIVABLES

General Government				
	2020-21		2019-20	
	30 Sept \$m	Budget Estimate \$m	30 Sept \$m	Actual \$m
Accounts Receivable	4,974	3,442	4,581	4,195
Provision for impairment of receivables	-252	-258	-181	-257
Total	4,722	3,184	4,401	3,938

Total Public Sector				
	2020-21		2019-20	
	30 Sept \$m	Budget Estimate \$m	30 Sept \$m	Actual \$m
Accounts Receivable	7,151	5,784	6,388	6,329
Provision for impairment of receivables	-406	-437	-282	-406
Total	6,745	5,347	6,105	5,923

NOTE 7: BORROWINGS

General Government				
	2020-21		2019-20	
	30 Sept \$m	Budget Estimate \$m	30 Sept \$m	Actual \$m
Bank overdrafts	-	-	7	90
Finance leases	358	365	385	362
Lease liabilities	2,739	2,734	2,777	2,722
Borrowings	26,100	26,104	26,128	25,938
Total	29,196	29,203	29,296	29,112

Total Public Sector				
	2020-21		2019-20	
	30 Sept \$m	Budget Estimate \$m	30 Sept \$m	Actual \$m
Bank overdrafts	-	-	10	90
Finance leases	714	571	606	577
Lease liabilities	3,500	3,515	3,568	3,500
Borrowings	58,453	66,043	59,597	64,045
Total	62,667	70,129	63,781	68,211

NOTE 8: DETAILS OF AGENCIES CONSOLIDATED

The agencies included in these financial statements are detailed in Note 35: *Composition of Sectors* in the 2019-20 *Annual Report on State Finances*.

NOTE 9: CONTINGENT ASSETS AND LIABILITIES

There have been no material changes in the contingent assets and liabilities of the State since the 2019-20 *Annual Report on State Finances* disclosure.

Operating Revenue

The tables in this appendix detail operating revenue of the general government and total public sectors. They provide detailed revenue information consistent with the operating statements presented in Appendix 1: *Interim Financial Statements*.

The total public sector consolidates internal transfers between the general government sector and agencies in the public corporations sectors.

Accordingly, some total public sector revenue aggregates may be smaller than the general government equivalent. For example, the general government sector collects payroll tax from some public corporations. These collections are internal to the whole-of-government and are not shown in the total public sector taxation revenue data which is thus smaller in magnitude than the general government taxation revenue aggregate.

GENERAL GOVERNMENT
Operating Revenue

	2020-21		2019-20	
	Three Months to 30 Sep	Budget Estimate ^(a)	Three Months to 30 Sep	Actual ^(b)
	\$m	\$m	\$m	\$m
TAXATION				
Taxes on employers' payroll and labour force				
<i>Payroll tax</i>	904	3,566	967	3,642
Property taxes				
<i>Land tax</i>	522	770	480	792
Transfer Duty	368	1,121	271	1,190
Foreign Buyers Surcharge	-	19	-	19
Landholder Duty	68	119	2	120
<i>Total duty on transfers</i>	435	1,259	272	1,329
Metropolitan Region Improvement Tax	54	86	37	88
Perth Parking Levy	15	51	51	56
Emergency Services Levy	128	353	115	387
Loan guarantee fees	33	134	39	157
Building and Construction Industry Training Fund Levy	9	24	10	39
<i>Total other property taxes</i>	239	649	253	726
Taxes on provision of goods and services				
Government Lotteries	48	146	54	174
Video lottery terminals	- ^(c)	- ^(c)	- ^(c)	- ^(c)
Casino Tax	16	41	14	40
Point of Consumption Tax	28	84	19	77
<i>Total taxes on gambling</i>	93	272	87	291
Insurance Duty	202	678	187	694
Other	5	20	5	19
<i>Total taxes on insurance</i>	207	697	192	713
<i>On-demand Transport Levy</i>	9	30	10	41
Taxes on use of goods and performance of activities				
Vehicle Licence Duty	115	380	95	375
Permits - Oversize Vehicles and Loads	2	8	2	9
Motor Vehicle registrations	291	1,060	262	1,045
<i>Total motor vehicle taxes</i>	408	1,447	358	1,429
<i>Mining Rehabilitation Levy</i>	35	32	32	33
<i>Landfill Levy</i>	20	83	18	80
Total Taxation	2,872	8,806	2,670	9,077
CURRENT GRANTS AND SUBSIDIES				
<i>General Purpose Grants</i>				
GST grants	635	2,322	895	3,466
Commonwealth-funded 70% floor	1,547	1,547	814	814
North West Shelf grants	57	361	164	629
Compensation for Commonwealth crude oil excise arrangements	3	14	6	21
<i>National Specific Purpose Payment Agreement Grants</i>				
National Agreement for Skills and Workforce Development	40	159	39	158
National Disability Agreement	-	-	43	176
National Housing and Homelessness Agreement	42	168	41	166
<i>National School Reform Agreement - Quality Schools</i>	215	918	193	829
<i>National Health Reform Agreement</i>	625	2,521	587	2,402
<i>Other Grants/National Partnerships</i>				
Health	67	187	50	365
Transport	- ^(c)	207	5	88
Disability Services	1	30	-	62
Other	64	428	45	203
Total Current Grants and Subsidies	3,295	8,861	2,883	9,379

GENERAL GOVERNMENT
Operating Revenue

Table 2.1 (cont.)

	2020-21		2019-20	
	Three Months to 30 Sep \$m	Budget Estimate ^(a) \$m	Three Months to 30 Sep \$m	Actual ^(b) \$m
CAPITAL GRANTS				
<i>Other Grants/National Partnerships</i>				
Transport	88	985	47	621
Other	2	41	-	20
Total Capital Grants	89	1,026	47	642
SALES OF GOODS AND SERVICES	653	2,783	701	2,754
INTEREST INCOME	18	100	35	124
REVENUE FROM PUBLIC CORPORATIONS				
Dividends	221	2,776	185	392
Tax Equivalent Regime	189	902	180	732
Total Revenue from Public Corporations	410	3,678	364	1,123
ROYALTY INCOME	2,439	8,287	2,163	8,450
OTHER				
Lease Rentals	38	116	30	115
Fines	47	194	46	192
Revenue not elsewhere counted	61	291	88	308
Total Other	146	601	165	614
GRAND TOTAL	9,922	34,139	9,029	32,162

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 *Annual Report on State Finances*, released on 25 September 2020.

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

Note: Columns may not add due to rounding.

Table 2.2

TOTAL PUBLIC SECTOR
Operating Revenue

	2020-21		2019-20	
	Three Months to 30 Sep \$m	Estimated Outturn ^(a) \$m	Three Months to 30 Sep \$m	Actual ^(b) \$m
TAXATION				
Taxes on employers' payroll and labour force				
<i>Payroll tax</i>	881	3,472	944	3,550
Property taxes				
<i>Land tax</i>	506	698	464	727
Transfer Duty	368	1,121	271	1,190
Foreign Buyers surcharge	-	19	-	19
Landholder Duty	68	119	2	120
<i>Total duty on transfers</i>	435	1,259	272	1,329
Metropolitan Region Improvement Tax	54	86	37	88
Perth Parking Levy	15	51	51	56
Emergency Services Levy	128	348	115	382
Loan guarantee fees	3	7	3	7
Building and Construction Industry Training Fund Levy	9	24	10	39
<i>Total other property taxes</i>	209	516	216	570
Taxes on provision of goods and services				
Video lottery terminals	- ^(c)	- ^(c)	- ^(c)	- ^(c)
Casino Tax	16	41	14	40
Point of Consumption tax	14	43	9	37
<i>Total taxes on gambling</i>	30	84	23	77
Insurance Duty	202	678	187	694
Other	5	20	5	19
<i>Total taxes on insurance</i>	207	697	192	713
<i>On-demand Transport Levy</i>	9	30	10	41
Taxes on use of goods and performance of activities				
Vehicle Licence Duty	115	380	95	375
Permits - Oversize Vehicles and Loads	2	8	2	9
Motor Vehicle registrations	291	1,060	262	1,045
<i>Total motor vehicle taxes</i>	408	1,447	358	1,429
<i>Mining Rehabilitation Levy</i>	35	32	32	33
<i>Landfill Levy</i>	20	83	18	80
Total Taxation	2,739	8,319	2,530	8,550
CURRENT GRANTS AND SUBSIDIES				
<i>General Purpose Grants</i>				
GST grants	635	2,322	895	3,466
Commonwealth-funded 70% floor grant	1,547	1,547	814	814
North West Shelf grants	57	361	164	629
Compensation for Commonwealth crude oil excise arrangements	3	14	6	21
<i>National Specific Purpose Payment Agreement Grants</i>				
National Agreement for Skills and Workforce Development	40	159	39	158
National Disability Agreement	-	-	43	176
National Housing and Homelessness Agreement	42	168	41	166
<i>National School Reform Agreement Quality Schools</i>				
	215	918	193	829
<i>National Health Reform</i>				
	625	2,521	587	2,402
<i>Other Grants\National Partnerships</i>				
Health	67	187	50	365
Transport	- ^(c)	207	5	88
Disability Services	1	30	-	62
Other	64	428	45	203
Total Current Grants and Subsidies	3,295	8,861	2,883	9,379

Table 2.2 (cont.)

TOTAL PUBLIC SECTOR
Operating Revenue

	2020-21		2019-20	
	Three Months to 30 Sep \$m	Estimated Outturn ^(a) \$m	Three Months to 30 Sep \$m	Actual ^(b) \$m
CAPITAL GRANTS				
<i>Other Grants\National Partnerships</i>				
Transport	88	985	47	621
Other	2	41	-	20
Total Capital Grants	89	1,026	47	642
SALES OF GOODS AND SERVICES	11,695	44,136	10,041	37,054
INTEREST INCOME	122	664	148	555
ROYALTY INCOME	2,439	8,287	2,163	8,450
OTHER				
Lease Rentals	38	116	30	115
Fines	48	194	47	195
Revenue not elsewhere counted	195	701	232	767
Total Other	281	1,011	309	1,077
GRAND TOTAL	20,660	72,303	18,122	65,706

(a) Consistent with the 2020-21 Budget estimates released on 8 October 2020.

(b) Consistent with the final audited data contained in the 2019-20 *Annual Report on State Finances*, released on 25 September 2020.

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

Note: Columns may not add due to rounding.

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APPENDIX 3

Public Ledger

The Public Ledger, established by section 7 of the *Financial Management Act 2006* (FMA), includes those transactions and operations that are conducted through the Consolidated Account, the Treasurer's Advance Account and through the Treasurer's Special Purpose Accounts (TSPAs). Together with agency cash balances held at Treasury, the total of these accounts form the Public Bank Account.

PUBLIC LEDGER BALANCES AT 30 SEPTEMBER

Table 3.1

	2020 \$m	2019 \$m	Variance \$m
THE PUBLIC LEDGER			
Consolidated Account ^(a)	-17,974	-17,171	-802
Treasurer's Special Purpose Accounts	17,404	16,155	1,249
Treasurer's Advance Account – Net Advances and Overdrawn Trusts	-8	-17	9
TOTAL	-578	-1,034	455
Agency Special Purpose Accounts	7,176	6,088	1,088
TOTAL PUBLIC BANK ACCOUNT	6,598	5,055	1,543

(a) The balance of the Consolidated Account at 30 September 2020 includes non-cash appropriations of \$14,662 million (30 September 2019: \$13,477 million), representing the non-cash cost of agency services. These appropriations are credited to agency holding accounts that are included in the TSPAs balance. In cash terms, the Consolidated Account recorded a deficit of \$3,312 million at 30 September 2020 (compared with a deficit position of \$3,694 million at 30 September 2019).

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

Consolidated Account

The *Constitution Act 1889* requires that all revenue of the Crown that is not permanently appropriated by legislation to another entity, shall be credited to the Consolidated Account. The Act also requires that payments out of the Account must be appropriated by Parliament.

Accordingly, Consolidated Account revenue is not available for use by agencies that collect it, and such receipts must be paid directly to the credit of the Account. Expenditure is authorised by the Parliament, with both the amount and the expressed purpose of each appropriation clearly specified.

The Consolidated Account accrual deficit at 30 September 2020 was \$17,974 million, \$802 million larger than the accumulated deficit at 30 September 2019. This included a \$1,184 million increase in accrual (non-cash) appropriations for depreciation and leave entitlements (which totalled \$14,662 at 30 September 2020), matched by equivalent non-cash balances in agency Holding Accounts.

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In cash terms, the Consolidated Account had a deficit balance of \$3,312 million at 30 September 2020, \$382 million lower than the \$3,694 million cash deficit at 30 September 2019.

Borrowings held by the Consolidated Account increased by \$150 million in the September 2020 quarter. Total proceeds from gross borrowings (i.e. excluding repayments of borrowings) stood at \$27.5 billion at 30 September 2020 and remain below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding *Loan Acts*¹.

¹ Proceeds of borrowings by the Consolidated Account (i.e. gross borrowings excluding debt repayments) cannot exceed the cumulative limit authorised by the *Loan Acts*. The current cumulative limit is \$34.5 billion.

Table 3.2

CONSOLIDATED ACCOUNT TRANSACTIONS
For the three months ended 30 September

	2020 \$m	2019 \$m	Variance \$m
REVENUE			
<i>Operating Activities</i>			
Taxation	1,597	1,551	46
Commonwealth grants ^(a)	2,259	1,899	360
Government enterprises	401	181	220
Revenue from other agencies	2,606	2,768	-162
Other receipts ^(a)	102	190	-88
<i>Total Operating Activities</i>	6,966	6,590	377
<i>Financing Activities</i>			
Repayments of recoverable advances	-(b)	2	-2
Transfers from the Debt Reduction SPA	-	-	-
Borrowings	150	-	150
Other receipts	6	5	1
<i>Total Financing Activities</i>	156	7	149
TOTAL REVENUE	7,123	6,597	526
EXPENDITURE			
<i>Recurrent</i>			
Authorised by other statutes	686	717	-31
Appropriation Act (No. 1)	6,031	5,644	387
Recurrent expenditure under the Treasurer's Advance	-	-	-
<i>Total Recurrent Expenditure</i>	6,716	6,361	355
<i>Investing Activities</i>			
Authorised by other statutes	107	73	33
Appropriation Act (No. 2)	634	349	285
Investing expenditure under the Treasurer's Advance	-	-	-
<i>Total Investing Activities</i>	740	422	319
<i>Financing Activities</i>			
Loan repayments	-	350	-350
Appropriation Act (No. 2)	-	-	-
Other financing	6	5	1
<i>Total Financing Activities</i>	6	355	-349
TOTAL EXPENDITURE	7,463	7,138	325
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-340	-541	201
Consolidated Account Balance			
Opening balance at 1 July	-17,634	-16,630	-1,003
Closing balance at 30 June	-17,974	-17,171	-802
Of which:			
Appropriations payable	-14,662	-13,477	-1,184
Cash balance at 30 June	-3,312	-3,694	382

(a) Receipt of Western Australia's GST floor grant (received from the Commonwealth and equivalent to the funding required to ensure Western Australia receives 70% of its population share of national GST collections) have been reclassified from 'other' receipts to Commonwealth grants in September 2019 comparative data. This change aligns the Consolidated Account presentation in this table with the accounting treatment of the GST floor grant elsewhere in this report.

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

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

Treasurer's Special Purpose Accounts

The Treasurer's Special Purpose Accounts (TSPAs) consist of:

- any account established by the Treasurer as a TSPA for the purposes determined by the Treasurer;
- suspense accounts established for the purposes of section 26 of the FMA;
- any account established to hold money transferred under section 39(5) of the FMA;
- the Public Bank Account Interest Earned Account, established for the purpose of holding money credited to that account under section 38(9) of the FMA pending its allocation and payment as required or permitted under the FMA or another written law;
- any account established under written law and determined by the Treasurer to be a TSPA; and
- any other account established to hold other money and determined by the Treasurer to be a TSPA.

Relative to 30 September 2019, aggregate TSPA balances were \$1,249 million higher at the end of September 2020, mainly due to:

- higher Holding Account balances for non-cash accrual appropriations to agencies for depreciation and accrued leave entitlements (up \$1,184 million); and
- an increase in the balance of agency accounts that hold cash for the cost of an extra pay period which falls due every 11 years (up \$64 million).

A number of TSPAs and other agency accounts are discussed in Appendix 4: *Special Purpose Accounts*.

Table 3.3

TREASURER'S SPECIAL PURPOSE ACCOUNTS At 30 September

	2020 \$m	2019 \$m	Variance \$m
Agency Holding Accounts	14,662	13,477	1,184
Royalties for Regions Fund	908	910	-2
Western Australian Future Health Research and Innovation Fund	1,385	1,391	-5
Agency 27th Pay Accounts	198	133	64
National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account	136	151	-15
Other Special Purpose Accounts	115	93	23
TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 30 JUNE	17,404	16,155	1,249

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

Treasurer's Advance

The Treasurer's Advance allows for repayable advances to agencies for working capital purposes (known as 'net recoverable advances'), a short-term advance for any overdrawn agency SPAs, and the provision of supplementary appropriation funding for unforeseen and/or extraordinary events during the year (known as 'excesses and new items').

A limit of \$688.8 million is authorised under section 29 of the FMA for the year ended 30 June 2021, compared with the original \$658.4 million authorised limit that applied at 30 September 2019².

Table 3.4

TREASURER'S ADVANCE AT 30 SEPTEMBER			
	2020	2019	Variance
	\$m	\$m	\$m
AUTHORISED LIMIT	688.8	658.4	30.4
<i>Total Drawn Against Treasurer's Advance Account</i>	8.0	17.1	-9.1
Comprising:			
Net recoverable advances as at 30 September (see below)	8.0	17.1	-9.1
Overdrawn Special Purpose Accounts	-	-	-
Excesses and New Items			
- recurrent	-	-	-
- capital	-	-	-
NET RECOVERABLE ADVANCES			
Mines Safety	-	8.0	-8.0
Petroleum and Geothermal Energy Safety	2.0	2.0	-
Sport and Recreation	1.0	1.1	-0.1
Suitors Fund	2.5	2.5	-
Sundry Debtors	2.5	3.5	-1.0
TOTAL RECOVERABLE TREASURER'S ADVANCES	8.0	17.1	-9.1

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

Transfers, Excesses and New Items

Due to the later than usual passage of the 2020-21 Budget, there were no transfers of appropriation between agencies, excesses or new items impacting appropriations in the September 2020 quarter.

² The original \$658.4 million authority (established by section 29 of the FMA) was increased by \$1 billion through the passage of the *Treasurer's Advance Authorisation Amendment Act 2020* which provided for additional spending expected to emerge as a result of the COVID-19 pandemic response. This amended authorisation only applied in the June 2020 quarter.

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Special Purpose Accounts

Special Purpose Accounts (SPAs) are established under various sections of the *Financial Management Act 2006* (FMA) or by specific legislation (e.g. the Royalties for Regions Fund). Accounts established by legislation are governed by the relevant provisions of the statute, while accounts that are established administratively are governed by a special purpose statement (operating accounts) or a trust statement (trust accounts) that outline the purpose of the account.

This appendix details balances at 30 September 2020 for key SPAs established to deliver specific Government policy outcomes. The focus of this Appendix is on major/material SPAs that were in existence at 30 September 2020. The SPA balances, and transactions in and out of these accounts, form part of the overall consolidated outcomes outlined elsewhere in this report.

Debt Reduction Account

The Debt Reduction Account was established in 2017-18 to apply windfall funds to the repayment of Consolidated Account borrowings. There are no receipts and payments in the September 2020 quarter. Reflecting the later timing of the 2020-21 Budget and the need to preserve the availability of funding authorised by the *Supply Act 2020*, transactions through this account have been scheduled to later in 2020-21 (to after the passage of the 2020-21 Appropriation Bills).

Table 4.1

DEBT REDUCTION ACCOUNT At 30 September

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	-	-
Receipts	-	350
Payments	-	350
Closing Balance	-	-

Note: Columns may not add due to rounding.

METRONET Account

This SPA was established in 2017-18 to support the planning and construction of METRONET transport infrastructure projects.

Receipts for three months ending 30 September 2020 reflect capital appropriation of \$68.7 million for METRONET projects and \$0.7 million in recurrent funding for the METRONET Office. Payments of \$83.2 million were for transport infrastructure planning and delivery, and for METRONET Office operating expenses (\$0.4 million).

Table 4.2

METRONET ACCOUNT At 30 September

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	527	274 ^(a)
Receipts	69	33
Payments	84	12
Closing Balance	512	295

(a) Payments during 2018-19 were restated after finalisation of the 2018-19 *Annual Report on State Finances*, resulting in a revised opening balance at 1 July 2019 of \$274 million.

Note: Columns may not add due to rounding.

METRONET Roads Account

This SPA was established in December 2018 to hold motor vehicle licence revenue allocated to road works associated with METRONET, and to other projects under development.

Reflecting the later timing of the 2020-21 Budget, no receipts or payments were recorded during the three months to 30 September 2020.

Table 4.3

METRONET ROADS ACCOUNT At 30 September

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	72	-
Receipts	-	-
Payments	-	-
Closing Balance	72	-

Note: Columns may not add due to rounding.

Metropolitan Region Improvement Account

This account was established under the *Metropolitan Region Improvement Tax Act 1959* to hold funds for the management of the Metropolitan Region Scheme, including receipts from the Metropolitan Region Improvement Tax (MRIT).

Receipts for the three months to the end of September 2020 reflects MRIT collections (\$21.7 million), receipts from the Australian Taxation Office for refunds of GST on purchases (\$2.3 million), rent revenue (\$1.4 million), proceeds from the sale of land and buildings (\$0.8 million) and interest revenue (\$0.6 million). Payments from the account were mainly for the acquisition of land and buildings (\$25.2 million), and for service delivery costs (\$6.3 million).

METROPOLITAN REGION IMPROVEMENT ACCOUNT

At 30 September

Table 4.4

	2020	2019
	\$m	\$m
<i>Balance at 1 July</i>	434	440
Receipts	27	31
Payments	32	10
Closing Balance	430	461

Note: Columns may not add due to rounding.

Mining Rehabilitation Fund

The Mining Rehabilitation Fund was established in July 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*. Receipts for the September 2020 quarter reflect levy contributions by mining operators (\$35 million). Payments for the quarter were for administration costs (\$0.2 million) and rehabilitation costs (\$0.2 million).

MINING REHABILITATION FUND

At 30 September

Table 4.5

	2020	2019
	\$m	\$m
<i>Balance at 1 July</i>	185	150
Receipts	35	32
Payments	- (a)	- (a)
Closing Balance	219	182

(a) Amount below \$500,000.

Note: Columns may not add due to rounding.

National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account

This account was established in December 2018, to meet the cost of payments associated with the State’s participation in the National Redress Scheme, and for civil litigation claims by victims of historical child sexual abuse.

During the three months to 30 September 2020, payments totalling \$4.8 million have been made for civil litigation claims by victims of historical child sexual abuse.

NATIONAL REDRESS SCHEME AND CIVIL LITIGATION FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT

Table 4.6

At 30 September

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	141	151
Receipts	-	-
Payments	5	-
Closing Balance	136	151

Note: Columns may not add due to rounding.

Perth Children’s Hospital Account

This SPA was established in October 2010 to hold money for the construction and establishment of the Perth Children’s Hospital.

The hospital achieved practical completion in April 2017 and fully opened on 10 June 2018. Project closure arrangements for the hospital will be finalised after an extended defect liability period, with any remaining funds in the account to be returned to the Consolidated Account. No transactions were recorded during the first quarter of 2020-21.

PERTH CHILDREN’S HOSPITAL ACCOUNT

Table 4.7

At 30 September

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	7	13
Receipts	-	-
Payments	-	-
Closing Balance	7	13

Note: Columns may not add due to rounding.

Perth Parking Licensing Account

This SPA was established in July 1999 under section 23(1) of the *Perth Parking Management Act 1999* to set aside funds to be used to encourage a balanced transport system for gaining access to the Perth city area. Money credited to the account reflects licence fees, penalties and money appropriated by the Parliament for the purposes of the Act.

Funds drawn from the account are used to support the Central Area Transit bus system, the Free Transit Zone public transport services in the Perth Central Business District, improvements to public transport access, enhancements to the pedestrian environment, support for bicycle access, other transport system initiatives and for the administration of the Act.

PERTH PARKING LICENSING ACCOUNT

Table 4.8

At 30 September

	2020	2019
	\$m	\$m
<i>Balance at 1 July</i>	131	93
Receipts	14	51
Payments	– (a)	– (a)
Closing Balance	145	144

(a) Amount below \$500,000.

Note: Columns may not add due to rounding.

Perth Stadium Account

This SPA was established in October 2011 to hold funds in support of the construction of Optus Stadium and associated transport infrastructure. The stadium commenced operations in early 2018. There were no payments or receipts during the three months to 30 September 2020.

PERTH STADIUM ACCOUNT

Table 4.9

At 30 September

	2020	2019
	\$m	\$m
<i>Balance at 1 July</i>	12	12 (a)
Receipts	-	-
Payments	-	-
Closing Balance	12	12

(a) The opening balance 1 July 2019 was restated after finalisation of the 2018-19 *Annual Report on State Finances*.

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This account was established to provide for road safety initiatives on Western Australian roads. Receipts for the September 2020 quarter reflect collections from prescribed penalties (\$22.2 million), interest revenue (\$0.1 million) and other miscellaneous funds collected under the *Road Traffic (Administration) Act 2008* (\$0.2 million).

Projects funded from the account during the first quarter included initiatives to:

- reduce run-off crashes on regional roads by applying treatments such as shoulder sealing, audible edge lines and installing safety barriers (\$5.1 million);
- improve intersection infrastructure to reduce or eliminate crashes at intersections (\$1.1 million);
- reduce the number and rate at which vulnerable road users are killed and seriously injured (\$0.7 million); and
- effectively manage speed on Western Australian roads (\$0.2 million).

A total of \$3.3 million was also spent on the operations of the Road Safety Commission, including a range of road safety initiatives and support programs (such as community education campaigns, community grants and Infringement Management Reform Program).

ROAD TRAUMA TRUST ACCOUNT At 30 September

Table 4.10

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	54	60 ^(a)
Receipts	22	23
Payments	10	6
Closing Balance	66	77

(a) The closing balance of \$60 million at 30 June 2019 (opening balance at 1 July) has been restated from the \$61 million (reported in the 2018-19 *Annual Report on State Finances*). The restatement incorporates a correction to the rounding of the closing balance at 30 June 2019.

Note: Columns may not add due to rounding.

Royalties for Regions Fund

The Royalties for Regions Fund was established in December 2008 to set aside a share of the State's annual royalty income to fund investment in regional Western Australia. Under the *Royalties for Regions Act 2009*, the balance held in the Fund at any time cannot exceed \$1 billion.

Receipts during the September 2020 quarter reflect interest revenue earned on the account balance (\$0.5 million) and unused funds from associated projects returned to the Fund by agencies (\$0.2 million). A total of \$92.7 million was disbursed from the Fund to support infrastructure, business and economic development and other regional initiatives.

ROYALTIES FOR REGIONS FUND

Table 4.11

At 30 September

	2020	2019
	\$m	\$m
	1,000	1,000
<i>Balance at 1 July</i>		
Receipts	1	8
Payments	93	98
Closing Balance	908	910

Note: Columns may not add due to rounding.

Royalties for Regions Regional Reform Fund

This SPA was established in June 2015 to fund strategic reform initiatives in regional Western Australia. There were no transactions in the September 2020 quarter.

ROYALITES FOR REGIONS REGIONAL REFORM FUND

Table 4.12

At 30 September

	2020	2019
	\$m	\$m
<i>Balance at 1 July</i>	69	80
Receipts	-	-
Payments	-	-
Closing Balance	69	80

Note: Columns may not add due to rounding.

Waste Avoidance and Resource Recovery Account

The Waste Avoidance and Resource Recovery Account was established under the *Waste Avoidance and Resource Recovery Act 2007* to hold revenue allocated from the landfill levy. Funds are drawn from the Account to support programs and other initiatives related to the management, reduction, reuse, recycling, monitoring or measurement of waste.

A total of \$5.2 million of Landfill Levy collections was paid into the account during the quarter. Draw downs totalling \$3.7 million were made for waste programs and the payments of administration costs incurred by the Department of Water and Environmental Regulation. A loan of \$16 million was made to Western Australian Return Recycle Renew Ltd in September 2020 to support rent and other operating costs associated with Western Australia's new Container Deposit Scheme, with the first repayment expected in March 2021.

Table 4.13

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT At 30 September

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	40	40
Receipts	5	5
Payments	20	3
Closing Balance	26	42

Note: Columns may not add due to rounding.

Western Australian Future Health Research and Innovation Fund

The Western Australian Future Fund was established under the *Western Australian Future Fund Act 2012*. The *Western Australian Future Fund Amendment (Future Health Research and Innovation Fund) Bill 2019* received Royal Assent in late May 2020 and took effect from 24 June 2020. The amending Act discontinued the Future Fund and created the Western Australian Future Health Research and Innovation Fund into which 1% of forecast annual royalties are to be paid each year. From 2020-21, the Act also applies forecast annual investment income from the new fund to a new account that provides long term support for medical and health research, innovation and commercialisation activities in Western Australia (see below).

Interest receipts of \$11.2 million were recorded in the September 2020 quarter. The receipt of royalties was delayed by the later timing of the 2020-21 Budget.

Table 4.14

**WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH
AND INNOVATION FUND ^(a)**

At 30 September

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	1,408	1,313
Receipts	11	78
Payments	34	-
Closing Balance	1,385	1,391

(a) The Fund is a Treasurer's Special Purpose Account.

Note: Columns may not add due to rounding.

A draw down of \$33.9 million was made under the authority of the Act in the first quarter of 2020-21. At 30 September 2020, these monies were held in the Western Australian Future Health Research and Innovation Account administered by the Minister for Health.

Table 4.15

**WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH
AND INNOVATION ACCOUNT ^(a)**

At 30 September

	2020 \$m	2019 \$m
<i>Balance at 1 July</i>	-	-
Receipts	34	-
Payments	-	-
Closing Balance	34	-

(a) The Account is an Agency Special Purpose Account.

Note: Columns may not add due to rounding.

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General Government Salaries

Introduction

Salaries represent the single largest component of general government sector expenses (42% for September 2020, or 46% if concurrent superannuation costs are also included).

General government salaries totalled \$3,319 million in the first three months of 2020-21 (an increase of 5.7% compared to the same period in the prior year). This includes the increases in workforce numbers particularly in health, education, law and order, and community services, accounting for 84% of the general government salaries costs in the September quarter, as well as increases in wage rates consistent with the Government's wages policy. Increases in staffing levels in key service sectors over the last year include the impact of the health response to COVID-19, additional cleaning staff (such as in schools) as a result of the pandemic, and an increase in custodial staff in the justice system.

The following table summarises salaries outcomes for general government agencies for the three months to 30 September 2020.

SALARIES COSTS
General Government Sector

	2020-21		2019-20	
	Three Months to 30 Sep \$m	Budget Estimate \$m	Three Months to 30 Sep \$m	Actual \$m
Health	1,252	4,849	1,175	4,812
Education	936	3,636	900	3,591
Western Australia Police Force	249	978	236	970
Justice	192	698	178	720
Communities	144	553	126	582
Fire and Emergency Services	45	196	48	201
Mines, Industry Regulation and Safety	44	160	39	170
Biodiversity, Conservation and Attractions	42	190	41	192
Primary Industries and Regional Development	37	178	37	178
Transport	34	139	32	129
North Metropolitan TAFE	29	117	28	114
Finance	27	107	24	97
South Metropolitan TAFE	25	111	24	111
Water and Environmental Regulation	24	92	23	93
Premier and Cabinet	22	83	20	84
Planning, Lands and Heritage	22	86	20	85
Local Government, Sport and Cultural Industries	21	89	22	86
Commissioner of Main Roads	20	61	17	59
Land Information Authority (Landgate)	13	52	12	50
Training and Workforce Development	11	46	11	43
Mental Health Commission	10	37	9	37
Jobs, Tourism, Science and Innovation	9	37	9	37
WA Sports Centre Trust	9	41	15	45
South Regional TAFE	9	36	8	37
Legal Aid Commission of Western Australia	9	37	8	33
Office of the Director of Public Prosecutions	8	34	8	33
Treasury	8	32	9	31
Central Regional TAFE	8	33	8	34
North Regional TAFE	8	35	8	32
Legislative Assembly	6	24	6	23
Public Sector Commission	4	17	3	16
Corruption and Crime Commission	4	16	4	16
Office of the Auditor General	4	20	4	17
Legislative Council	4	17	4	16
WorkCover WA Authority	3	14	3	13
Chemistry Centre (WA)	3	13	3	14
Parliamentary Services Dept	2	11	3	11
All other agencies (with annual salaries costs below \$10 million)	20	87	16	75
Provisions ^(a)	-	31	-	-
Total salaries	3,319	12,997	3,140	12,887

(a) The 2020-21 Budget included a provision for salary costs associated with voluntary separations expected to emerge as part of machinery of government changes in the Department of Communities, the transition to the Commonwealth-run National Disability Insurance Scheme, and COVID-19 health costs.

Note: Columns may not add due to rounding.

