



2021-22

# Quarterly Financial Results Report

September 2021





**2021-22**

**Quarterly Financial Results Report**

September 2021

### **Acknowledgement of Country**

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

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

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2021-22

**Quarterly Financial Results Report**  
**Three Months Ended 30 September 2021**

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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 2021.

Care should be exercised in extrapolating the likely outcome for the 2021-22 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 2021-22 State Budget (presented to the Legislative Assembly on 9 September 2021).

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.

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 2021 and of the balance sheets of these reporting entities at 30 September 2021. 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 PSM  
UNDER TREASURER



MAGDALENA WITTEK  
MANAGER  
FINANCIAL REPORTING

26 November 2021



# Overview

## Summary

The general government sector operating surplus for the three months to 30 September 2021 was a record \$4.4 billion. This outcome primarily reflects higher royalty income (up \$1.1 billion, mainly due to higher iron ore prices), higher Commonwealth grants (up \$1.1 billion), dividends (up \$295 million) and tax revenue (up \$246 million). General government expenses were \$455 million higher than the three months to 30 September 2020. The increase largely reflects higher salaries expenditure (up \$193 million) and current and capital transfers (up \$168 million).

Total public sector net debt was \$30.3 billion at 30 September 2021, \$3.2 billion lower than the outcome recorded at 30 June 2021. This reduction was driven by the strong general government operating surplus outcome for the quarter.

## Results Compared to Prior Year

### General Government Sector

The general government sector recorded an operating surplus of \$4,403 million for the three months to 30 September 2021, compared to the \$2,033 million surplus reported for the same period in 2020-21.

**SUMMARY OF GENERAL GOVERNMENT FINANCES**  
Western Australia

Table 1

	2021-22		2020-21	
	Three Months to 30 Sept \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(b)</sup> \$m
Net operating balance	4,403	2,791	2,033	5,838
Net worth	116,679	115,493	104,963	112,582
Movement in cash balances	2,847	976	669	1,298
<i>Memorandum items</i>				
Net lending	4,149	1,240	1,974	3,649
Net debt	19,973	21,098	23,261	22,788
Cash surplus/-deficit	3,013	3,211	1,059	2,620

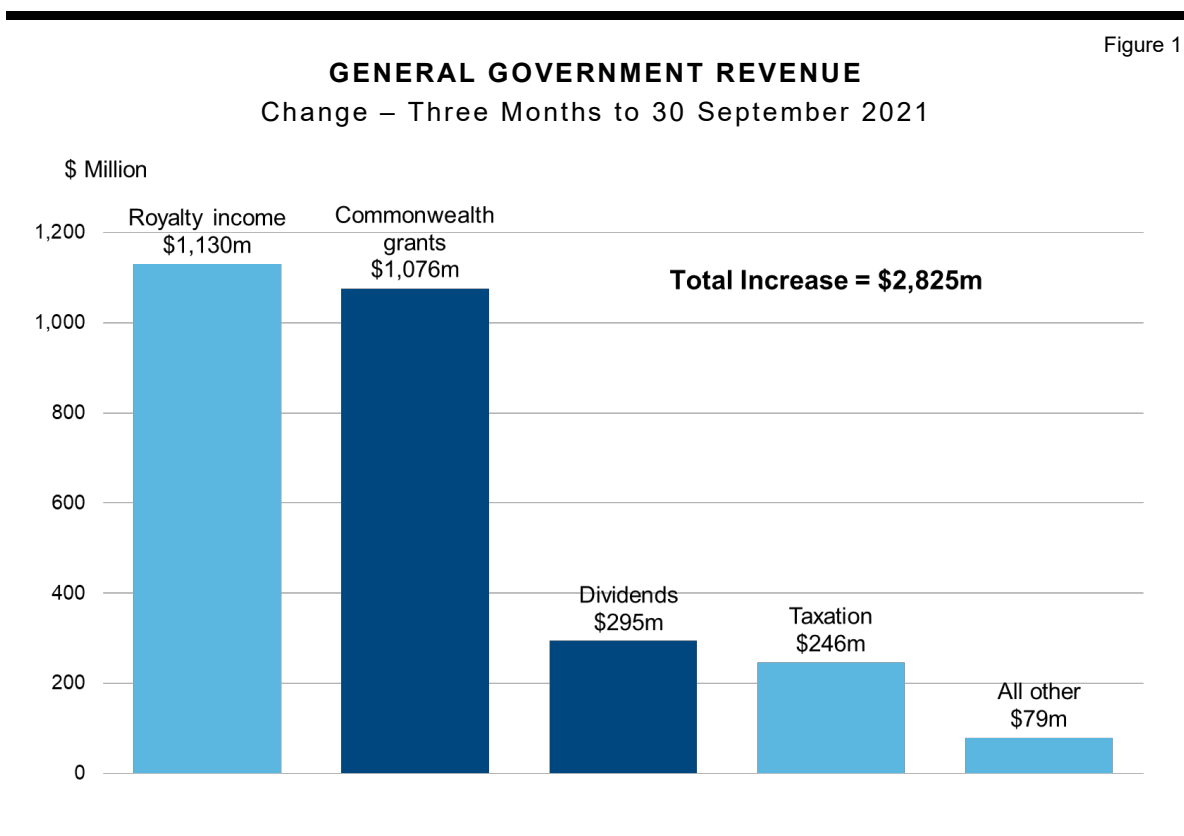
(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released 24 September 2021.

This was a record result for the September quarter and largely reflects first quarter revenue outcomes.

### Revenue

Revenue for the three months to 30 September 2021 totalled \$12,747 million, \$2.8 billion higher than the same period last year.



The higher revenue outcome for the September 2021 quarter primarily reflects the net impact of:

- higher royalty income (up \$1,130 million), largely due to:
  - the benchmark iron ore price averaging \$US163.8 per tonne in the three months to 30 September 2021, compared to an average price of \$US117.9 in the same period in 2020-21;
  - the \$US/\$A exchange rate averaging US73.5 cents in the three months to September 2021, compared to an average of US71.6 cents for the corresponding period last year (the higher exchange rate reduces royalty income); and
  - iron ore export volumes in the three months to 30 September 2021 were 2.3 million tonnes (or 1%) higher than the same period last year;

## IRON ORE PRICE

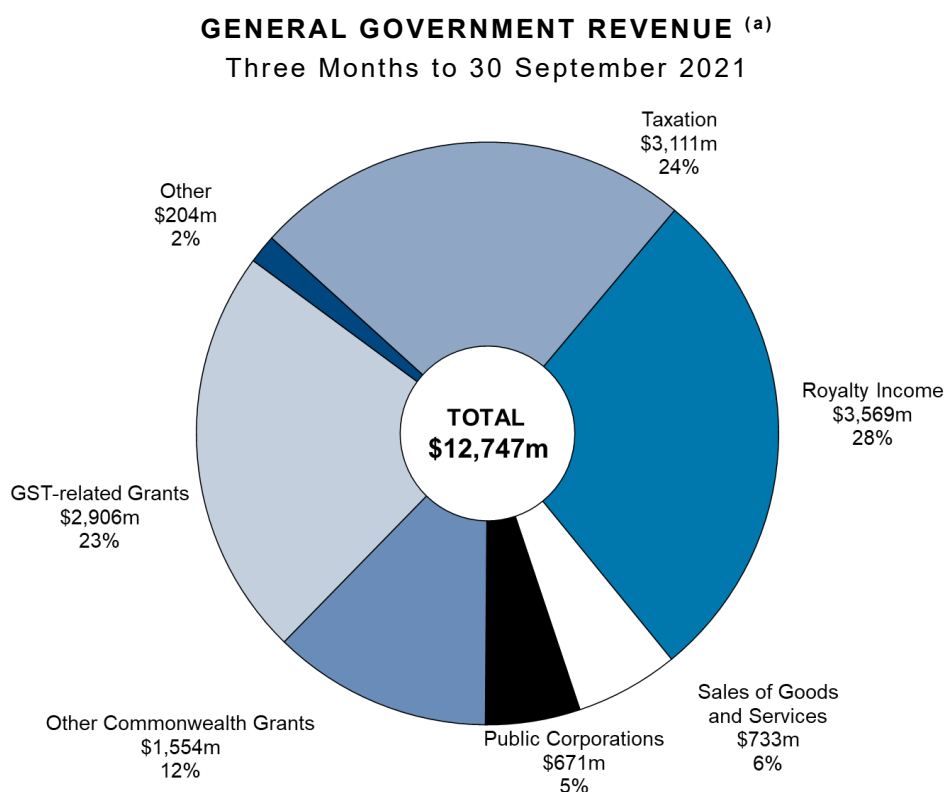
Figure 2



- higher Commonwealth funding (up \$1,076 million), mainly due to the combined impact of:
  - higher GST grants (up \$724 million), due to a \$569 million increase in Western Australia's 70% GST top-up payment reflecting a lower GST relativity, and larger national GST collections;
  - higher North West Shelf royalty grants (up \$110 million);
  - higher funding for transport infrastructure projects (up \$81 million); and
  - higher Homebuilder grant funding (up \$73 million), reflecting demand for new home construction;

- higher dividend income (up \$295 million), mainly due to the impact of the Bell Group settlement on the Insurance Commission of Western Australia's accrued dividend (accounting for \$455 million of a total \$516 million dividend), partially offset by the timing of Western Power's \$216 million interim dividend declaration (in the September 2020 quarter)<sup>1</sup>; and
- higher tax collections (up \$246 million), largely due to the net impact of:
  - higher payroll tax (up \$219 million), reflecting higher values of wages and bonuses paid in the three months ending 30 September 2021;
  - higher transfer duty (up \$152 million), reflecting the impact of stronger residential property activity;
  - lower land tax (down \$81 million), reflecting the issuance of a lower number of land tax assessments in the September 2021 quarter; and
  - lower landholder duty (down \$47 million), reflecting a lower number and value of commercial landholder transactions.

Figure 3



(a) Segments may not add due to rounding.

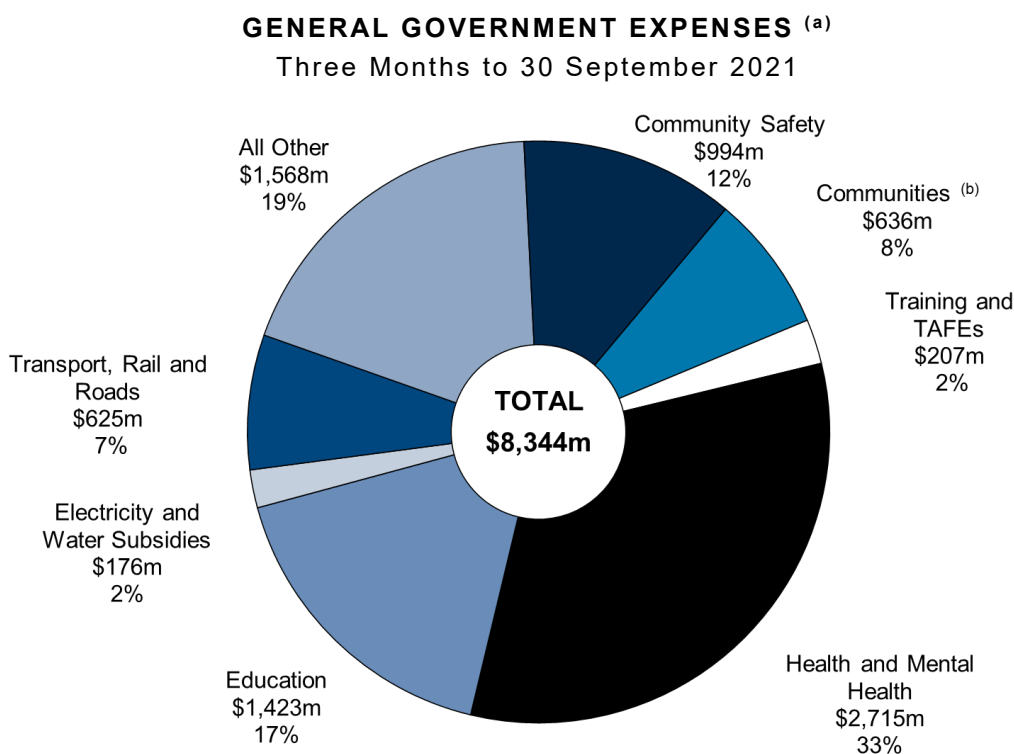
<sup>1</sup> As part of the 2021-22 Budget, Western Power and other Government Trading Enterprises will retain 2021-22 dividends for future infrastructure projects. This Budget decision does not apply to dividends to be received from the Insurance Commission or the Western Australian Treasury Corporation which do not have significant Asset Investment Programs.

## Expenses

Expenses for the three months to 30 September 2021 totalled \$8,344 million, up \$455 million on the same period in 2020-21. The increase in spending for the three months to 30 September 2021 mainly reflects:

- higher salaries (up \$193 million), mainly reflecting wage growth under industrial agreements and higher workforce numbers across the health and education sectors, which account for 67% of the sector's employee expenses; and
- higher current and capital transfers (mainly grants and subsidies, up \$168 million), largely due to the combined impact of:
  - higher State-funded Building Bonus grants (up \$114 million) and Commonwealth-funded Homebuilder grants (up \$107 million), due to an increase in the number of eligible grant applications for these pandemic recovery initiatives in the September 2021 quarter compared to the September 2020 quarter; and
  - the timing of September 2020 quarter Small Business Payroll Tax Grant assistance payments in response to the initial impact of COVID-19 reducing expenses by \$97 million in this report.

Figure 4



(a) Segments may not add due to rounding.

(b) The \$636 million in this chart represent the general government portion of the Department's recurrent spending (with some expenditure from the former Housing Authority remaining within the public non-financial corporations sector for the purpose of whole-of-government reporting).

## **Balance Sheet**

At \$117 billion<sup>2</sup>, general government sector net worth increased by \$4.1 billion during the three months to 30 September 2021. This outcome is mainly due to the following net movements in assets:

- higher liquid assets (up \$2.6 billion), mainly due to the timing of cash receipts and payments through the Public Bank Account;
- an estimated \$694 million decrease in general government sector physical assets, reflecting the net impact of valuation changes for the year ended 30 June 2021, depreciation charges, disposal of used assets and investment in new infrastructure;
- an increase in the value of equity in public corporations (up \$638 million), mainly due to the operating surplus recorded by the public financial corporations sector (discussed later); and
- higher receivables (up \$566 million), mainly reflecting dividends receivable from the Insurance Commission of Western Australia.

General government sector liabilities decreased by \$918 million with minor movements recorded across all classes of obligations.

## **Cash Flow**

A cash surplus of \$3,013 million was recorded by the general government sector for the three months to 30 September 2021, \$1,955 million higher than the cash surplus recorded for the same period in 2020-21. This outcome is mainly due to the impact on cash of the operating surplus detailed earlier, partly offset by a \$246 million increase in asset investment (discussed later in this chapter).

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<sup>2</sup> 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.

## Total Public Sector

### Operating Statement

The total public sector recorded an operating surplus of \$4,286 million for the three months to 30 September 2021, \$1,375 million higher than the surplus recorded in the same period in 2020-21.

**SUMMARY OF TOTAL PUBLIC SECTOR FINANCES**  
Western Australia

Table 2

	2021-22		2020-21	
	Three Months to 30 Sept \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(b)</sup> \$m
Net operating balance	4,286	3,361	2,911	5,537
Net worth	116,679	115,493	104,963	112,582
Movement in cash balances	1,913	2,553	1,283	1,607
<i>Memorandum items</i>				
Net lending	4,132	-26	1,309	3,382
Net debt	30,320	32,062	34,243	33,482
Cash surplus/-deficit	3,160	1,756	1,492	2,454

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

The total public sector operating surplus for the three months to 30 September 2021 includes:

- the \$4,403 million operating surplus for the general government sector outlined earlier;
- an operating deficit of \$29 million for the public non-financial corporations sector, a \$172 million turnaround on the \$143 million surplus recorded in the same period in 2020-21. This is mainly due to higher depreciation costs associated with upward valuations of assets brought to book in final outcomes reported in agencies' 2020-21 annual reports; and
- an operating surplus of \$426 million for the public financial corporations sector, \$529 million lower than the surplus recorded in the same period in 2020-21. The lower outcome largely reflects the \$665 million in proceeds from the Bell Group settlement received by the Insurance Commission of Western Australia in September 2020.

Table 3

**TOTAL PUBLIC SECTOR OPERATING BALANCE**  
By Sector

	2021-22		2020-21	
	Three Months to 30 Sept \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(b)</sup> \$m
<b>Net Operating Balance</b>				
General government sector	4,403	2,791	2,033	5,838
Public non-financial corporations sector	-29	1,146	143	780
Public financial corporations sector	426	130	955	434
<i>less</i>				
General government dividend revenue	516	587	221	1,362
Public non-financial corporations dividend revenue <sup>(c)</sup>	-	121	-	156
Agency depreciation costs on right of use assets leased from other government sectors <sup>(d)</sup>	-1	-2	-1	-3
<b>Total public sector net operating balance</b>	<b>4,286</b>	<b>3,361</b>	<b>2,911</b>	<b>5,537</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

(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 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 \$3.2 billion during the three months to 30 September 2021 to stand at \$30.3 billion. This reflects the cash surplus recorded in the quarter, which was driven by the stronger operating surplus discussed in the previous section (see below).

## Cash Flow

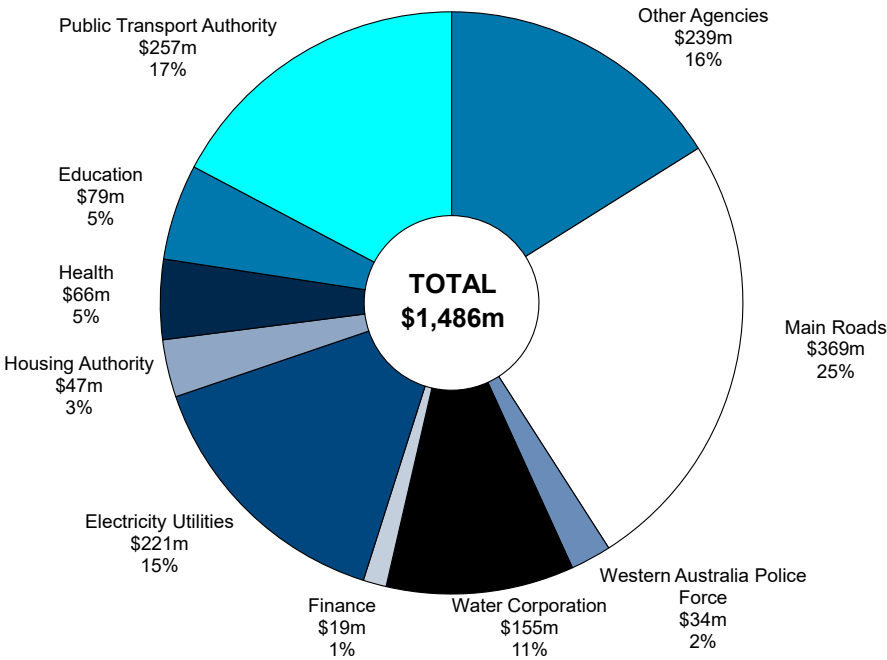
A cash surplus of \$3,160 million was recorded for the three months to 30 September 2021, \$1,668 million higher than the surplus recorded for the same period in 2020-21. This outcome mainly reflects the impact of an operating cash surplus of \$4,561 million, partly offset by a \$337 million increase in infrastructure spending in the September 2021 quarter.

Higher infrastructure spending during the September 2021 quarter was mainly attributable to higher spending on roads, ports and other transport infrastructure projects, higher land acquisition costs for DevelopmentWA, higher spending on community housing, and higher investment by the health sector.



Figure 5

**ASSET INVESTMENT PROGRAM (a)**  
Three months to 30 September 2021



(a) Segments may not add due to rounding.



# 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*. To facilitate comparisons between estimates and outturns, the formats used in this report are the same as those used in 2021-22 State Budget Papers presented to the Legislative Assembly on 9 September 2021.

The Operating Statement, Balance Sheet and Cash Flow Statement information 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**

		2021-22		2020-21	
	Note	Three Months to 30 Sept \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(b)</sup> \$m
RESULTS FROM TRANSACTIONS					
REVENUE					
Taxation		3,111	10,035	2,865	10,153
Current grants and subsidies		4,243	10,894	3,295	9,421
Capital grants		217	2,125	89	1,131
Sales of goods and services		733	3,028	659	2,821
Interest Income		22	97	18	110
Revenue from public corporations					
Dividends from other sectors		516	587	221	1,362
Tax equivalent income		155	700	189	956
Royalty income		3,569	10,145	2,439	12,181
Other		182	688	146	2,015
Total	2	12,747	38,297	9,922	40,151
EXPENSES					
Salaries		3,512	13,977	3,319	13,469
Superannuation					
Concurrent costs		344	1,453	332	1,323
Superannuation interest cost		21	89	15	60
Other employee costs		101	378	87	422
Depreciation and amortisation		439	1,839	419	1,741
Services and contracts		653	3,006	618	2,686
Other gross operating expenses		1,504	6,142	1,499	5,602
Interest					
Interest on leases		33	132	29	134
Other interest		159	606	161	654
Current transfers	3	1,297	6,576	1,377	7,458
Capital transfers	3	282	1,308	34	763
Total		8,344	35,506	7,889	34,313
NET OPERATING BALANCE		4,403	2,791	2,033	5,838
Other economic flows - included in the operating result					
Net gains on assets/liabilities		5	15	16	-173
Provision for doubtful debts		-3	-18	-	-51
Changes in accounting policy/adjustments of prior periods		-233	-	65	9
Total other economic flows		-232	-3	81	-215
OPERATING RESULT		4,172	2,788	2,114	5,623
All other movements in equity					
Items that will not be reclassified to operating result					
Revaluations		-615	1,434	-277	1,827
Net actuarial gains/-loss - superannuation		13	-246	-63	1,072
Gains recognised directly in equity		-	-45	-	2
Change in net worth of the public corporations sectors		527	1,024	752	1,620
All other		-	-	-	-
Total all other movements in equity		-75	2,167	411	4,520
TOTAL CHANGE IN NET WORTH		4,097	4,956	2,525	10,144
KEY FISCAL AGGREGATES					
NET OPERATING BALANCE		4,403	2,791	2,033	5,838
Less Net acquisition of non-financial assets					
Purchase of non-financial assets		723	3,503	477	2,614
Changes in inventories		1	-	22	70
Other movement in non-financial assets		-	26	-6	1,337
less:					
Sales of non-financial assets		32	138	16	90
Depreciation		439	1,839	419	1,741
Total net acquisition of non-financial assets		255	1,551	59	2,189
NET LENDING-/BORROWING		4,149	1,240	1,974	3,649

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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

Table 1.2

## GENERAL GOVERNMENT BALANCE SHEET

		For the period ending			
	Note	30 Sept 2021 \$m	30 June 2022 <sup>(a)</sup> \$m	30 Sept 2020 \$m	30 June 2021 <sup>(b)</sup> \$m
<b>ASSETS</b>					
<i>Financial assets</i>					
Cash and deposits		7,674	6,991	4,250	5,230
Advances paid		723	712	741	729
Investments, loans and placements	5	2,235	2,918	2,616	2,105
Receivables	6	6,508	3,086	4,722	5,942
Shares and other equity					
Investments in other public sector entities - equity method		43,108	43,076	41,713	42,581
Investments in other public sector entities - direct injections		11,862	12,717	11,050	11,751
Investments in other entities		30	22	22	30
Other financial assets		8	9	8	8
<i>Total financial assets</i>		<i>72,149</i>	<i>69,531</i>	<i>65,124</i>	<i>68,376</i>
<i>Non-financial assets</i>					
Land		37,286	37,167	35,167	37,821
Property, plant and equipment		47,292	50,642	45,842	47,428
Right of use assets		2,371	2,363	2,452	2,394
Service concession assets		790	735	774	798
Biological assets		54	109	109	54
Inventories					
Land inventories		-	-	-	-
Other inventories		180	171	130	179
Intangibles		578	568	561	586
Assets classified as held for sale		87	14	17	107
Investment property		7	-	7	7
Other		488	214	349	352
<i>Total non-financial assets</i>		<i>89,132</i>	<i>91,984</i>	<i>85,408</i>	<i>89,726</i>
<b>TOTAL ASSETS</b>		<b>161,281</b>	<b>161,515</b>	<b>150,532</b>	<b>158,102</b>
<b>LIABILITIES</b>					
Deposits held		1,113	2,847	1,345	1,333
Advances received					
Borrowings	7				
Lease liabilities		2,734	2,685	2,739	2,753
Service concession liabilities		4	-	-	5
Other borrowings		26,445	25,895	26,458	26,451
Unfunded superannuation		5,395	5,533	7,080	5,516
Other employee benefits		3,717	3,652	3,867	3,875
Payables		2,246	2,620	1,125	2,537
Other liabilities		2,639	2,498	2,629	2,740
<b>TOTAL LIABILITIES</b>		<b>44,602</b>	<b>46,022</b>	<b>45,569</b>	<b>45,520</b>
<b>NET ASSETS</b>		<b>116,679</b>	<b>115,493</b>	<b>104,963</b>	<b>112,582</b>
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		18,431	17,178	9,639	14,298
Other reserves		98,248	98,315	95,324	98,284
<b>NET WORTH</b>		<b>116,679</b>	<b>115,493</b>	<b>104,963</b>	<b>112,582</b>
<b>MEMORANDUM ITEMS</b>					
<i>Net financial worth</i>		<i>27,547</i>	<i>23,509</i>	<i>19,555</i>	<i>22,856</i>
<i>Net financial liabilities</i>		<i>27,423</i>	<i>32,284</i>	<i>33,208</i>	<i>31,476</i>
<i>Net debt</i>					
Gross debt liabilities		30,605	31,719	30,868	30,851
less: liquid financial assets		10,632	10,621	7,607	8,063
<i>Net debt</i>		<i>19,973</i>	<i>21,098</i>	<i>23,261</i>	<i>22,788</i>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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 2021

	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 2021</i>	55,702	42,581	14,298	112,582
Operating result	-	-	4,172	4,172
All other movements in equity	-563	527	-39	-75
<i>Total change in net worth</i>	-563	527	4,132	4,097
<b>Balance at 30 September 2021</b>	<b>55,140</b>	<b>43,108</b>	<b>18,431</b>	<b>116,679</b>

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	-	-	2,114	2,114
All other movements in equity	-279	752	-62	411
<i>Total change in net worth</i>	-279	752	2,052	2,525
<b>Balance at 30 September 2020</b>	<b>53,611</b>	<b>41,713</b>	<b>9,639</b>	<b>104,963</b>

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

Table 1.4

**GENERAL GOVERNMENT CASH FLOW STATEMENT**

	2021-22		2020-21	
	Three Months to 30 Sept \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(b)</sup> \$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<i>Cash received</i>				
Taxes received	2,614	10,052	2,013	9,847
Grants and subsidies received	4,766	14,864	3,594	12,167
Receipts from sales of goods and services	823	2,965	735	2,858
Interest receipts	20	91	19	88
Dividends and tax equivalents	196	1,398	401	2,331
Other	4,463	14,425	2,836	12,694
<i>Total cash received</i>	<i>12,881</i>	<i>43,795</i>	<i>9,597</i>	<i>39,985</i>
<i>Cash paid</i>				
Wages, salaries and supplements, and superannuation	-4,129	-15,730	-3,385	-14,851
Payments for goods and services	-2,513	-9,626	-2,532	-8,904
Interest paid	-184	-748	-193	-803
Grants and subsidies paid	-1,813	-9,499	-1,452	-8,456
Dividends and tax equivalents	-	-	-	-
Other	-536	-1,616	-514	-1,828
<i>Total cash paid</i>	<i>-9,176</i>	<i>-37,219</i>	<i>-8,077</i>	<i>-34,842</i>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>3,705</b>	<b>6,576</b>	<b>1,520</b>	<b>5,143</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<i>Cash flows from investments in non-financial assets</i>				
Purchase of non-financial assets	-723	-3,503	-477	-2,614
Sales of non-financial assets	32	138	16	90
<i>Total cash flows from investments in non-financial assets</i>	<i>-692</i>	<i>-3,365</i>	<i>-461</i>	<i>-2,524</i>
<i>Cash flows from investments in financial assets</i>				
<i>Cash received</i>				
For policy purposes	4	10	1	14
For liquidity purposes	27	64	14	86
<i>Cash paid</i>				
For policy purposes	-100	-1,372	-451	-1,210
For liquidity purposes	-14	-20	-48	-94
<i>Total cash flows from investments in financial assets</i>	<i>-83</i>	<i>-1,317</i>	<i>-484</i>	<i>-1,205</i>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-775</b>	<b>-4,682</b>	<b>-945</b>	<b>-3,728</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<i>Cash received</i>				
Advances received	-	18	-	18
Borrowings	9	146	167	198
Deposits received	-	-	-	-
Other financing receipts	13	26	46	233
<i>Total cash received</i>	<i>22</i>	<i>190</i>	<i>213</i>	<i>449</i>
<i>Cash paid</i>				
Advances paid	-	-18	-	-17
Borrowings repaid	-11	-702	-4	-45
Deposits paid	-	-	-	-
Other financing payments	-95	-388	-115	-503
<i>Total cash paid</i>	<i>-106</i>	<i>-1,108</i>	<i>-119</i>	<i>-566</i>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-84</b>	<b>-918</b>	<b>94</b>	<b>-117</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,847</b>	<b>976</b>	<b>669</b>	<b>1,298</b>
Cash and cash equivalents at the beginning of the year	6,943	6,915	5,645	5,645
Cash and cash equivalents at the end of the year	9,790	7,891	6,313	6,943
<b>KEY FISCAL AGGREGATES</b>				
Net cash flows from operating activities	3,705	6,576	1,520	5,143
Net cash flows from investing in non-financial assets	-692	-3,365	-461	-2,524
<b>Cash surplus/-deficit</b>	<b>3,013</b>	<b>3,211</b>	<b>1,059</b>	<b>2,620</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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



Table 1.5

**TOTAL PUBLIC SECTOR OPERATING STATEMENT**

		2021-22		2020-21	
	Note	Three Months to 30 Sept \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(b)</sup> \$m
<i>Results from Transactions</i>					
<b>REVENUE</b>					
Taxation		2,988	9,484	2,733	9,606
Current grants and subsidies		4,243	10,894	3,295	9,421
Capital grants		217	2,125	89	1,131
Sales of goods and services		9,412	38,385	11,702	41,172
Interest Income		104	543	122	478
Royalty income		3,569	10,145	2,439	12,181
Other		290	1,040	281	2,556
<b>Total</b>	2	<b>20,822</b>	<b>72,617</b>	<b>20,660</b>	<b>76,545</b>
<b>EXPENSES</b>					
Salaries		3,830	15,335	3,623	14,676
Superannuation					
Concurrent costs		375	1,595	362	1,454
Superannuation interest cost		21	89	15	60
Other employee costs		91	320	75	404
Depreciation and amortisation		1,169	4,108	978	4,235
Services and contracts		874	3,968	788	3,537
Other gross operating expenses		8,574	36,720	10,465	38,948
Interest					
Interest on leases		51	214	49	209
Other interest		245	1,180	300	1,116
Other property expenses		-	-	-	-
Current transfers	3	1,026	4,521	1,057	5,629
Capital transfers	3	279	1,204	37	741
<b>Total</b>		<b>16,536</b>	<b>69,255</b>	<b>17,750</b>	<b>71,008</b>
<b>NET OPERATING BALANCE</b>		<b>4,286</b>	<b>3,361</b>	<b>2,911</b>	<b>5,537</b>
<i>Other economic flows - included in the operating result</i>					
Net gains on assets/liabilities		93	92	96	471
Provision for doubtful debts		-4	-53	-6	-64
Changes in accounting policy/adjustment of prior periods		-364	-	-117	-98
<b>Total other economic flows</b>		<b>-275</b>	<b>39</b>	<b>-27</b>	<b>309</b>
<b>OPERATING RESULT</b>		<b>4,011</b>	<b>3,401</b>	<b>2,884</b>	<b>5,846</b>
<i>All other movements in equity</i>					
<i>Items that will not be reclassified to operating result</i>					
Revaluations		145	1,848	-277	3,251
Net actuarial gains/-loss - superannuation		14	-246	-63	1,071
Gains recognised directly in equity		-72	-48	-19	-24
All other		-	-	-	-
<b>Total all other movements in equity</b>		<b>86</b>	<b>1,555</b>	<b>-359</b>	<b>4,298</b>
<b>TOTAL CHANGE IN NET WORTH</b>		<b>4,097</b>	<b>4,956</b>	<b>2,525</b>	<b>10,144</b>
<b>KEY FISCAL AGGREGATES</b>					
<b>NET OPERATING BALANCE</b>		<b>4,286</b>	<b>3,361</b>	<b>2,911</b>	<b>5,537</b>
<i>Less Net acquisition of non-financial assets</i>					
Purchase of non-financial assets		1,486	8,021	1,149	5,816
Changes in inventories		-104	-220	1,484	-330
Other movement in non-financial assets		26	142	18	1,403
<i>less:</i>					
Sales of non-financial assets		85	447	71	499
Depreciation		1,169	4,108	978	4,235
<b>Total net acquisition of non-financial assets</b>		<b>154</b>	<b>3,388</b>	<b>1,601</b>	<b>2,155</b>
<b>NET LENDING-BORROWING</b>		<b>4,132</b>	<b>-26</b>	<b>1,309</b>	<b>3,382</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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

Table 1.6

## TOTAL PUBLIC SECTOR BALANCE SHEET

		For the period ending			
	Note	30 Sept 2021 \$m	30 June 2022 <sup>(a)</sup> \$m	30 Sept 2020 \$m	30 June 2021 <sup>(b)</sup> \$m
<b>ASSETS</b>					
<i>Financial assets</i>					
Cash and deposits		9,775	8,538	6,500	7,113
Advances paid		5,294	6,130	5,404	5,621
Investments, loans and placements	5	14,293	21,790	16,858	19,670
Receivables	6	7,699	4,720	6,745	7,480
Equity - investments in other entities		2,728	2,349	1,928	2,776
Other financial assets		9	15	13	9
<i>Total financial assets</i>		<i>39,797</i>	<i>43,543</i>	<i>37,448</i>	<i>42,669</i>
<i>Non-financial assets</i>					
Land		45,327	45,228	43,507	46,015
Property, plant and equipment		105,796	110,244	101,971	105,501
Right of use assets		2,842	2,883	2,947	2,856
Service concession assets		995	735	987	1,005
Biological assets		256	326	317	264
Inventories					
Land inventories		1,916	1,880	1,779	1,566
Other inventories		5,999	6,291	7,917	6,104
Intangibles		1,081	1,064	1,026	1,097
Assets classified as held for sale		87	25	22	112
Investment property		28	45	33	28
Other		702	408	578	523
<i>Total non-financial assets</i>		<i>165,030</i>	<i>169,129</i>	<i>161,083</i>	<i>165,069</i>
<b>TOTAL ASSETS</b>		<b>204,827</b>	<b>212,672</b>	<b>198,531</b>	<b>207,738</b>
<b>LIABILITIES</b>					
Deposits held		13	11	12	13
Advances received		309	291	326	309
Borrowings	7				
Lease liabilities		3,445	3,485	3,500	3,474
Service concession liabilities		342	-	-	348
Other borrowings		55,573	64,733	59,167	61,741
Unfunded superannuation		5,472	5,610	7,176	5,602
Other employee benefits		4,177	4,064	4,308	4,343
Payables		9,509	10,018	10,821	10,021
Other liabilities		9,307	8,966	8,259	9,304
<b>TOTAL LIABILITIES</b>		<b>88,148</b>	<b>97,179</b>	<b>93,568</b>	<b>95,156</b>
<b>NET ASSETS</b>		<b>116,679</b>	<b>115,493</b>	<b>104,963</b>	<b>112,582</b>
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		38,046	39,981	29,896	34,118
Other reserves		78,633	75,512	75,067	78,464
<b>NET WORTH</b>		<b>116,679</b>	<b>115,493</b>	<b>104,963</b>	<b>112,582</b>
<b>MEMORANDUM ITEMS</b>					
<i>Net financial worth</i>		<i>-48,351</i>	<i>-53,636</i>	<i>-56,120</i>	<i>-52,487</i>
<i>Net financial liabilities</i>		<i>48,351</i>	<i>53,636</i>	<i>56,120</i>	<i>52,487</i>
<i>Net debt</i>					
Gross debt liabilities		59,682	68,520	63,005	65,885
less : liquid financial assets		29,362	36,458	28,761	32,404
<i>Net debt</i>		<i>30,320</i>	<i>32,062</i>	<i>34,243</i>	<i>33,482</i>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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 2021

	Asset Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2021</i>	78,464	34,118	112,582
Operating result	-	4,011	4,011
All other movements in equity	169	-82	86
<i>Total change in net worth</i>	169	3,928	4,097
<b>Balance at 30 September 2021</b>	<b>78,633</b>	<b>38,046</b>	<b>116,679</b>

For the three months ended 30 September 2020

	Asset Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2020</i>	75,355	27,083	102,438
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
<b>Balance at 30 September 2020</b>	<b>75,067</b>	<b>29,896</b>	<b>104,963</b>

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

Table 1.8

**TOTAL PUBLIC SECTOR CASH FLOW STATEMENT**

	2021-22		2020-21	
	Three Months to 30 Sept \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(b)</sup> \$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<i>Cash received</i>				
Taxes received	2,532	9,486	1,924	9,294
Grants and subsidies received	4,766	14,864	3,594	12,167
Receipts from sales of goods and services	7,089	28,555	8,527	29,970
Interest receipts	118	541	135	466
Other receipts	4,841	15,718	3,237	13,901
<i>Total cash received</i>	<i>19,345</i>	<i>69,164</i>	<i>17,416</i>	<i>65,797</i>
<i>Cash paid</i>				
Wages, salaries and supplements, and superannuation	-4,498	-17,246	-3,726	-16,177
Payments for goods and services	-6,953	-29,140	-8,019	-28,895
Interest paid	-386	-1,395	-484	-1,688
Grants and subsidies paid	-1,566	-7,157	-1,146	-5,632
Other payments	-1,381	-4,897	-1,471	-5,635
<i>Total cash paid</i>	<i>-14,784</i>	<i>-59,835</i>	<i>-14,847</i>	<i>-58,026</i>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>4,561</b>	<b>9,329</b>	<b>2,569</b>	<b>7,771</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<i>Cash flows from investments in non-financial assets</i>				
Purchase of non-financial assets	-1,486	-8,021	-1,149	-5,816
Sales of non-financial assets	85	447	71	499
<i>Total cash flows from investments in non-financial assets</i>	<i>-1,401</i>	<i>-7,574</i>	<i>-1,078</i>	<i>-5,317</i>
<i>Cash flows from investments in financial assets</i>				
<i>Cash received</i>				
For policy purposes	4	10	1	14
For liquidity purposes	4,480	7,951	5,071	12,774
<i>Cash paid</i>				
For policy purposes	-3	-10	-3	-17
For liquidity purposes	-2,260	-8,076	-2,668	-12,616
<i>Total cash flows from investments in financial assets</i>	<i>2,221</i>	<i>-125</i>	<i>2,402</i>	<i>154</i>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>819</b>	<b>-7,698</b>	<b>1,324</b>	<b>-5,162</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<i>Cash received</i>				
Advances received	-	-	-	-
Borrowings	5,475	22,616	7,830	29,482
Deposits received	-	-	-	-
Other financing receipts	15	10	55	232
<i>Total cash received</i>	<i>5,490</i>	<i>22,626</i>	<i>7,885</i>	<i>29,714</i>
<i>Cash paid</i>				
Advances paid	-	-18	-	-17
Borrowings repaid	-8,839	-21,301	-10,373	-30,138
Deposits paid	-	-	-	-
Other financing payments	-118	-386	-123	-560
<i>Total cash paid</i>	<i>-8,957</i>	<i>-21,704</i>	<i>-10,495</i>	<i>-30,716</i>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-3,467</b>	<b>922</b>	<b>-2,611</b>	<b>-1,002</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,913</b>	<b>2,553</b>	<b>1,283</b>	<b>1,607</b>
Cash and cash equivalents at the beginning of the year	12,600	11,929	10,994	10,994
Cash and cash equivalents at the end of the year	14,513	14,481	12,277	12,600
<b>KEY FISCAL AGGREGATES</b>				
Net cash flows from operating activities	4,561	9,329	2,569	7,771
Net cash flows from investing in non-financial assets	-1,401	-7,574	-1,078	-5,317
<b>Cash surplus/-deficit</b>	<b>3,160</b>	<b>1,756</b>	<b>1,492</b>	<b>2,454</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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

## Notes to the Interim Financial Statements

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### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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#### (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 sectors. 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 2021 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 2021, presented in Appendix 1 of the 2020-21 *Annual Report on State Finances* (ARSF) released on 24 September 2021. The accounting policies adopted in this publication are consistent with those outlined in the 2020-21 ARSF. The specific accounting policies of the Government of are described in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the 2020-21 *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 <sup>(a)</sup>

General Government				
	2021-22		2020-21	
	Three Months to 30 Sept \$m	Budget Estimate <sup>(b)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(c)</sup> \$m
<b>CURRENT TRANSFERS</b>				
Local government	102	543	103	302
Private and not-for-profit sector	491	2,127	520	2,868
Other sectors of government	704	3,906	754	4,288
<b>Total Current Transfers</b>	<b>1,297</b>	<b>6,576</b>	<b>1,377</b>	<b>7,458</b>
<b>CAPITAL TRANSFERS</b>				
Local government	12	111	10	138
Private and not-for-profit sector	260	1,060	22	527
Other sectors of government	10	138	2	97
<b>Total Capital Transfers</b>	<b>282</b>	<b>1,308</b>	<b>34</b>	<b>763</b>
Total Public Sector				
	2021-22		2020-21	
	Three Months to 30 Sept \$m	Budget Estimate <sup>(b)</sup> \$m	Three Months to 30 Sept \$m	Actual <sup>(c)</sup> \$m
<b>CURRENT TRANSFERS</b>				
Local government	102	543	103	305
Private and not-for-profit sector	697	2,989	718	4,420
Other sectors of government	227	990	236	904
<b>Total Current Transfers</b>	<b>1,026</b>	<b>4,521</b>	<b>1,057</b>	<b>5,629</b>
<b>CAPITAL TRANSFERS</b>				
Local government	12	111	10	138
Private and not-for-profit sector	267	1,093	27	602
<b>Total Capital Transfers</b>	<b>279</b>	<b>1,204</b>	<b>37</b>	<b>741</b>

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

(c) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(d) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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.

For Western Australia's financial statements, there are only minor differences between Generally Accepted Accounting Practices and GFS at a general government and total public sector level.

With the adoption of AASB 16: *Leases*, the distinction between operating leases and finances leases that were measured under previous accounting standards has been removed. This distinction is maintained by the GFS framework. However, in the absence of a basis for measuring a distinction between these types of leases, the AASB 1049 balance sheet in this report includes operating leases as a State borrowing liability (where GFS would not). The value of this convergence difference is not able to be calculated.

#### NOTE 5: INVESTMENTS, LOANS AND PLACEMENTS

General Government				
	For the period ending			
	30 Sept 2021 \$m	30 June 2022 <sup>(a)</sup> \$m	30 Sept 2020 \$m	30 June 2021 <sup>(b)</sup> \$m
<i>Investments</i>				
Term deposits	2,231	2,901	2,611	2,100
Government securities	1	2	2	1
<b>Total</b>	<b>2,233</b>	<b>2,903</b>	<b>2,613</b>	<b>2,102</b>
<i>Loans and advances</i>				
Loans	3	14	3	3
Financial Assets held for trading/available for sale	-	-	-	-
<b>Total</b>	<b>3</b>	<b>15</b>	<b>4</b>	<b>3</b>
<b>Total</b>	<b>2,235</b>	<b>2,918</b>	<b>2,616</b>	<b>2,105</b>
Total Public Sector				
	For the period ending			
	30 Sept 2021 \$m	30 June 2022 <sup>(a)</sup> \$m	30 Sept 2020 \$m	30 June 2021 <sup>(b)</sup> \$m
<i>Investments</i>				
Term deposits	8,594	11,594	8,672	9,752
Government securities	1,941	2,725	3,009	3,390
<b>Total</b>	<b>10,534</b>	<b>14,319</b>	<b>11,681</b>	<b>13,143</b>
<i>Loans and advances</i>				
Loans	2,953	6,559	4,240	5,627
Financial Assets held for trading/available for sale	806	912	937	901
<b>Total</b>	<b>3,759</b>	<b>7,471</b>	<b>5,177</b>	<b>6,528</b>
<b>Total</b>	<b>14,293</b>	<b>21,790</b>	<b>16,858</b>	<b>19,670</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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

# NOTE 6: RECEIVABLES

General Government				
	For the period ending			
	30 Sept	30 June	30 Sept	30 June
	2021	2022 <sup>(a)</sup>	2020	2021 <sup>(b)</sup>
	\$m	\$m	\$m	\$m
Accounts Receivable	6,697	3,342	4,974	6,138
Provision for impairment of receivables	-189	-256	-252	-197
<b>Total</b>	<b>6,508</b>	<b>3,086</b>	<b>4,722</b>	<b>5,942</b>

Total Public Sector				
	For the period ending			
	30 Sept	30 June	30 Sept	30 June
	2021	2022 <sup>(a)</sup>	2020	2021 <sup>(b)</sup>
	\$m	\$m	\$m	\$m
Accounts Receivable	8,046	5,184	7,151	7,828
Provision for impairment of receivables	-347	-464	-406	-347
<b>Total</b>	<b>7,699</b>	<b>4,720</b>	<b>6,745</b>	<b>7,480</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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

# NOTE 7: BORROWINGS

General Government				
	For the period ending			
	30 Sept	30 June	30 Sept	30 June
	2021	2022 <sup>(a)</sup>	2020	2021 <sup>(b)</sup>
	\$m	\$m	\$m	\$m
Bank overdrafts	-	-	-	-
Finance leases	352	356	358	354
Lease liabilities	2,734	2,685	2,739	2,753
Service concession liabilities	4	-	-	5
Borrowings	26,093	25,539	26,100	26,097
<b>Total</b>	<b>29,183</b>	<b>28,581</b>	<b>29,196</b>	<b>29,209</b>

Total Public Sector				
	For the period ending			
	30 Sept	30 June	30 Sept	30 June
	2021	2022 <sup>(a)</sup>	2020	2021 <sup>(b)</sup>
	\$m	\$m	\$m	\$m
Bank overdrafts	-	-	-	-
Finance leases	352	553	714	354
Lease liabilities	3,445	3,485	3,500	3,474
Service concession liabilities	342	-	-	348
Borrowings	55,221	64,180	58,453	61,387
<b>Total</b>	<b>59,360</b>	<b>68,218</b>	<b>62,667</b>	<b>65,564</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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



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**NOTE 8: DETAILS OF AGENCIES CONSOLIDATED**


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The agencies included in these financial statements are detailed in Note 39: *Composition of Sectors* in the 2020-21 *Annual Report on State Finances*.

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**NOTE 9: CONTINGENT ASSETS AND LIABILITIES**


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***Claims by Mr Clive Palmer, Mineralogy and International Minerals***

A contingent liability for a legal dispute between Mineralogy Pty Ltd and International Minerals Pty Ltd, and the Western Australian Government was included in the 2020-21 ARSF.

The dispute related to a State Agreement originally made in 2002 and the subsequent impact of Ministerial decisions. The entities were claiming compensation of around \$28 billion (including interest penalties). However, legislation was enacted in 2020 which terminated the claims for compensation.

A constitutional challenge to the legislation brought by Mr Palmer and the entities was heard by the High Court in June 2021. On 13 October 2021, the High Court handed down its judgments in favour of the Western Australian Government.

Other actions commenced by Mineralogy and International Minerals in the Federal Court of Australia and in the Supreme Court of Queensland were adjourned pending the High Court outcome. The parties are currently liaising in relation to the next steps in these proceedings in light of the High Court's October decisions.

There have been no other material changes in the contingent assets and liabilities of the State since the 2020-21 *Annual Report on State Finances* disclosure.

## **2021-22 Quarterly Financial Results Report**

## 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.

Table 2.1

**GENERAL GOVERNMENT**  
**Operating Revenue**

	2021-22		2020-21	
	Three Months to 30 Sep \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sep \$m	Actual <sup>(b)</sup> \$m
<b>TAXATION</b>				
Taxes on employers' payroll and labour force				
<i>Payroll tax</i>	1,124	4,060	904	3,748
Property taxes				
<i>Land tax</i>	441	763	522	755
Transfer Duty	520	1,579	368	1,860
Foreign Buyers Surcharge	8	17	-	17
Landholder Duty	20	154	68	222
<i>Total duty on transfers</i>	548	1,750	435	2,099
Metropolitan Region Improvement Tax	34	84	54	84
Perth Parking Levy	16	56	15	53
Emergency Services Levy	98	372	128	354
Loan guarantee fees	33	144	33	141
Building and Construction Industry Training Fund Levy	9	32	9	46
<i>Total other property taxes</i>	190	688	239	679
Taxes on provision of goods and services				
Government Lotteries	38	170	48	191
Video lottery terminals	- <sup>(c)</sup>	- <sup>(c)</sup>	- <sup>(c)</sup>	- <sup>(c)</sup>
Casino Tax	13	52	16	55
Point of Consumption Tax	30	83	28	114
<i>Total taxes on gambling</i>	81	304	93	360
Insurance Duty	215	771	202	727
Other	5	20	5	20
<i>Total taxes on insurance</i>	220	791	207	747
<i>On-demand Transport Levy</i>	6	39	9	44
Taxes on use of goods and performance of activities				
Vehicle Licence Duty	145	397	115	514
Permits - Oversize Vehicles and Loads	3	8	2	10
Motor Vehicle registrations	285	1,090	274	1,048
Other Vehicle Taxes	10	28	10	36
<i>Total motor vehicle taxes</i>	442	1,522	401	1,607
<i>Mining Rehabilitation Levy</i>	38	35	35	35
<i>Landfill Levy</i>	20	83	20	79
<b>Total Taxation</b>	<b>3,111</b>	<b>10,035</b>	<b>2,865</b>	<b>10,153</b>
<b>CURRENT GRANTS AND SUBSIDIES</b>				
<i>General Purpose Grants</i>				
GST grants	791	3,304	635	3,006
Commonwealth-funded 70% floor	2,115	2,115	1,547	1,547
North West Shelf grants	167	664	57	425
Compensation for Commonwealth crude oil excise arrangements	5	27	3	18
<i>National Specific Purpose Payment Agreement Grants</i>				
National Agreement for Skills and Workforce Development	41	164	40	163
National Disability Agreement	-	-	-	1
National Housing and Homelessness Agreement	41	174	42	172
<i>National School Reform Agreement - Quality Schools</i>	238	1,021	215	925
<i>National Health Reform Agreement</i>	647	2,661	625	2,418
<i>Other Grants/National Partnerships</i>				
Health	112	280	67	358
Transport	32	95	- <sup>(c)</sup>	74
Disability Services	1	140	1	4
Other	52	250	64	309
<b>Total Current Grants and Subsidies</b>	<b>4,243</b>	<b>10,894</b>	<b>3,295</b>	<b>9,421</b>

Table 2.1 (cont.)

**GENERAL GOVERNMENT**  
Operating Revenue

	2021-22		2020-21	
	Three Months to 30 Sep \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sep \$m	Actual <sup>(b)</sup> \$m
<b>CAPITAL GRANTS</b>				
<i>Other Grants/National Partnerships</i>				
Transport	137	1,438	88	999
Other	80	687	2	133
<b>Total Capital Grants</b>	<b>217</b>	<b>2,125</b>	<b>89</b>	<b>1,131</b>
<b>SALES OF GOODS AND SERVICES</b>	<b>733</b>	<b>3,028</b>	<b>659</b>	<b>2,821</b>
<b>INTEREST INCOME</b>	<b>22</b>	<b>97</b>	<b>18</b>	<b>110</b>
<b>REVENUE FROM PUBLIC CORPORATIONS</b>				
Dividends	516	587	221	1,362
Tax Equivalent Regime	155	700	189	956
<b>Total Revenue from Public Corporations</b>	<b>671</b>	<b>1,287</b>	<b>410</b>	<b>2,319</b>
<b>ROYALTY INCOME</b>	<b>3,569</b>	<b>10,145</b>	<b>2,439</b>	<b>12,181</b>
<b>OTHER</b>				
Lease Rentals	67	115	38	132
Fines	57	204	47	204
Revenue not elsewhere counted	59	368	61	1,679
<b>Total Other</b>	<b>182</b>	<b>688</b>	<b>146</b>	<b>2,015</b>
<b>GRAND TOTAL</b>	<b>12,747</b>	<b>38,297</b>	<b>9,922</b>	<b>40,151</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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

Note: Columns may not add due to rounding.

Table 2.2

**TOTAL PUBLIC SECTOR**  
**Operating Revenue**

	2021-22		2020-21	
	Three Months to 30 Sep \$m	Budget Estimate <sup>(a)</sup> \$m	Three Months to 30 Sep \$m	Actual <sup>(b)</sup> \$m
<b>TAXATION</b>				
Taxes on employers' payroll and labour force				
<i>Payroll tax</i>	1,100	3,966	881	3,651
Property taxes				
<i>Land tax</i>	424	663	506	687
Transfer Duty	520	1,579	368	1,860
Foreign Buyers surcharge	8	17	-	17
Landholder Duty	20	154	68	222
<i>Total duty on transfers</i>	548	1,750	435	2,099
Metropolitan Region Improvement Tax	34	84	54	84
Perth Parking Levy	16	56	15	53
Emergency Services Levy	98	366	128	351
Loan guarantee fees	2	6	3	6
Building and Construction Industry Training Fund Levy	9	32	9	46
<i>Total other property taxes</i>	160	545	209	540
Taxes on provision of goods and services				
Video lottery terminals	- (c)	- (c)	- (c)	- (c)
Casino Tax	13	52	16	55
Point of Consumption tax	17	40	14	61
<i>Total taxes on gambling</i>	31	92	30	116
Insurance Duty	215	771	202	727
Other	5	20	5	20
<i>Total taxes on insurance</i>	220	791	207	747
<i>On-demand Transport Levy</i>	6	39	9	44
Taxes on use of goods and performance of activities				
Vehicle Licence Duty	145	397	115	514
Permits - Oversize Vehicles and Loads	3	8	2	10
Motor Vehicle registrations	285	1,090	274	1,048
Other Vehicle taxes	10	28	10	36
<i>Total motor vehicle taxes</i>	442	1,522	401	1,607
<i>Mining Rehabilitation Levy</i>	38	35	35	35
<i>Landfill Levy</i>	20	83	20	79
<b>Total Taxation</b>	<b>2,988</b>	<b>9,484</b>	<b>2,733</b>	<b>9,606</b>
<b>CURRENT GRANTS AND SUBSIDIES</b>				
<i>General Purpose Grants</i>				
GST grants	791	3,304	635	3,006
Commonwealth-funded 70% floor grant	2,115	2,115	1,547	1,547
North West Shelf grants	167	664	57	425
Compensation for Commonwealth crude oil excise arrangements	5	27	3	18
<i>National Specific Purpose Payment Agreement Grants</i>				
National Agreement for Skills and Workforce Development	41	164	40	163
National Disability Agreement	-	-	-	1
National Housing and Homelessness Agreement	41	174	42	172
<i>National School Reform Agreement Quality Schools</i>	238	1,021	215	925
<i>National Health Reform</i>	647	2,661	625	2,418
<i>Other Grants\National Partnerships</i>				
Health	112	280	67	358
Transport	32	95	- (c)	74
Disability Services	1	140	1	4
Other	52	250	64	309
<b>Total Current Grants and Subsidies</b>	<b>4,243</b>	<b>10,894</b>	<b>3,295</b>	<b>9,421</b>

Table 2.2 (cont.)

**TOTAL PUBLIC SECTOR**  
**Operating Revenue**

	2021-22		2020-21	
	Three Months to 30 Sep \$m	Estimated Outturn <sup>(a)</sup> \$m	Three Months to 30 Sep \$m	Actual <sup>(b)</sup> \$m
<b>CAPITAL GRANTS</b>				
<i>Other Grants/National Partnerships</i>				
Transport	137	1,438	88	999
Other	80	687	2	133
<b>Total Capital Grants</b>	<b>217</b>	<b>2,125</b>	<b>89</b>	<b>1,131</b>
<b>SALES OF GOODS AND SERVICES</b>	<b>9,412</b>	<b>38,385</b>	<b>11,702</b>	<b>41,171</b>
<b>INTEREST INCOME</b>	<b>104</b>	<b>543</b>	<b>122</b>	<b>478</b>
<b>ROYALTY INCOME</b>	<b>3,569</b>	<b>10,145</b>	<b>2,439</b>	<b>12,181</b>
<b>OTHER</b>				
Lease Rentals	67	115	38	132
Fines	57	204	48	204
Revenue not elsewhere counted	166	721	195	2,220
<b>Total Other</b>	<b>290</b>	<b>1,040</b>	<b>281</b>	<b>2,556</b>
<b>GRAND TOTAL</b>	<b>20,822</b>	<b>72,617</b>	<b>20,660</b>	<b>76,545</b>

(a) Consistent with the 2021-22 Budget estimates released on 9 September 2021.

(b) Consistent with final audited outcomes contained in the 2020-21 *Annual Report on State Finances*, released on 24 September 2021.

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

Note: Columns may not add due to rounding.





## 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 Special Purpose Accounts, the total of these accounts form the Public Bank Account.

Table 3.1

PUBLIC LEDGER BALANCES AT 30 SEPTEMBER			
	2021 \$m	2020 \$m	Variance \$m
<b>THE PUBLIC LEDGER</b>			
Consolidated Account <sup>(a)(b)</sup>	-16,720	-17,924	1,204
Treasurer's Special Purpose Accounts	19,023	17,404	1,620
Treasurer's Advance Account – Net Advances and Overdraw n Trusts	-9	-8	-1
<b>TOTAL</b>	<b>2,295</b>	<b>-529</b>	<b>2,824</b>
Agency Special Purpose Accounts	7,814	7,176	638
<b>TOTAL PUBLIC BANK ACCOUNT</b>	<b>10,108</b>	<b>6,647</b>	<b>3,462</b>

(a) The balance of the Consolidated Account at 30 September 2021 includes non-cash appropriations of \$16,048 million (30 September 2020: \$14,662 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 was in a deficit position of \$672 million at 30 September 2021 (compared with a restated deficit position of \$3,263 million at 30 September 2020).

(b) The balance of the Consolidated Account at 30 September 2020 has been restated by \$49.3 million to reflect the cumulative impact of accounting entries associated with the 2009-10 and 2012-13 payroll tax rebate schemes for small businesses (brought to book in the 2020-21 Annual Report on State Finances).

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

## Consolidated Account

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

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

## 2021-22 Quarterly Financial Results Report

The Consolidated Account was in an accrued deficit position of \$16,720 million at 30 September 2021, a \$1,204 million reduction on the accumulated deficit at 30 September 2020. This included a \$1,386 million increase in accrual (non-cash) appropriations for depreciation and leave entitlements (which totalled \$16,048 million at 30 September 2021), matched by equivalent non-cash balances in agency Holding Accounts (which are held as Treasurer's Special Purpose Accounts).

In cash terms, the Consolidated Account had a deficit balance of \$672 million at 30 September 2021, a \$2,590 million reduction on the \$3,263 million cash deficit at 30 September 2020.

Total proceeds from gross borrowings (i.e. excluding repayments of borrowings) stood at \$27.5 billion at 30 September 2021 which remains below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding Loan Acts<sup>1</sup>.

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<sup>1</sup> Proceeds of borrowings by the Consolidated Account (i.e. gross borrowings excluding debt repayments) cannot exceed the cumulative limit authorised by the Loan Acts.

Table 3.2

**CONSOLIDATED ACCOUNT TRANSACTIONS <sup>(a)</sup>**  
For the three months ended 30 September

	2021 \$m	2020 \$m	Variance \$m
<b>REVENUE</b>			
<i>Operating Activities</i>			
Taxation	2,092	1,597	494
Commonwealth grants <sup>(b)</sup>	3,125	2,269	856
Government enterprises	196	401	-205
Revenue from other agencies	4,221	2,606	1,615
Other receipts <sup>(b)</sup>	81	93	-12
<b>Total Operating Activities</b>	<b>9,714</b>	<b>6,966</b>	<b>2,748</b>
<i>Financing Activities</i>			
Repayments of recoverable advances	- (c)	- (c)	- (c)
Transfers from the Debt Reduction Account	-	-	-
Borrowings	-	150	-150
Other receipts	- (c)	6	-6
<b>Total Financing Activities</b>	<b>- (c)</b>	<b>156</b>	<b>-156</b>
<b>TOTAL REVENUE</b>	<b>9,715</b>	<b>7,123</b>	<b>2,592</b>
<b>EXPENDITURE</b>			
<i>Recurrent</i>			
Authorised by other statutes	849	686	163
Appropriation Act (No. 1)	6,959	6,031	928
Recurrent expenditure under the Treasurer's Advance	-	-	-
<b>Total Recurrent Expenditure</b>	<b>7,808</b>	<b>6,716</b>	<b>1,092</b>
<i>Investing Activities</i>			
Authorised by other statutes	167	107	61
Appropriation Act (No. 2)	329	634	-305
Investing expenditure under the Treasurer's Advance	-	-	-
<b>Total Investing Activities</b>	<b>496</b>	<b>740</b>	<b>-244</b>
<i>Financing Activities</i>			
Loan repayments	-	-	-
Appropriation Act (No. 2)	-	-	-
Other financing	-	6	-6
<b>Total Financing Activities</b>	<b>-</b>	<b>6</b>	<b>-6</b>
<b>TOTAL EXPENDITURE</b>	<b>8,304</b>	<b>7,463</b>	<b>842</b>
<b>NET MOVEMENT (REVENUE LESS EXPENDITURE)</b>	<b>1,410</b>	<b>-340</b>	<b>1,751</b>
<b>Consolidated Account Balance</b>			
Opening balance at 1 July	-18,130	-17,584	-546
Closing balance at 30 September	-16,720	-17,924	1,204
Of which:			
Appropriations payable	-16,048	-14,662	-1,386
Cash balance at 30 September	-672	-3,263	2,590

(a) Opening and closing balances of the Consolidated Account for the 2020-21 year have been restated by \$49.3 million to reflect the cumulative impact of accounting entries associated with the 2009-10 and 2012-13 payroll tax rebate schemes for small businesses (brought to book in the 2020-21 Annual Report on State Finances).

(b) Receipts of transport-related National Partnership funding and Commonwealth legal assistance receipts have been reclassified from 'other' receipts to Commonwealth grants in September 2020 comparative data.

(c) 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.

At 30 September 2021, aggregate TSPA balances were \$1,620 million higher than at the same time last year. This mainly reflects:

- higher Holding Account balances for non-cash accrual appropriations to agencies for depreciation and accrued leave entitlements (up \$1,386 million);
- an increase in the balance of the Western Australian Future Health Research and Innovation Fund reflecting appropriation of 1% of forecast annual royalty receipts (\$101.4 million) and interest earnings on the balance of the Fund over the last 12 months (\$32.6 million), partly offset by the transfer of \$32.4 million to the Western Australian Future Health Research and Innovation Account (see Appendix 4 for further information);
- a \$59 million reduction in the National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account, reflecting payments for redress scheme claims, and for civil litigation costs incurred by State agencies;
- 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 \$52 million); and
- a \$49 million increase in Commonwealth Grants for Specific Purposes relating to funding received from the Commonwealth under the National Partnership on COVID-19 Response, which partially funds expenditure incurred by non-health State agencies managing the COVID-19 response.

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

	2021 \$m	2020 \$m	Variance \$m
Agency Holding Accounts	16,048	14,662	1,386
Western Australian Future Health Research and Innovation Fund	1,570	1,385	185
National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account	77	136	-59
Agency 27th Pay Accounts	250	198	52
Commonwealth Grants for Specific Purposes	65	16	49
Royalties for Regions Fund	873	908	-35
Other Treasurer's Special Purpose Accounts	142	99	42
<b>TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 30 SEPTEMBER</b>	<b>19,023</b>	<b>17,404</b>	<b>1,620</b>

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

## Treasurer's Advance

The Treasurer's Advance allows for repayable advances to agencies for working capital purposes (known as 'net recoverable advances'), a short-term advance for any overdrawn agency 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 \$820.5 million is authorised under section 29 of the FMA for the year ended 30 June 2022, compared with the original \$688.8 million authorised limit that applied at the same time last year<sup>2</sup>.

Table 3.4

**TREASURER'S ADVANCE AT 30 SEPTEMBER**

	2021 \$m	2020 \$m	Variance \$m
<b>AUTHORISED LIMIT</b>	<b>820.5</b>	<b>688.8</b>	<b>131.7</b>
<i>Total Drawn Against Treasurer's Advance Account</i>	<i>8.8</i>	<i>8.0</i>	<i>0.8</i>
Comprising:			
Net recoverable advances			
Petroleum and Geothermal Energy Safety	2.0	2.0	-
Western Australian Energy Disputes Arbitrator	0.2	-	0.2
Sport and Recreation	1.0	1.0	-(a)
Suits Fund	2.5	2.5	-
Sundry Debtors	3.1	2.5	0.6
Overdraw n Special Purpose Accounts	-	-	-
Excesses and new items			
- recurrent	-	-	-
- capital	-	-	-

(a) Amount less than \$50,000.

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

<sup>2</sup> The annual limit authorised by the FMA cannot exceed 3% of the total amount appropriated for the previous financial year by the Appropriation Acts.

## **Transfers, Excesses and New Items**

Reflecting the timing of the 2021-22 Budget (which was released on 9 September 2021), no transfers of appropriation between agencies, excesses or new items impacting appropriations occurred in the September 2021 quarter.

## 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 2021 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 2021 and which had material balances<sup>1</sup>. 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. Reflecting the later timing of the 2021-22 Budget (which was deferred to September 2021 as a result of the timing of the March 2021 State election) and the need to preserve the availability of funding authorised by the *Supply Act 2021*, transactions through this account have been scheduled to later in 2021-22 (following the passage of the 2021-22 Appropriation Bills).

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<sup>1</sup> The 2021-22 Budget included the establishment of a number of new SPAs to deliver Government policy outcomes. The establishment of these accounts and associated receipts and payments is dependent on the passage of the 2021-22 Budget Appropriation Bills. With the Bills expected to be passed during the December 2021 quarter, these new SPAs were either not in place at 30 September 2021 or yet to record any transactions. Accordingly, there are no disclosures in this quarterly report for the Climate Action Fund, Digital Capability Fund, Social Housing Investment Fund, Softwood Plantation Expansion Fund, Westport Account, and Women and Newborn Health Service Relocation Account.

Table 4.1

**DEBT REDUCTION ACCOUNT**  
At 30 September

	2021 \$m	2020 \$m
<i>Balance at 1 July</i>	-	-
Receipts	-	-
Payments	-	-
<b>Closing Balance</b>	-	-

Note: Columns may not add due to rounding.

## METRONET Account

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

Receipts for the three months ending 30 September 2021 reflect capital appropriation of \$131.7 million for METRONET projects and an operating subsidy of \$0.7 million for the METRONET Office. Funds totalling \$199.4 million were drawn for transport infrastructure planning and delivery, and for METRONET Office operating costs (\$0.4 million).

Table 4.2

**METRONET ACCOUNT**  
At 30 September

	2021 \$m	2020 \$m
<i>Balance at 1 July</i>	432	527
Receipts	132	69
Payments	200	84
<b>Closing Balance</b>	<b>364</b>	<b>512</b>

Note: Columns may not add due to rounding.

## METRONET Roads Account

This SPA was established in December 2018 to hold funds for road works associated with METRONET, including projects under development.

In line with timing in 2020-21, receipts are expected to be paid into the account later in the financial year. Funds totalling \$0.8 million were drawn for the Lakelands Station project.



**METRONET ROADS ACCOUNT**

Table 4.3

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	106	72
Receipts	-	-
Payments	1	-
<b>Closing Balance</b>	<b>105</b>	<b>72</b>

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 2021 mainly reflect MRIT collections (\$21.5 million), rental revenue (\$1.9 million), proceeds from the sale of land and buildings (\$1.3 million) and interest revenue (\$0.4 million). Payments from the account were for METRONET Yanchep Rail Extension infrastructure works (\$70 million), acquisition of land and buildings (\$8.4 million), service delivery costs associated with the Metropolitan Region Improvement Fund (\$2.9 million), compensation to landowners for compulsory property acquisitions (\$1.5 million) and funding for a range of smaller infrastructure projects (0.5 million).

**METROPOLITAN REGION IMPROVEMENT ACCOUNT**

Table 4.4

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	443	434
Receipts	26	27
Payments	83	32
<b>Closing Balance</b>	<b>385</b>	<b>430</b>

Note: Columns may not add due to rounding.

**Mining Rehabilitation Fund**

The Mining Rehabilitation Fund was established in July 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*. Receipts for the September 2021 quarter reflect levy contributions by mining operators (\$38 million). Payments for the quarter were for administration costs (\$0.2 million) and rehabilitation costs (\$0.1 million).

Table 4.5

**MINING REHABILITATION FUND**

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	219	185
Receipts	38	35
Payments	– (a)	– (a)
<b>Closing Balance</b>	<b>256</b>	<b>219</b>

(a) Amounts 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.

No funds were drawn in the three months ended in September 2021.

Table 4.6

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

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	77	141
Receipts	–	–
Payments	–	5
<b>Closing Balance</b>	<b>77</b>	<b>136</b>

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 4.7

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	165	131
Receipts	16	14
Payments	– (a)	– (a)
<b>Closing Balance</b>	<b>180</b>	<b>145</b>

(a) Amounts 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 2021.

## PERTH STADIUM ACCOUNT

Table 4.8

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	23	12
Receipts	–	–
Payments	–	–
<b>Closing Balance</b>	<b>23</b>	<b>12</b>

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 2021 quarter mainly reflect collections from prescribed penalties (\$26.2 million).

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

- reduce crashes on regional roads by applying treatments such as shoulder sealing, audible edge lines and installing safety barriers, and by improving intersection infrastructure (\$3.7 million); and
- reduce the number and rate at which vulnerable road users are killed and seriously injured from impaired driving (\$2.5 million).

A total of \$3.4 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 the Infringement Management Reform Program).

Table 4.9

**ROAD TRAUMA TRUST ACCOUNT**

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	43	54
Receipts	26	22
Payments	10	10
<b>Closing Balance</b>	<b>59</b>	<b>66</b>

Note: Columns may not add due to rounding.

**Royalties for Regions Fund**

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

Receipts during the September 2021 quarter reflect interest revenue earned on the account balance (\$0.6 million), and unused funds from Royalties for Regions projects returned to the Fund by agencies (\$1 million). A total of \$128.6 million was disbursed from the Fund to support infrastructure, business and economic development and other regional initiatives (detailed in Chapter 7 of the 2021-22 Budget Paper No. 3).

Table 4.10

**ROYALTIES FOR REGIONS FUND**

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	1,000	1,000
Receipts	2	1
Payments	129	93
<b>Closing Balance</b>	<b>873</b>	<b>908</b>

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. The Department of Communities returned almost \$0.5 million in unspent funding relating to the Regional Services Reform Unit which was established as part of the regional and remote human services and infrastructure strategy.

### ROYALITIES FOR REGIONS REGIONAL REFORM FUND

Table 4.11

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i>	57	69
Receipts	– (a)	–
Payments	–	–
<b>Closing Balance</b>	<b>58</b>	<b>69</b>

(a) Amounts below \$500,000.

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.

Receipts totalling \$9.1 million were paid into the account in July 2021. This included \$5.2 million in Landfill Levy collections allocated to the account by Ministerial determination under the Act, and a \$3.9 million loan repayment from Western Australian Return Recycle Renew Ltd. Drawdowns totalling \$2.6 million were made for waste programs and the payment of administration costs incurred by the Department of Water and Environmental Regulation.

### WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

Table 4.12

At 30 September

	2021	2020
	\$m	\$m
<i>Balance at 1 July</i> <sup>(a)</sup>	29	40
Receipts	9	5
Payments	3	20
<b>Closing Balance</b>	<b>36</b>	<b>26</b>

(a) The closing balance of \$29 million at 30 June 2021 (opening balance at 1 July) has been restated from the \$30 million (reported in the 2020-21 *Annual Report on State Finances*). The restatement incorporates a correction to the rounding of the closing balance at 30 June 2021.

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.

Receipts of \$110 million in the three months to 30 September 2021 included the Consolidated Account's annual contribution equivalent to 1% annual forecast royalty revenue of \$101.4 million and interest receipts of \$8.7 million.

Table 4.13

### WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION FUND <sup>(a)</sup>

At 30 September

	2021	2020
	\$m	\$m
Balance at 1 July	1,492	1,408
Receipts	110	11
Payments	32	34
<b>Closing Balance</b>	<b>1,570</b>	<b>1,385</b>

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

Note: Columns may not add due to rounding.

The Western Australian Future Health Research and Innovation Account received \$32.4 million from the Future Health Research and Innovation Fund and \$22,645 from interest in the first quarter of 2021-22. Grant payments of almost \$0.4 million were drawn in the three months to 30 September 2021.

Table 4.14

### WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION ACCOUNT <sup>(a)</sup>

At 30 September

	2021	2020
	\$m	\$m
Balance at 1 July	15	-
Receipts	32	34
Payments	- (a)	-
<b>Closing Balance</b>	<b>47</b>	<b>34</b>

(a) Amounts below \$500,000.

Note: Columns may not add due to rounding.

# General Government Salaries

## Introduction

Salaries represent the single largest component of general government sector expenses (42% for September 2021, or 46% if concurrent superannuation costs are also included).

General government salaries totalled \$3,512 million in the first three months of 2021-22 (an increase of 5.8% compared to the same period in the prior year). This includes increases in salary rates under industrial agreements and higher workforce numbers, particularly in health and education (these two agencies account for 67% of the general government salaries costs in the September quarter).

The following table summarises salaries outcomes for general government agencies for the three months to 30 September 2021.

Table 5.1

**SALARIES COSTS**  
General Government Sector

	2021-22		2020-21	
	Three Months to 30 Sep \$m	Budget Estimate \$m	Three Months to 30 Sep \$m	Actual \$m
Health	1,356	5,074	1,252	5,101
Education	981	3,862	936	3,732
Western Australia Police Force	259	1,024	249	1,012
Justice	195	719	192	765
Communities	131	540	144	564
Fire and Emergency Services	51	204	45	203
Primary Industries and Regional Development	46	187	37	181
Mines, Industry Regulation and Safety	44	170	44	171
Biodiversity, Conservation and Attractions	43	205	42	196
Transport	35	146	34	135
North Metropolitan TAFE	31	121	29	117
South Metropolitan TAFE	30	113	25	116
Finance	29	120	27	108
Premier and Cabinet	23	93	22	93
Water and Environmental Regulation	23	100	24	90
Planning, Lands and Heritage	22	90	22	87
Local Government, Sport and Cultural Industries	22	98	21	88
Commissioner of Main Roads	21	61	20	68
WA Sports Centre Trust (Venues West)	16	45	9	42
Land Information Authority (Landgate)	12	50	13	48
Training and Workforce Development	11	48	11	45
South Regional TAFE	11	38	9	41
Mental Health Commission	11	44	10	39
Jobs, Tourism, Science and Innovation	10	45	9	40
Legal Aid Commission of Western Australia	10	41	9	35
Central Regional TAFE	9	35	8	36
Office of the Director of Public Prosecutions	9	36	8	36
North Regional TAFE	9	37	8	32
Treasury	8	33	8	32
Office of the Auditor General	6	21	4	19
Legislative Assembly	6	23	6	24
Public Sector Commission	4	18	4	17
Legislative Council	4	16	4	17
Corruption and Crime Commission	4	16	4	16
Chemistry Centre (WA)	4	14	3	14
WorkCover WA Authority	3	14	3	13
Parliamentary Services Dept	3	11	2	10
Western Australian Electoral Commission	3	5	1	11
All other agencies (with annual salaries costs below \$10 million)	18	104	19	75
Provisions <sup>(a)</sup>	-	357	-	-
<b>Total salaries</b>	<b>3,512</b>	<b>13,977</b>	<b>3,319</b>	<b>13,469</b>

(a) The 2021-22 Budget included a provision for salary costs as part of the \$800 million general government recurrent spending provision (detailed in Chapter 5 of the 2021-22 Budget Paper No. 3).

Note: Columns may not add due to rounding.



