

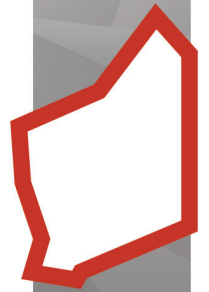


GOVERNMENT OF
WESTERN AUSTRALIA

2018-19

QUARTERLY FINANCIAL RESULTS REPORT

MARCH 2019





2018-19

Quarterly Financial Results Report

March 2019

2018-19 Quarterly Financial Results Report
© Government of Western Australia 2019

Enquiries related to this report should be directed by email to info@treasury.wa.gov.au

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)

2018-19

Quarterly Financial Results Report

Nine Months Ended 31 March 2019

Table of Contents

Foreword	i
Statement of Responsibility	ii
Overview	1
Summary.....	1
Results Compared to Prior Year.....	3
General Government Sector	3
Total Public Sector.....	11
Appendix 1: Interim Financial Statements	15
Introduction	15
Notes to the Interim Financial Statements	25
Appendix 2: Operating Revenue	33
Appendix 3: Public Ledger	39
Consolidated Account.....	39
Treasurer's Special Purpose Accounts.....	42
Treasurer's Advance	43
Transfers, Excesses and New Items	44
Appendix 4: Special Purpose Accounts	49
Appendix 5: General Government Salaries	59

Foreword

This *Quarterly Financial Results Report* (QFRR) provides financial results for the Western Australian public sector for the nine months to 31 March 2019.

Care should be exercised in extrapolating the likely outcome for the 2018-19 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 2018-19 State Budget (presented to the Legislative Assembly on 10 May 2018). The 2019-20 Budget presentation included the backcast implementation of the new accounting standards (that take effect for reporting periods commencing on or after 1 January 2019). However, Note 9 to the projected financial statements in Appendix 1 of the 2019-20 Budget Paper No. 3: *Economic and Fiscal Outlook* presents estimated outturn information for 2018-19 that is also comparable with the presentation in this quarterly and in the original 2018-19 Budget.

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 financial statements in Appendix 1 and details of operating revenue in Appendix 2, this report includes:

- 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 interim salaries spending by general government sector agencies.

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 and nine months ended 31 March 2019, and of the balance sheets of these reporting entities at 31 March 2019. 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

28 May 2019

Overview

Summary

The general government sector recorded an operating surplus of \$62 million for the nine months to 31 March 2019, a substantial \$1,347 million turnaround on the \$1,285 million operating deficit reported for the same period in 2017-18.

- General government revenue for the first nine months of 2018-19 was \$1,697 million (or 8.1%) higher than the same period last year. This growth mainly reflects higher Commonwealth funding (up \$1,407 million) and higher royalty revenue (up \$486 million), partially offset by lower dividends from public corporations (down \$488 million).
- General government expenses were \$350 million (or 1.6%) higher than the March 2018 outcome. This increase reflects higher current and capital transfers (up \$204 million, mainly due to an additional one-off payment for the National Partnership Remote Housing program, funded by higher Commonwealth grants), higher depreciation costs (up \$97 million) and higher services and contract expenses (up \$81 million). These increases were partially offset by lower 'other' gross operating expenses (down \$120 million).

Total public sector net debt was \$34.9 billion at 31 March 2019, \$310 million higher than the \$34.6 billion outcome recorded at 30 June 2018. This marks a significant slowdown in the rate of growth in net debt relative to recent years, and suggests that the level of net debt is very close to peaking. In addition, \$241.7 million of centrally held debt was repaid in the March 2019 quarter through the Debt Reduction Account.

2018-19 Quarterly Financial Results Report

The following table summarises the key financial outcomes for the Western Australian public sector discussed in this report.

KEY BUDGET AGGREGATES							Table 1
March Outcomes							
	2018-19			2017-18			
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m	
GENERAL GOVERNMENT SECTOR							
Net Operating Balance (\$m)	-20	62	466	-584	-1,285	-618	
Revenue (\$m)	7,441	22,545	31,471	6,873	20,848	29,332	
Revenue Growth (%)	8.3	8.1	7.3	2.4	4.8	9.0	
Expenses (\$m)	7,461	22,483	31,005	7,457	22,133	29,949	
Expense Growth (%)	0.1	1.6	3.5	3.6	1.4	1.9	
Net Debt (\$m)		23,190	23,404		22,071	21,737	
General Government Net Debt as a Share of Total Public Sector Net Debt (%)		66.4	64.5		64.1	62.8	
TOTAL PUBLIC SECTOR							
Net Debt (\$m)		34,915	36,281		34,454	34,606	
Asset Investment Program (\$m)	953	3,348	5,519	1,035	3,582	5,052	
Cash Surplus/-Deficit (\$m)	526	-388	-1,720	-291	-2,707	-3,007	

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: *2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards*), released on 9 May 2019. The estimated outturn of \$466 million for the general government net operating balance is on the basis of existing accounting standards and is equivalent to the 'headline' \$553 million estimated outturn included in the recent 2019-20 Budget on the basis of new accounting standards applying to reporting periods commencing on or after 1 January 2019.

(b) Consistent with final audited data contained in the *2017-18 Annual Report on State Finances*, released 26 September 2018.

Results Compared to Prior Year

General Government Sector

The general government sector recorded an operating surplus of \$62 million for the nine months to 31 March 2019, a \$1,347 million turnaround on the \$1,285 million deficit reported for the same period in 2017-18.

Table 2

SUMMARY OF GENERAL GOVERNMENT SECTOR FINANCES Western Australia

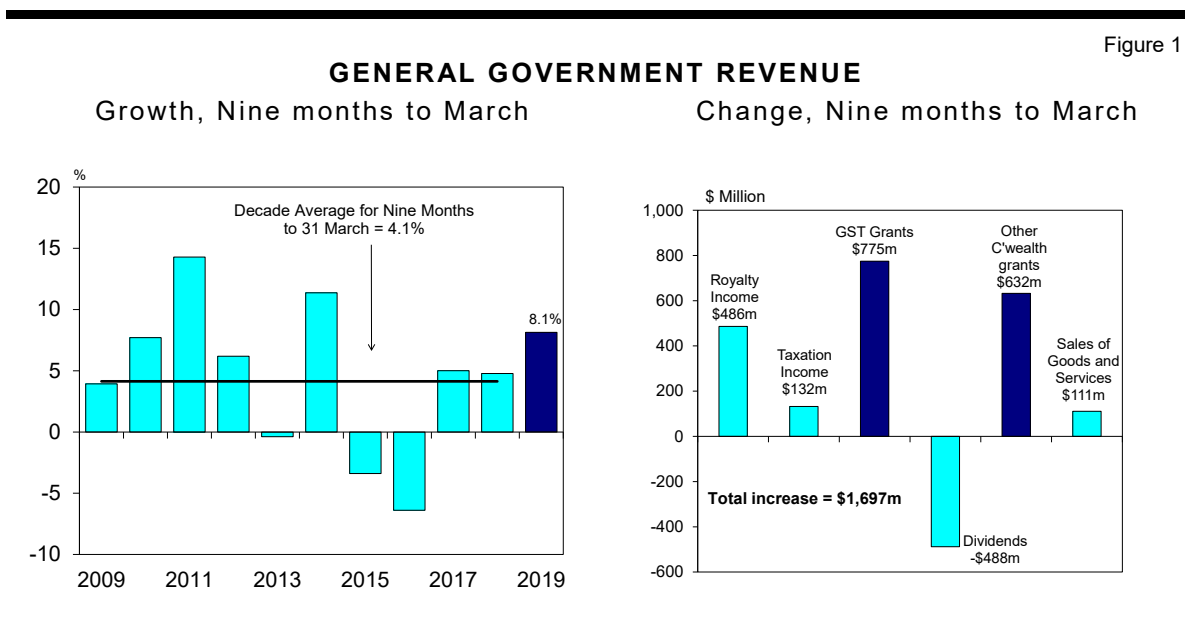
	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
Net operating balance	-20	62	466	-584	-1,285	-618
Net worth		102,264	103,000		103,584	103,236
Movement in cash balances	-209	-1,389	-2,084	-523	856	1,521
<i>Memorandum items</i>						
Net lending	-132	-436	-516	-1,189	-2,450	-2,141
Net debt		23,190	23,404		22,071	21,737
Cash surplus/-deficit	183	-787	-1,104	-417	-2,464	-1,958

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: *2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards*), released on 9 May 2019. The estimated outturn of \$466 million for the general government net operating balance is on the basis of existing accounting standards and is equivalent to the 'headline' \$553 million estimated outturn included in the recent 2019-20 Budget on the basis of new accounting standards applying to reporting periods commencing on or after 1 January 2019.

(b) Consistent with final audited data contained in the 2017-18 *Annual Report on State Finances*, released 26 September 2018.

Revenue

Revenue for the nine months to 31 March 2019 totalled \$22,545 million, \$1,697 million (or 8.1%) higher than the same period last year.



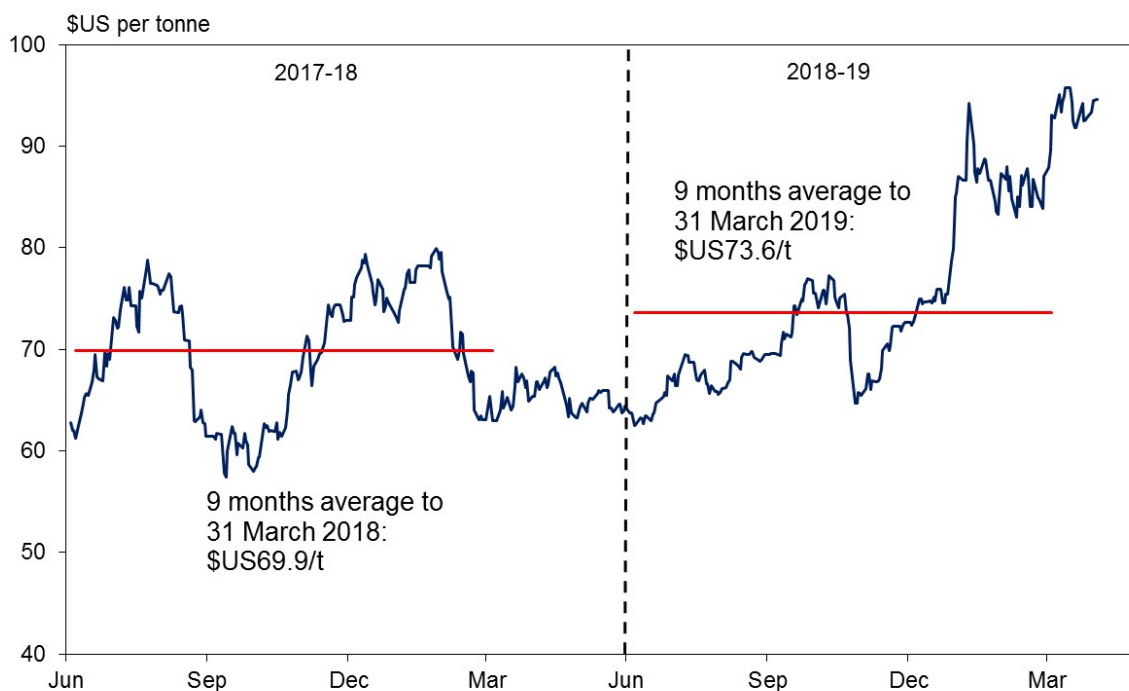
The higher revenue outcome for the nine months to 31 March 2019 primarily reflects the net impact of:

- higher Commonwealth funding (up \$1,407 million), mainly due to the net effect of:
 - higher GST grants (up \$775 million), due to an increase in the pool of national collections and Western Australia receiving a larger population share of those collections in 2018-19 (47.3%) compared with 2017-18 (34.4%);
 - higher transport grants (up \$224 million), reflecting the achievement of milestones for various projects under the Commonwealth’s Infrastructure Investment program;
 - higher North West Shelf petroleum grants (up \$203 million), primarily due to higher oil and gas prices, higher volumes for condensate, and the lower \$US/\$A exchange rate, partially offset by lower prices for domestic gas and lower volumes for LNG, domestic gas, oil and LPG;
 - higher capital grants for housing (up \$203 million), with 2017-18 funding for the National Partnership on Remote Housing delayed to 2018-19;
 - the discontinuance of funding for the Commonwealth’s Home and Community Care program (down \$129 million), reflecting the transition into the Commonwealth-run National Disability Insurance Scheme (NDIS) from this year; and
 - higher funding for non-government schools (up \$66 million), mainly due to higher enrolment numbers and indexation;

- lower dividend income (down \$488 million), mainly due to the timing of the declaration of interim dividends in 2017-18 for Western Power and the Pilbara Ports Authority, and payment of special dividends by the Insurance Commission of Western Australia and Synergy in 2017-18;
- higher royalty income (up \$486 million), largely due to a higher iron ore price and a weaker \$US/\$A exchange rate, partially offset by reduced export volumes:
 - the benchmark iron ore price averaged \$US73.6 per tonne in the nine months to 31 March 2019, which was 5.3% higher than the average price in the same period in 2017-18 (\$US69.9 per tonne);
 - the \$US/\$A exchange rate averaged US72.0 cents in the nine months to March 2019, which was 7.8% below the average for the corresponding period a year prior (US78.1 cents); and
 - iron ore export volumes in the nine months to March 2019 were 3.5% lower than the same period last year;

IRON ORE PRICE

Figure 2

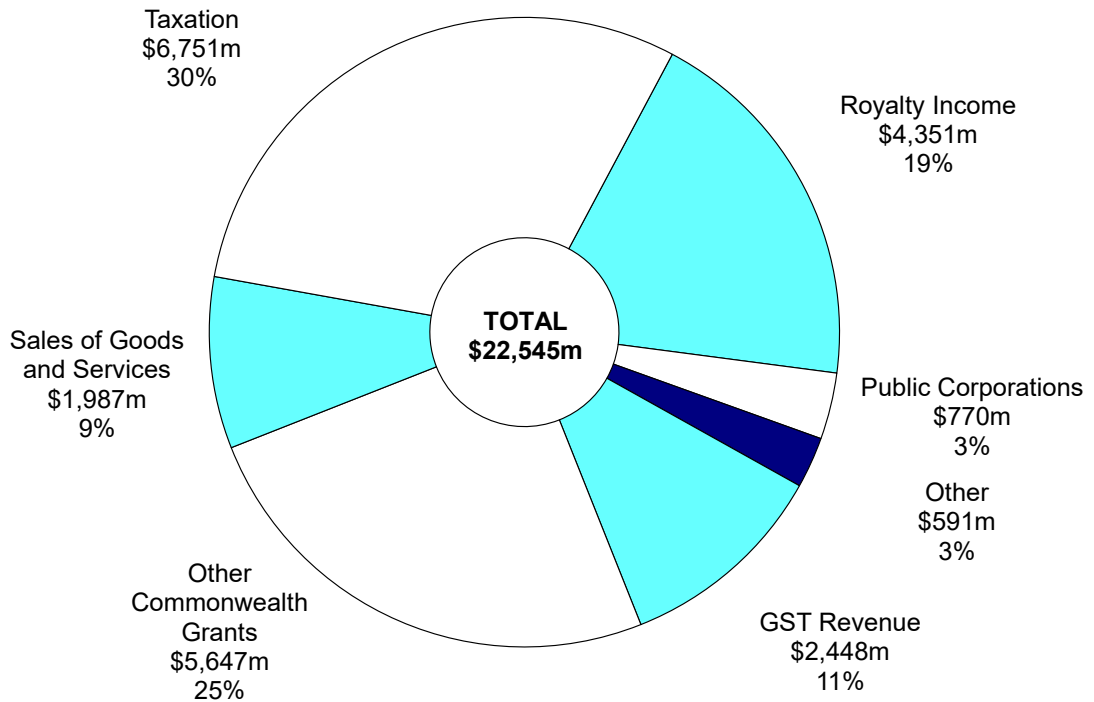


2018-19 Quarterly Financial Results Report

- higher tax collections (up \$132 million), largely due to the combination of:
 - higher payroll tax (up \$208 million), as a result of the temporary payroll tax scale change introduced from 1 July 2018 and a recovery in underlying payroll collections in some of the larger industries including mining and professional, scientific and technical services;
 - lower transfer duty (down \$127 million), primarily reflecting a weaker residential housing market, in part owing to tighter credit conditions;
 - lower landholder duty (down \$79 million), mainly due to fewer high value commercial landholder transactions in the nine months to March 2019 compared to the same period last year;
 - higher motor vehicle taxes (up \$47 million), mostly due to the increase in licence fees for light and heavy vehicles in the 2018-19 Budget and an increase in vehicle registrations;
 - higher Emergency Services Levy collections (up \$32 million), mainly due to approved levy increases in the 2018-19 Budget to fund new initiatives such as the Rural Fire Service of Excellence, Equalisation of Volunteer Marine Rescue Services, South West Emergency Helicopter program, and capital works replacement by the Department of Fire and Emergency Services;
 - lower land tax (down \$31 million), largely due to a decline in taxable land values relative to 2017-18;
 - higher tax collected on lottery revenue (up \$22 million), resulting from higher Lotterywest sales revenue;
 - higher landfill levy collections (up \$21 million), mainly reflecting timing issues; and
 - higher insurance duty (up \$21 million), due to increases in insurance product prices and recovering insurance sales over the period ended 31 March 2019; and
- higher sales of goods and services (up \$111 million), largely reflecting income generated by Optus Stadium following the commencement of operations in January 2018 and higher race betting levy revenue, mainly due to amendments to the *Racing Bets Levy Regulations 2009*, which came into effect on 1 August 2018, coupled with an increase in wagering turnover on Western Australian racing.

Figure 3

GENERAL GOVERNMENT REVENUE^(a)
Nine months to 31 March 2019

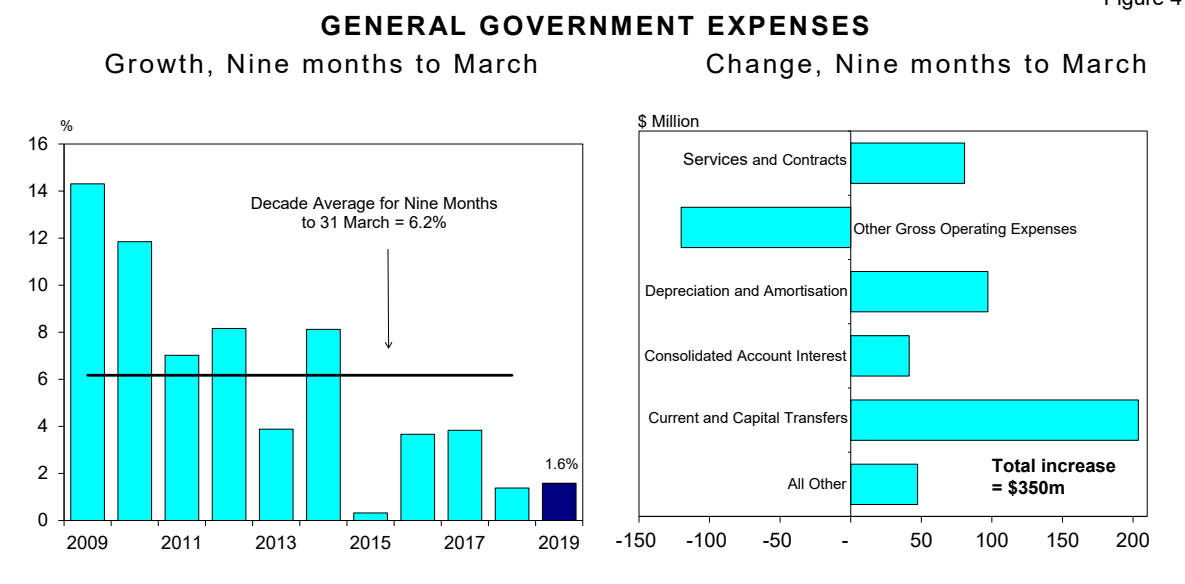


(a) Segments may not add due to rounding.

Expenses

Expenses for the nine months to 31 March 2019 totalled \$22,483 million, up \$350 million (or 1.6%) on the same period in 2017-18.

Figure 4



The increase in spending for the nine months to 31 March 2019, compared with the same period last year, is mainly due to the net effect of:

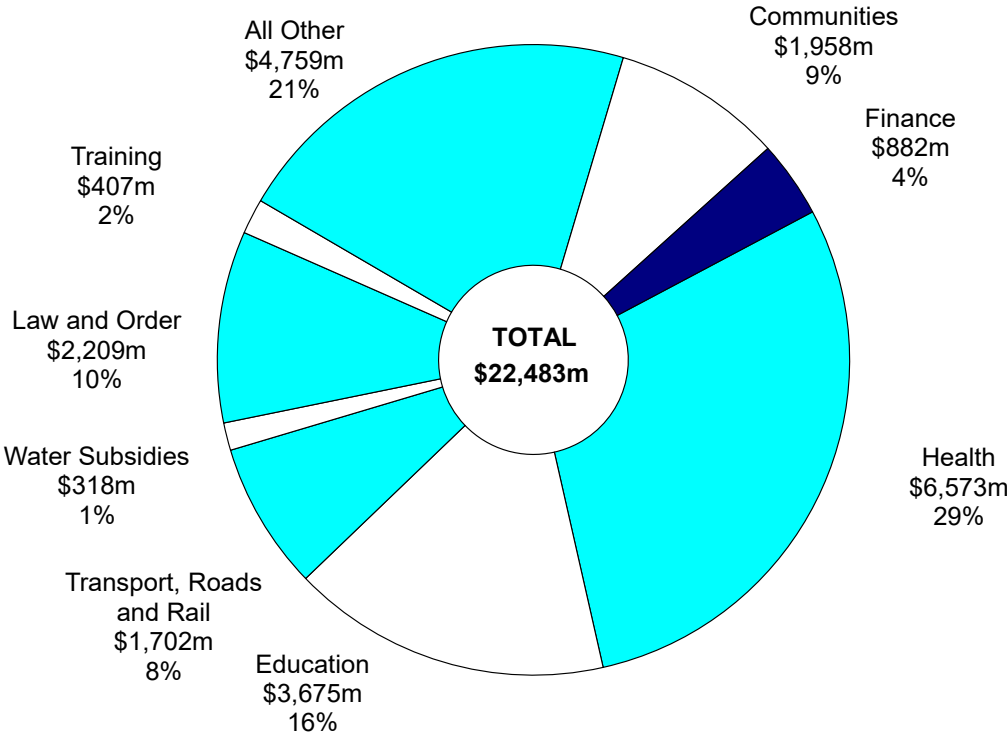
- higher current and capital transfers (up \$204 million), mainly due to the combined effect of:
 - higher on-passed Commonwealth grants for housing (up \$203 million), due to an additional one-off payment after the completion of the National Partnership Remote Housing program;
 - lower operating subsidies to Synergy (down \$88 million), reflecting the State Government’s 2017-18 Budget decision to cease the Tariff Adjustment Payment from 2018-19;
 - higher on-passed non-government school grants (up \$66 million), due to increased enrolment numbers and annual indexation (noted earlier);
 - higher grant payments incurred by Main Roads (up \$44 million), mainly to reimburse local government for work on flood damaged roads; and
 - lower First Home Owner Grants (down \$32 million), due to weaker first home buyer demand in part owing to tighter credit conditions;

- lower ‘other’ gross operating expenses (down \$120 million), reflecting spending changes as a result of the transition to the Commonwealth-run NDIS;
- higher depreciation and amortisation costs (up \$97 million), mainly due to the commissioning of the Perth Children’s Hospital and the Optus Stadium, and higher infrastructure assets for Main Roads; and
- higher services and contracts (up \$81 million), largely due to the inclusion of full-year contract costs for the Optus Stadium following the commencement of operations in January 2018, and higher private sector contract costs for the health sector.

General government salaries (the single largest component of recurrent expenditure) grew by just 0.4% (up \$39 million) in the first nine months of 2018-19, relative to the same period in 2017-18.

Figure 5

GENERAL GOVERNMENT EXPENSES^(a)
Nine months to 31 March 2019



(a) Segments may not add due to rounding.

Balance Sheet

Net worth of the general government sector decreased by an estimated \$971 million during the nine months to 31 March 2019, to stand at \$102.3 billion¹. This lower outcome reflects the net impact of:

- a \$1.4 billion decrease in liquid assets, mainly due to the timing of cash receipts and payments through the Public Bank Account;
- an increase in the value of equity in the public corporation sectors (up \$579 million), mainly due to the operating surpluses recorded by these sectors, partly offset by lower values of land holdings for the sector;
- a \$356 million net increase in general government sector liabilities (including movements in gross debt liabilities, unfunded superannuation liabilities, leave accrual and accounts payables); and
- a \$292 million net increase in general government sector land and physical assets, reflecting infrastructure spending, partly offset by lower land values.

Cash Flow

A cash deficit of \$787 million was recorded for the nine months to 31 March 2019, a \$1,677 million improvement on the cash deficit recorded for the same period in 2017-18. This outcome is largely due to:

- a net cash surplus from operating activities of \$832 million, compared with a \$822 million cash deficit reported for the same period last year, due to the cash impact of the significant turnaround in the operating deficit balance outcome discussed earlier; and
- \$1.7 billion in general government infrastructure spending (\$33 million lower than the amount reported for the same period last year), primarily due to lower spending on largely completed health projects, partially offset by increased spending on major road projects.

¹ 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 Sector²

Operating Statement

The total public sector recorded an operating surplus of \$642 million for the nine months to 31 March 2019, a substantial \$2,131 million turnaround on the \$1,489 million operating deficit recorded in the same period a year earlier.

SUMMARY OF TOTAL PUBLIC SECTOR FINANCES
Western Australia

Table 3

	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn (a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual (b) \$m
Net operating balance	192	642	165	-363	-1,489	-1,623
Net worth		102,264	103,000		103,584	103,236
Movement in cash balances	201	-685	-2,370	16	-122	-446
<i>Memorandum items</i>						
Net lending	607	-401	-1,317	-566	-2,606	-3,021
Net debt		34,915	36,281		34,454	34,606
Cash surplus/-deficit	526	-388	-1,720	-291	-2,707	-3,007

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: *2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards*), released on 9 May 2019.

(b) Consistent with final audited data contained in the 2017-18 *Annual Report on State Finances*, released on 26 September 2018.

The total public sector operating surplus for the nine months to 31 March 2019 incorporates:

- the \$1,347 million turnaround from an operating deficit last year to the \$62 million operating surplus for the general government sector outlined earlier;
- an operating surplus of \$734 million for the public non-financial corporations sector, \$472 million higher than the surplus recorded in the same period in 2017-18. This result is mainly due to higher Remote Indigenous Housing grants on-passed by the general government sector to the Housing Authority, and higher developer contributions received by Synergy; and
- an operating surplus of \$194 million for the public financial corporations sector, \$176 million lower than the surplus recorded in the same period in 2017-18, mainly due to higher claims expenses for the Insurance Commission of Western Australia.

² The total public sector (also known as the whole-of-government) consolidates the general government sector (discussed above), the public non-financial corporations sector (which includes entities operating on a predominantly cost recovery basis like the State's ports and the electricity and water utilities), and the public financial corporations sector (which includes agencies mainly engaged in financial activities, such as the Western Australian Treasury Corporation, the Insurance Commission of Western Australia, and Keystart).

Table 4

TOTAL PUBLIC SECTOR OPERATING BALANCE
By Sector

	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
Net Operating Balance						
General government sector	-20	62	466	-584	-1,285	-618
Public non-financial corporations sector	300	734	882	189	262	458
Public financial corporations sector	-68	194	166	108	370	320
<i>less</i>						
General government dividend revenue	19	348	1,289	77	836	1,718
Public non-financial corporations dividend revenue ^(c)	-	-	60	-	-	64
Total public sector net operating balance	192	642	165	-363	-1,489	-1,623

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: *2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards*), released on 9 May 2019. The estimated outturn of \$466 million for the general government net operating balance is on the basis of existing accounting standards and is equivalent to the 'headline' \$553 million estimated outturn included in the recent 2019-20 Budget on the basis of new accounting standards applying to reporting periods commencing on or after 1 January 2019.

(b) Consistent with the final audited data contained in the *2017-18 Annual Report on State Finances*, released on 26 September 2018.

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

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 increased by \$310 million during the nine months to 31 March 2019 to stand at \$34.9 billion. Liquid financial assets (which are offset against gross debt liabilities when calculating net debt) decreased by \$336 million for the nine months ending 31 March 2019.

Cash Flow

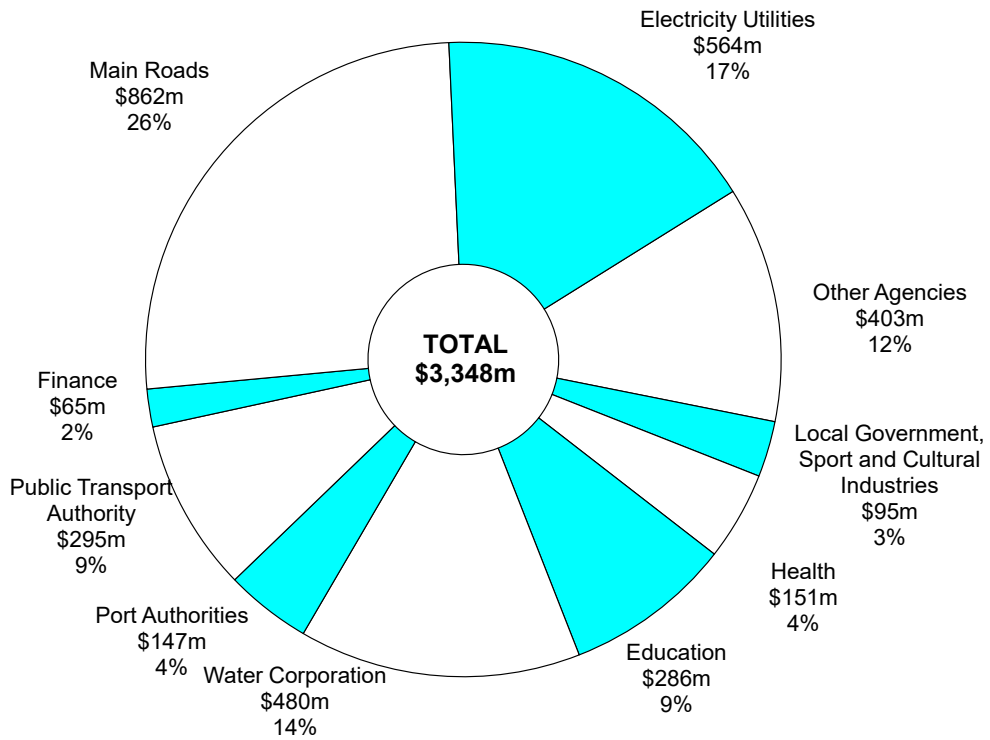
A cash deficit of \$388 million was recorded for the total public sector for the nine months to 31 March 2019. This is a significant \$2,318 million reduction on the \$2.7 billion cash deficit for the same period in 2017-18. The lower cash deficit outcome includes the impact of a \$2.7 billion operating cash surplus (\$2,150 million higher than the \$535 million equivalent last year)³.

Infrastructure investment totalled \$3.3 billion in the nine months to 31 March 2019, \$234 million lower than the same period in 2017-18. The lower level of spending is mainly due to general government sector investment discussed earlier (down \$33 million), together with lower spending by the Water Corporation (down \$129 million, reflecting a one-off land acquisition in 2017-18 and the conclusion of a number of projects).

³ The key difference between the accrual operating surplus (discussed earlier) and the cash operating surplus is non-cash depreciation costs and other accruals (mainly representing the timing of cash receipts and payments).

Figure 6

ASSET INVESTMENT PROGRAM^(a)
 Nine months to 31 March 2019



(a) Segments may not add due to rounding.

2018-19 Quarterly Financial Results Report

Interim Financial Statements

Contents	Page
Introduction	15
General Government	
Table 1.1: Operating Statement.....	17
Table 1.2: Balance Sheet.....	18
Table 1.3: Statement of Changes in Equity.....	19
Table 1.4: Cash Flow Statement.....	20
Total Public Sector	
Table 1.5: Operating Statement.....	21
Table 1.6: Balance Sheet.....	22
Table 1.7: Statement of Changes in Equity.....	23
Table 1.8: Cash Flow Statement.....	24
Notes to the Consolidated Financial Statements	
1 Statement of significant accounting policies.....	25
2 Operating revenue.....	26
3 Transfer expenses.....	26
4 Convergence differences.....	27
5 Investments, loans and placements.....	29
6 Receivables.....	30
7 Borrowings.....	30
8 Details of agencies consolidated.....	30
9 Contingent assets and liabilities.....	31

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 2018-19 State Budget Papers presented to the Legislative Assembly on 10 May 2018. Equivalent presentation excluding the implementation of new accounting standards incorporated in the 2019-20 Budget can be found in Note 9, Appendix 1 of the 2019-20 Budget Paper No. 3: *Economic and Fiscal Outlook*.

2018-19 Quarterly Financial Results Report

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.

The value of the public corporation land was restated in the 2017-18 *Annual Report of State Finances* (ARSF) to correct overstated balances in previous years' financial reporting outcomes (see note 3(y) to the financial statements in Appendix 1 of the 2017-18 ARSF for details). To assist users of the financial statements, comparative data for March 2018 has been adjusted. Restated values have been reflected in the Balance Sheet for the general government and total public sector included in this appendix.

Net actuarial gains/losses on superannuation have been reclassified from 'other economic flows' to 'all other movements in equity' to comply with AASB119: *Employee Benefits*, which requires that remeasurements of the defined benefit liability or asset (including actuarial gains and losses) be recognised as other economic flows. This change has been reflected in the Operating Statement and net asset/worth Balance Sheet disclosures of the general government sector and the total public sector included in this appendix.

Table 1.1

GENERAL GOVERNMENT OPERATING STATEMENT

	2018-19			2017-18			
	Note	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn (a) \$m	Restated Three Months to 31 Mar \$m	Restated Nine Months to 31 Mar \$m	Actual (b) \$m
RESULTS FROM TRANSACTIONS							
REVENUE							
Taxation (d)		1,908	6,751	8,681	1,947	6,619	8,540
Current grants and subsidies		2,673	7,471	10,348	2,393	6,500	8,529
Capital grants		291	624	825	114	188	1,263
Sales of goods and services (d)		663	1,987	2,660	644	1,876	2,516
Interest Income		42	128	175	40	120	170
Revenue from public corporations							
Dividends from other sectors		19	348	1,289	77	836	1,718
Tax equivalent income		160	422	662	163	415	677
Royalty income		1,498	4,351	6,226	1,350	3,865	5,231
Other		187	463	606	147	429	688
Total	2	7,441	22,545	31,471	6,873	20,848	29,332
EXPENSES							
Salaries		2,982	9,097	12,322	3,049	9,058	12,193
Superannuation							
Concurrent costs		294	896	1,213	309	915	1,199
Superannuation interest cost		11	87	133	45	137	177
Other employee costs		104	315	379	85	256	359
Depreciation and amortisation		359	1,066	1,497	328	969	1,343
Services and contracts		589	1,794	2,588	529	1,713	2,432
Other gross operating expenses		1,242	4,197	5,932	1,350	4,317	5,852
Interest							
Interest on leases		21	63	92	28	45	73
Other interest		215	647	861	200	604	818
Current transfers	3	1,474	3,894	5,298	1,403	3,827	5,061
Capital transfers	3	170	428	689	131	291	442
Total		7,461	22,483	31,005	7,457	22,133	29,949
NET OPERATING BALANCE	4	-20	62	466	-584	-1,285	-618
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		170	131	130	-11	-54	-132
Provision for doubtful debts		-1	-6	-12	-	-2	-51
Changes in accounting policy/adjustments of prior periods		-299	-346	-	125	122	-41
Total other economic flows		-130	-221	118	114	67	-224
OPERATING RESULT		-150	-159	584	-470	-1,218	-842
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		-166	-325	13	-681	-508	-713
Net actuarial gains/-loss - superannuation (c)		-202	-670	-800	-126	-106	211
Gains recognised directly in equity		-	-6	-	-	-6	-9
Change in net worth of the public corporations sectors		373	188	-32	-733	-805	-1,638
All other		-	-	-	-	-	-
Total all other movements in equity		5	-813	-819	-1,539	-1,425	-2,149
TOTAL CHANGE IN NET WORTH	4	-145	-971	-236	-2,009	-2,643	-2,991
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE	4	-20	62	466	-584	-1,285	-618
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		487	1,670	2,658	531	1,703	2,438
Changes in inventories		-3	4	-1	4	1	-3
Other movement in non-financial assets		1	-58	-5	423	491	513
<i>less:</i>							
Sales of non-financial assets		15	51	174	24	61	82
Depreciation		359	1,066	1,497	328	969	1,343
Total net acquisition of non-financial assets		112	499	982	605	1,165	1,524
NET LENDING/-BORROWING	4	-132	-436	-516	-1,189	-2,450	-2,141

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: *2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards*), released on 9 May 2019. The estimated outturn of \$466 million for the general government net operating balance is on the basis of existing accounting standards and is equivalent to the 'headline' \$553 million estimated outturn included in the recent 2019-20 Budget on the basis of new accounting standards applying to reporting periods commencing on or after 1 January 2019.

(b) Consistent with the final audited data contained in the 2017-18 *Annual Report on State Finances*, released on 26 September 2018.

(c) Net actuarial gains/-loss on superannuation has been reclassified from 'other economic flows' to 'all other movements in equity' as detailed in the introduction to this appendix.

(d) The motor vehicle recording fee has been reclassified from taxation revenue to sales of goods and services on advice from the Australian Bureau of Statistics. Prior periods have been restated for comparability purposes.

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			
		31 Mar	30 June	Restated	
		2019	2019 ^(a)	31 Mar	30 June
		\$m	\$m	2018	2018 ^(b)
				\$m	\$m
ASSETS					
<i>Financial assets</i>					
Cash and deposits		642	851	915	862
Advances paid		745	758	742	741
Investments, loans and placements	5	4,448	3,633	4,710	5,682
Receivables	6	3,283	3,519	3,357	3,212
Shares and other equity					
Investments in other public sector entities - equity method ^(c)		42,595	42,375	43,240	42,406
Investments in other public sector entities - direct injections		9,769	9,745	9,282	9,377
Investments in other entities		15	15	44	48
Other financial assets		8	8	8	8
Total financial assets ^(c)		61,505	60,905	62,298	62,337
<i>Non-financial assets</i>					
Land ^(c)		36,019	36,120	36,799	36,406
Property, plant and equipment		45,388	46,162	44,301	44,709
Biological assets		3	3	4	3
Inventories					
Land inventories ^(c)		-	-	-	-
Other inventories		74	69	74	70
Intangibles		590	610	672	627
Assets classified as held for sale		27	40	90	125
Investment property		7	7	7	7
Other		304	382	287	248
Total non-financial assets ^(c)		82,412	83,394	82,233	82,196
TOTAL ASSETS ^(c)		143,917	144,299	144,532	144,532
LIABILITIES					
Deposits held		797	620	318	553
Advances received		360	368	376	360
Borrowings	7				
Lease liabilities		1,183	1,167	1,203	1,184
Other borrowings		26,685	26,491	26,541	26,924
Unfunded superannuation		6,943	6,938	6,967	6,541
Other employee benefits		3,290	3,064	3,162	3,033
Payables		982	1,289	977	1,277
Other liabilities		1,413	1,361	1,404	1,425
TOTAL LIABILITIES		41,653	41,299	40,948	41,297
NET ASSETS ^(c)		102,264	103,000	103,584	103,236
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus ^(d)		5,486	6,207	5,273	5,626
Other reserves ^{(c) (d)}		96,778	96,793	98,311	97,610
NET WORTH ^(c)	4	102,264	103,000	103,584	103,236
MEMORANDUM ITEMS					
<i>Net financial worth ^(c)</i>		<i>19,852</i>	<i>19,606</i>	<i>21,351</i>	<i>21,040</i>
<i>Net financial liabilities</i>		<i>32,526</i>	<i>32,529</i>	<i>31,215</i>	<i>30,792</i>
<i>Net debt</i>					
Gross debt liabilities		29,025	28,646	28,438	29,022
less: liquid financial assets		5,836	5,242	6,367	7,285
less: convergence differences impacting net debt		-	-	-	-
Net debt		23,190	23,404	22,071	21,737

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: 2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards), released on 9 May 2019.

(b) Consistent with the final audited data contained in the 2017-18 Annual Report on State Finances, released on 26 September 2018

(c) Reflects restated land balances as discussed in the introduction of this appendix.

(d) Includes reclassification of actuarial gains/-loss on superannuation noted in the introduction to this appendix.

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 nine months ended 31 March 2019

	Accumulated net gain on equity			Total Equity
	Asset Revaluation Surplus	investments in other sector entities	Accumulated Surplus/deficit	
	\$m	\$m	\$m	\$m
<i>Balance at 1 July 2018</i>	55,203	42,406	5,626	103,236
Operating result	-	-	-159	-159
Other movements in equity	-995	188	-6	-813
All other	-25	-	25	-
<i>Total change in net worth</i>	-1,020	188	-140	-971
Balance at 31 March 2019	54,184	42,595	5,486	102,264

For the nine months ended 31 March 2018

	Accumulated net gain on equity			Total Equity
	Asset Revaluation Surplus	investments in other sector entities	Accumulated Surplus/deficit	
	\$m	\$m	\$m	\$m
<i>Balance at 1 July 2017</i>	55,699	44,044	6,483	106,226
Operating result	-	-	-1,218	-1,218
Other movements in equity	-614	-805	-6	-1,425
All other	-14	-	14	-
<i>Total change in net worth</i>	-628	-805	-1,210	-2,643
Balance at 31 March 2018	55,071	43,240	5,273	103,584

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

Table 1.4

GENERAL GOVERNMENT CASH FLOW STATEMENT

	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received ^(c)	2,072	6,787	8,866	2,246	6,353	8,506
Grants and subsidies received	3,001	8,095	11,158	2,491	6,662	8,773
Receipts from sales of goods and services ^(c)	608	1,828	2,678	637	1,960	2,723
Interest receipts	38	119	168	38	106	158
Dividends and tax equivalents	144	890	2,009	139	1,155	2,280
Other	1,954	5,623	7,586	1,645	5,403	7,230
Total cash received	7,816	23,341	32,465	7,195	21,638	30,670
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-3,189	-10,094	-14,048	-3,268	-10,124	-13,801
Payments for goods and services	-1,906	-6,489	-8,903	-1,953	-6,609	-8,759
Interest paid	-240	-705	-947	-221	-618	-860
Grants and subsidies paid	-1,463	-3,976	-5,640	-1,353	-3,781	-5,125
Dividends and tax equivalents	-	-	-	-	-	-
Other	-362	-1,246	-1,547	-310	-1,328	-1,727
Total cash paid	-7,160	-22,509	-31,084	-7,105	-22,460	-30,271
NET CASH FLOWS FROM OPERATING ACTIVITIES	656	832	1,380	90	-822	399
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-487	-1,670	-2,658	-531	-1,703	-2,438
Sales of non-financial assets	15	51	174	24	61	82
Total cash flows from investments in non-financial assets	-472	-1,619	-2,484	-507	-1,642	-2,357
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	4	29	23	4	10	13
For liquidity purposes	216	245	236	25	51	76
<i>Cash paid</i>						
For policy purposes	-306	-603	-810	-85	-359	-573
For liquidity purposes	-18	-42	-10	-8	-31	-57
Total cash flows from investments in financial assets	-103	-370	-561	-63	-329	-541
NET CASH FLOWS FROM INVESTING ACTIVITIES	-575	-1,989	-3,046	-570	-1,971	-2,898
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	17	-	-	16
Borrowings	11	46	121	13	3,799	4,318
Deposits received	-	-	-	-	-	-
Other financing receipts	11	193	235	13	128	156
Total cash received	22	240	373	25	3,927	4,490
<i>Cash paid</i>						
Advances paid	-	-	-17	-	-	-16
Borrowings repaid	-258	-285	-552	-17	-56	-182
Deposits paid	-	-	-	-	-	-
Other financing payments	-53	-187	-223	-51	-222	-271
Total cash paid	-312	-472	-792	-68	-278	-469
NET CASH FLOWS FROM FINANCING ACTIVITIES	-289	-232	-419	-43	3,649	4,020
Net increase in cash and cash equivalents	-209	-1,389	-2,084	-523	856	1,521
Cash and cash equivalents at the beginning of the year	5,180	6,360	6,360	6,217	4,839	4,839
Cash and cash equivalents at the end of the year	4,971	4,971	4,276	5,695	5,695	6,360
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	656	832	1,380	90	-822	399
Net cash flows from investing in non-financial assets	-472	-1,619	-2,484	-507	-1,642	-2,357
Cash surplus/-deficit	183	-787	-1,104	-417	-2,464	-1,958

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: 2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards), released on 9 May 2019.

(b) Consistent with the final audited data contained in the 2017-18 Annual Report on State Finances, released on 26 September 2018.

(c) The motor vehicle recording fee has been reclassified from taxes received to receipts from sales of goods and services on advice from the Australian Bureau of Statistics. Prior periods have been restated for comparability purposes.

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

TOTAL PUBLIC SECTOR OPERATING STATEMENT

Table 1.5

	Note	2018-19			2017-18		Actual ^(b) \$m
		Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Restated Three Months to 31 Mar \$m	Restated Nine Months to 31 Mar \$m	
<i>Results from Transactions</i>							
REVENUE							
Taxation ^(d)		1,772	6,355	8,169	1,828	6,254	8,053
Current grants and subsidies		2,673	7,471	10,348	2,393	6,500	8,529
Capital grants		291	624	825	114	188	1,263
Sales of goods and services ^(d)		5,951	17,969	22,920	5,111	15,687	21,128
Interest Income		141	451	657	138	409	585
Royalty income		1,498	4,351	6,226	1,350	3,865	5,231
Other		330	827	1,098	231	684	1,031
Total	2	12,655	38,049	50,243	11,165	33,588	45,819
EXPENSES							
Salaries		3,261	9,969	13,556	3,310	9,863	13,297
Superannuation							
Concurrent costs		344	1,005	1,335	335	996	1,305
Superannuation interest cost		11	87	133	45	137	177
Other employee costs		80	239	255	59	187	263
Depreciation and amortisation		866	2,572	3,539	820	2,515	3,362
Services and contracts		726	2,287	3,261	729	2,371	3,285
Other gross operating expenses		5,447	16,580	21,503	4,562	14,491	19,726
Interest							
Interest on leases		42	127	177	50	112	162
Other interest		372	1,169	1,715	386	1,133	1,526
Other property expenses		-	-	-	-	-	-
Current transfers	3	1,264	3,222	4,274	1,165	3,050	3,975
Capital transfers	3	51	150	329	67	222	365
Total		12,463	37,407	50,078	11,528	35,077	47,442
NET OPERATING BALANCE	4	192	642	165	-363	-1,489	-1,623
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		439	124	271	-69	84	111
Provision for doubtful debts		-14	-31	-48	-6	-7	-66
Changes in accounting policy/adjustment of prior periods		-366	-1,779	-	-7	-1,087	-1,192
Total other economic flows		60	-1,686	223	-82	-1,010	-1,147
OPERATING RESULT		252	-1,044	388	-445	-2,499	-2,769
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		-190	-555	184	-1,444	-1,289	-1,669
Net actuarial gains/-loss - superannuation ^(c)		-207	-678	-810	-126	-105	206
Gains recognised directly in equity		-1	1,305	3	6	1,251	1,241
All other		-	-	-	-	-	-
Total all other movements in equity		-397	72	-624	-1,564	-144	-222
TOTAL CHANGE IN NET WORTH	4	-145	-971	-236	-2,009	-2,643	-2,991
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE	4	192	642	165	-363	-1,489	-1,623
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		953	3,348	5,519	1,035	3,582	5,052
Changes in inventories		-449	384	66	-431	-162	-321
Other movement in non-financial assets		28	158	166	457	551	596
<i>less:</i>							
Sales of non-financial assets		80	275	730	39	340	567
Depreciation		866	2,572	3,539	820	2,515	3,362
Total net acquisition of non-financial assets		-414	1,043	1,482	203	1,117	1,398
NET LENDING/-BORROWING	4	607	-401	-1,317	-566	-2,606	-3,021

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: 2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards), released on 9 May 2019.

(b) Consistent with the final audited data contained in the 2017-18 Annual Report on State Finances, released on 26 September 2018.

(c) Net actuarial gains/-loss on superannuation has been reclassified from 'other economic flows' to 'all other movements in equity' as detailed in the introduction to this appendix.

(d) The motor vehicle recording fee has been reclassified from taxation revenue to sales of goods and services on advice from the Australian Bureau of Statistics. Prior periods have been restated for comparability purposes.

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			
		31 Mar 2019 \$m	30 June 2019 ^(a) \$m	Restated 31 Mar 2018 \$m	30 June 2018 ^(b) \$m
ASSETS					
<i>Financial assets</i>					
Cash and deposits		1,454	1,813	2,104	2,079
Advances paid		4,683	4,810	4,190	4,345
Investments, loans and placements	5	16,684	14,558	15,966	16,733
Receivables	6	4,980	5,545	4,334	4,976
Equity - investments in other entities		1,815	1,922	1,777	1,854
Other financial assets		13	13	13	13
Total financial assets		29,629	28,661	28,383	30,001
<i>Non-financial assets</i>					
Land ^(c)		44,780	44,767	46,026	45,508
Property, plant and equipment		101,133	102,487	99,941	100,294
Biological assets		332	324	330	332
Inventories					
Land inventories ^(c)		1,868	1,987	2,019	1,902
Other inventories		4,115	3,797	3,890	3,731
Intangibles		971	1,016	1,115	1,085
Assets classified as held for sale		31	99	91	183
Investment property		68	67	69	77
Other		446	517	394	408
Total non-financial assets ^(c)		153,744	155,061	153,874	153,520
TOTAL ASSETS ^(c)		183,373	183,721	182,258	183,521
LIABILITIES					
Deposits held		18	11	17	23
Advances received		360	368	376	360
Borrowings	7				
Lease liabilities		1,939	1,914	1,991	1,971
Other borrowings		55,419	55,168	54,330	55,408
Unfunded superannuation		7,057	7,028	7,070	6,636
Other employee benefits		3,664	3,435	3,518	3,398
Payables		6,374	6,504	5,519	6,473
Other liabilities		6,277	6,293	5,852	6,016
TOTAL LIABILITIES		81,109	80,721	78,674	80,285
NET ASSETS ^(c)		102,264	103,000	103,584	103,236
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus ^(d)		26,670	27,399	26,645	26,322
Other reserves ^{(c) (d)}		75,594	75,600	76,939	76,914
NET WORTH ^(c)	4	102,264	103,000	103,584	103,236
MEMORANDUM ITEMS					
<i>Net financial worth</i>		-51,480	-52,061	-50,290	-50,285
<i>Net financial liabilities</i>		53,294	53,983	52,067	52,139
<i>Net debt</i>					
Gross debt liabilities		57,736	57,462	56,714	57,763
less: liquid financial assets		22,821	21,181	22,260	23,157
less: convergence differences impacting net debt		-	-	-	-
Net debt		34,915	36,281	34,454	34,606

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: 2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards), released on 9 May 2019.

(b) Consistent with the final audited data contained in the 2017-18 Annual Report on State Finances, released on 26 September 2018.

(c) Reflects restated land balances as discussed in the introduction of this appendix.

(d) Includes reclassification of actuarial gains/-loss on superannuation noted in the introduction to this appendix.

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 nine months ended 31 March 2019

	Asset		Total Equity \$m
	Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	
	<i>Balance at 1 July 2018</i>	76,914	
Operating result	-	-1,044	-1,044
Other movements in equity	-1,232	1,305	72
All other	-87	87	-
<i>Total change in net worth</i>	-1,320	348	-971
Balance at 31 March 2019	75,594	26,670	102,264

For the nine months ended 31 March 2018

	Asset		Total Equity \$m
	Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	
	<i>Balance at 1 July 2017</i>	78,354	
Operating result	-	-2,499	-2,499
Other movements in equity	-1,394	1,251	-144
All other	-20	20	-
<i>Total change in net worth</i>	-1,415	-1,228	-2,643
Balance at 31 March 2018	76,939	26,645	103,584

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

Table 1.8

TOTAL PUBLIC SECTOR CASH FLOW STATEMENT

	2018-19			2017-18		Actual ^(b) \$m
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received ^(c)	1,978	6,528	8,340	2,150	6,108	8,017
Grants and subsidies received	3,001	8,095	11,158	2,491	6,662	9,773
Receipts from sales of goods and services ^(c)	5,829	17,803	23,110	5,124	15,759	21,407
Interest receipts	147	471	685	134	422	604
Other receipts	2,169	6,517	8,517	1,888	6,313	8,460
Total cash received	13,125	39,415	51,810	11,786	35,265	48,260
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-3,507	-11,059	-15,429	-3,555	-11,037	-15,101
Payments for goods and services	-5,531	-17,700	-22,872	-4,978	-15,941	-21,489
Interest paid	-513	-1,503	-1,898	-443	-1,350	-1,899
Grants and subsidies paid	-1,189	-3,010	-4,087	-1,134	-2,896	-3,712
Other payments	-986	-3,458	-4,455	-971	-3,504	-4,581
Total cash paid	-11,726	-36,730	-48,741	-11,081	-34,729	-46,782
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,398	2,685	3,069	705	535	1,478
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-953	-3,348	-5,519	-1,035	-3,582	-5,052
Sales of non-financial assets	80	275	730	39	340	567
Total cash flows from investments in non-financial assets	-872	-3,073	-4,789	-997	-3,242	-4,485
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	4	17	10	4	10	13
For liquidity purposes	1,336	5,401	6,807	963	4,637	6,189
<i>Cash paid</i>						
For policy purposes	-5	-16	-10	-5	-12	-16
For liquidity purposes	-1,982	-5,312	-7,191	-1,938	-5,306	-7,249
Total cash flows from investments in financial assets	-647	90	-384	-975	-670	-1,063
NET CASH FLOWS FROM INVESTING ACTIVITIES	-1,519	-2,984	-5,173	-1,971	-3,912	-5,548
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	-	-	-	-
Borrowings	6,289	16,460	19,929	4,723	14,316	18,015
Deposits received	-	-	-	-	-	-
Other financing receipts	12	37	66	14	102	57
Total cash received	6,301	16,497	19,996	4,737	14,418	18,072
<i>Cash paid</i>						
Advances paid	-	-	-17	-	-	-16
Borrowings repaid	-5,901	-16,705	-20,058	-3,408	-10,954	-14,181
Deposits paid	-	-	-	-	-	-
Other financing payments	-78	-178	-187	-47	-209	-251
Total cash paid	-5,979	-16,884	-20,261	-3,455	-11,163	-14,448
NET CASH FLOWS FROM FINANCING ACTIVITIES	322	-387	-266	1,282	3,255	3,624
Net increase in cash and cash equivalents	201	-685	-2,370	16	-122	-446
Cash and cash equivalents at the beginning of the year	9,687	10,573	10,573	10,882	11,019	11,019
Cash and cash equivalents at the end of the year	9,888	9,888	8,203	10,897	10,897	10,573
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	1,398	2,685	3,069	705	535	1,478
Net cash flows from investing in non-financial assets	-872	-3,073	-4,789	-997	-3,242	-4,485
Cash surplus/-deficit	526	-388	-1,720	-291	-2,707	-3,007

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: 2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards), released on 9 May 2019.

(b) Consistent with the final audited data contained in the 2017-18 Annual Report on State Finances, released on 26 September 2018.

(c) The motor vehicle recording fee has been reclassified from taxes received to receipts from sales of goods and services on advice from the Australian Bureau of Statistics. Prior periods have been restated for comparability purposes.

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 nine months ended 31 March 2019 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.

The ABS Government Finance Statistics (GFS) Manual provides the basis upon which GFS information that is contained in the financial statements is prepared. In particular, notes disclosing key financial aggregates of net worth, total change in net worth, net operating balance, net lending/-borrowing and cash surplus/-deficit determined using the principles and rules in the ABS GFS Manual are included in the financial statements, together with a reconciliation of those key fiscal aggregates to the corresponding key fiscal aggregates recognised in the financial statements.

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 2018, presented in Appendix 1 of the 2017-18 *Annual Report on State Finances* (ARSF) released on 26 September 2018. The accounting policies adopted in this publication are consistent with those outlined in the 2017-18 ARSF. The specific accounting policies of the Government of Western Australia are described in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the 2017-18 ARSF.

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

Details 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						
	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(b) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(c) \$m
CURRENT TRANSFERS						
Local Government	77	268	365	73	238	356
Local Government on-passing	22	67	180	20	60	169
Private and Not-for-profit sector	293	990	1,537	254	966	1,381
Private and Not-for-profit sector on-passing	667	1,294	1,318	630	1,228	1,233
Other sectors of Government	414	1,275	1,898	426	1,335	1,922
Total Current Transfers	1,474	3,894	5,298	1,403	3,827	5,061
CAPITAL TRANSFERS						
Local Government	4	13	58	11	37	55
Local Government on-passing	14	43	118	14	42	113
Private and Not-for-profit sector	23	57	126	35	81	107
Private and Not-for-profit sector on-passing	3	13	18	3	12	17
Other sectors of Government	125	302	370	68	120	151
Total Capital Transfers	170	428	689	131	291	442
Total Public Sector						
	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(b) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(c) \$m
CURRENT TRANSFERS						
Local Government	77	268	365	74	239	365
Local Government on-passing	22	67	180	20	60	169
Private and Not-for-profit sector	497	1,586	2,378	437	1,515	2,177
Private and Not-for-profit sector on-passing	667	1,294	1,318	630	1,228	1,233
Other sectors of Government	1	6	33	4	8	31
Total Current Transfers	1,264	3,222	4,274	1,165	3,050	3,975
CAPITAL TRANSFERS						
Local Government	4	13	59	11	37	56
Local Government on-passing	14	43	118	14	42	113
Private and Not-for-profit sector	29	81	134	40	131	178
Private and Not-for-profit sector on-passing	3	13	18	3	12	17
Other sectors of Government	-	-	-	-	-	-
Total Capital Transfers	51	150	329	67	222	365

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

(b) Consistent with the estimated outturn published in the 2019-20 Budget, (Appendix 1, Note 9: *2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards*) released on 9 May 2019.

(c) Consistent with the final audited data contained in the *2017-18 Annual Report on State Finances*, released on 26 September 2018.

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 following tables detail convergence differences reflected in the March 2019 results.

AASB 1049 TO GFS CONVERGENCE DIFFERENCES
Net Operating Balance

	2018-19			2017-18		Actual \$m
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	
<i>General government</i>						
AASB1049 net operating balance	-20	62	466	-584	-1,285	-618
Plus GFS revenue adjustments	-	-	-	-	-	-
Less GFS expense adjustments	-	-	-	-	-	-
Total GFS expense adjustments	-	-	-	-	-	-
Total GFS adjustments to AASB 1049 net operating balance	-	-	-	-	-	-
GFS net operating balance	-20	62	466	-584	-1,285	-618
<i>Total public sector</i>						
AASB1049 net operating balance	192	642	165	-363	-1,489	-1,623
Plus GFS revenue adjustments	-	-	-	-	-	-
Less GFS expense adjustments	-	-	-	-	-	-
Capitalised interest	-	-	-	-	-	-
Total GFS expense adjustments	-	-	-	-	-	-
Total GFS adjustments to AASB 1049 net operating balance	-	-	-	-	-	-
GFS net operating balance	192	642	165	-363	-1,489	-1,623

AASB 1049 TO GFS CONVERGENCE DIFFERENCES
Net Lending/-Borrowing

	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual \$m
<i>General government</i>						
AASB1049 net lending/-borrowing	-132	-436	-516	-1,189	-2,450	-2,141
Plus Net operating balance convergence differences (noted above)	-	-	-	-	-	-
GFS net lending/-borrowing	-132	-436	-516	-1,189	-2,450	-2,141
<i>Total public sector</i>						
AASB1049 net lending/-borrowing	607	-401	-1,317	-566	-2,606	-3,021
Plus Net operating balance convergence differences (noted above)	-	-	-	-	-	-
GFS net lending/-borrowing	607	-401	-1,317	-566	-2,606	-3,021

AASB 1049 TO GFS CONVERGENCE DIFFERENCES
Net Worth

	2018-19		2017-18	
	Nine Months to 31 Mar \$m	Estimated Outturn \$m	Nine Months to 31 Mar \$m	Actual \$m
<i>General government</i>				
AASB1049 net worth	102,264	103,000	103,584	103,236
<i>Plus</i>				
Provision for doubtful debts				
General government sector	258	263	253	265
Impact on public corporations net worth	103	119	81	87
Total GFS net worth adjustments	361	382	334	352
GFS net worth	102,625	103,382	103,918	103,587
<i>Total public sector</i>				
AASB1049 net worth	102,264	103,000	103,584	103,236
<i>Plus</i>				
Provision for doubtful debts	361	382	334	352
Total GFS net worth adjustments	361	382	334	352
GFS net worth	102,625	103,382	103,918	103,587

AASB 1049 TO GFS CONVERGENCE DIFFERENCES

Change in Net Worth

	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual \$m
<i>General government</i>						
AASB 1049 change in net worth	-145	-971	-236	-2,009	-2,643	-2,991
Plus change in:						
Provision for doubtful debts						
General government sector	-6	-6	-1	-26	-13	-1
Impact on public corporations net worth	9	16	32	1	-3	3
Total GFS change in net worth adjustments	3	9	31	-25	-16	2
GFS change in net worth	-143	-962	-205	-2,034	-2,659	-2,989
<i>Total public sector</i>						
AASB 1049 change in net worth	-145	-971	-236	-2,009	-2,643	-2,991
Plus change in:						
Provision for doubtful debts	3	9	31	-25	-16	2
Total GFS change in net worth adjustments	3	9	31	-25	-16	2
GFS change in net worth	-143	-962	-205	-2,034	-2,659	-2,989

NOTE 5: INVESTMENTS, LOANS AND PLACEMENTS

General Government

	2018-19		2017-18	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
<i>Investments</i>				
Term deposits	4,431	3,617	4,694	5,665
Government securities	3	3	4	3
Total	4,434	3,620	4,698	5,668
<i>Loans and placements</i>				
Loans	13	14	12	14
Financial Assets held for trading/available for sale	-	-	-	-
Total	13	14	12	14
Total	4,448	3,633	4,710	5,682

Total Public Sector

	2018-19		2017-18	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
<i>Investments</i>				
Term deposits	11,967	10,578	12,590	12,623
Government securities	1,290	1,034	966	1,034
Total	13,257	11,612	13,555	13,657
<i>Loans and placements</i>				
Loans	2,939	2,500	2,040	2,630
Financial Assets held for trading/available for sale	489	446	371	446
Total	3,427	2,946	2,411	3,076
Total	16,684	14,558	15,966	16,733

NOTE 6: RECEIVABLES

General Government				
	2018-19		2017-18	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
Accounts Receivable	3,542	3,782	3,611	3,477
Provision for impairment of receivables	-258	-263	-253	-265
Total	3,283	3,519	3,357	3,212

Total Public Sector				
	2018-19		2017-18	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
Accounts Receivable	5,341	5,927	4,668	5,328
Provision for impairment of receivables	-361	-382	-334	-352
Total	4,980	5,545	4,334	4,976

NOTE 7: BORROWINGS

General Government				
	2018-19		2017-18	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
Bank overdrafts	-	-	-	-
Lease liabilities	1,183	1,167	1,203	1,184
Borrowings	26,685	26,491	26,541	26,924
Total	27,868	27,658	27,744	28,109

Total Public Sector				
	2018-19		2017-18	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
Bank overdrafts	-	-	2	-
Lease liabilities	1,939	1,914	1,991	1,971
Borrowings	55,418	55,168	54,328	55,408
Total	57,358	57,082	56,321	57,379

NOTE 8: DETAILS OF AGENCIES CONSOLIDATED

Most of the agencies included in these financial statements are detailed in Note 35: *Composition of Sectors* in the 2017-18 *Annual Report on State Finances*. The following changes took effect from 1 July 2018:

- the Office of the Government Chief Information Officer was merged with the Department of Premier and Cabinet; and
- the functions of the Office of Emergency Management was merged with the Department of Fire and Emergency Services.

NOTE 9: CONTINGENT ASSETS AND LIABILITIES

Contingent assets usually consist of the potential settlement of lawsuits of contractual claims. Typically, contingent liabilities consist of guarantees, indemnities and sureties, as well as legal and contractual claims. They constitute a potential risk or benefit to the financial projections should they eventuate.

Contingent assets and liabilities were reported in full in Note 30 of the 2017-18 *Annual Report on State Finances*. The following changes to the State's contingencies were noted in the 2019-20 Budget.

Perth Children's Hospital

Additional resources may be required in order to exercise the contractual entitlements and resolve all outstanding matters with John Holland, the Managing Contractor at the Hospital.

Royalty Backpayment

The State Government is pursuing a major iron ore producer over the payment of past royalties. The State and the iron ore producer are still in negotiations on this matter.

2018-19 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.

GENERAL GOVERNMENT
Operating Revenue

	2018-19			2017-18		
	Three Months to 31 Mar	Nine Months to 31 Mar	Estimated Outturn ^(a)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual ^(b)
	\$m	\$m	\$m	\$m	\$m	\$m
TAXATION						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	865	2,669	3,561	788	2,459	3,279
Property taxes						
<i>Land tax</i>	36	805	798	101	835	840
Transfer Duty	244	812	1,120	295	939	1,223
Landholder Duty	13	20	61	69	100	234
<i>Total duty on transfers</i>	257	833	1,181	364	1,039	1,457
Metropolitan Region Improvement Tax	3	89	90	1	93	93
Perth Parking Levy	2	56	58	2	56	58
Emergency Services Levy	100	343	372	91	310	338
Loan guarantee fees	40	115	154	37	108	143
Building and Construction Industry Training Fund Levy	8	19	33	6	19	25
<i>Total other property taxes</i>	154	623	707	137	587	658
Taxes on provision of goods and services						
Lotteries Commission	48	139	164	33	116	156
Casino Tax	12	40	71	13	41	61
Betting tax	-	22	22	10	32	41
Point of Consumption Tax	15	15	31	-	-	-
<i>Total taxes on gambling</i>	75	215	288	56	189	258
Insurance Duty	154	490	647	146	469	625
Other	4	13	17	5	15	20
<i>Total taxes on insurance</i>	159	503	664	151	484	645
<i>On-demand Transport Levy</i>	-	-	3	-	-	-
Taxes on use of goods and performance of activities ^(c)						
Vehicle Licence Duty	92	270	368	94	263	355
Permits - Oversize Vehicles and Loads	3	7	8	3	7	7
Motor Vehicle registrations	248	735	991	235	688	937
<i>Total motor vehicle taxes ^(c)</i>	343	1,013	1,366	331	958	1,299
<i>Mining Rehabilitation Levy</i>	-	30	30	-	29	29
<i>Landfill Levy</i>	20	61	83	20	39	75
Total Taxation ^(c)	1,908	6,751	8,681	1,947	6,619	8,540
CURRENT GRANTS AND SUBSIDIES						
<i>General Purpose Grants</i>						
GST grants	807	2,448	3,200	546	1,673	2,249
Commonwealth-funded 70% floor	-	-	434	-	-	-
North West Shelf grants	202	700	921	187	497	695
Compensation for Commonwealth crude oil excise arrangements	5	25	51	7	22	28
<i>Grants through the State</i>						
Schools assistance – non-government schools	667	1,294	1,318	630	1,228	1,233
Local government financial assistance grants	22	67	180	20	60	169
Local government roads	14	43	118	14	42	113
<i>National Specific Purpose Payment Agreement Grants</i>						
National Skills and Workforce Development	39	118	157	38	115	152
National Disability Services	11	122	171	42	119	158
National Affordable Housing	41	123	164	35	104	140
Quality Schools	194	547	740	171	489	660
National Health Reform	555	1,687	2,267	531	1,593	2,174
<i>National Partnerships/Other Grants</i>						
Health	36	119	188	83	284	386
Housing	-	-	4	4	11	14
Transport	1	50	102	8	68	74
Disability Services	-	-	76	27	65	96
Other	78	128	259	50	131	187
Total Current Grants and Subsidies	2,673	7,471	10,348	2,393	6,500	8,529

Table 2.1 (cont.)

GENERAL GOVERNMENT
Operating Revenue

	2018-19			2017-18		
	Three Months to 31 Mar	Nine Months to 31 Mar	Estimated Outturn ^(a)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual ^(b)
	\$m	\$m	\$m	\$m	\$m	\$m
CAPITAL GRANTS						
<i>Grants through the State</i>						
Schools assistance – non-government schools	3	13	18	3	12	17
<i>National Partnerships/Other Grants</i>						
Housing	121	251	251	48	48	48
Transport	167	359	538	59	118	990
Other	-	-	17	3	9	208
Total Capital Grants	291	624	825	114	188	1,263
SALES OF GOODS AND SERVICES ^(c)	663	1,987	2,660	644	1,876	2,516
INTEREST INCOME	42	128	175	40	120	170
REVENUE FROM PUBLIC CORPORATIONS						
Dividends	19	348	1,289	77	836	1,718
Tax Equivalent Regime	160	422	662	163	415	677
Total Revenue from Public Corporations	179	770	1,950	240	1,251	2,395
ROYALTY INCOME	1,498	4,351	6,226	1,350	3,865	5,231
OTHER						
Lease Rentals	25	82	102	25	82	105
Fines	81	174	227	45	139	206
Revenue not elsew here counted	81	206	277	77	209	376
Total Other	187	463	606	147	429	688
GRAND TOTAL	7,441	22,545	31,471	6,873	20,848	29,332

(a) Consistent with the estimated outturn before implementation of new accounting standards published in the 2019-20 Budget (Budget Paper No. 3, Appendix 3), released on 9 May 2019.

(b) Consistent with the final audited data contained in the 2017-18 *Annual Report on State Finances*, released on 26 September 2018.

(c) The motor vehicle recording fee has been reclassified from taxation revenue to sales of goods and services on advice from the Australian Bureau of Statistics. Prior periods have been restated for comparability purposes.

Note: Columns may not add due to rounding.

Table 2.2

TOTAL PUBLIC SECTOR
Operating Revenue

	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
TAXATION						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	844	2,606	3,472	768	2,398	3,194
Property taxes						
<i>Land tax</i>	19	755	731	84	785	775
Transfer Duty	244	812	1,120	295	939	1,223
Landholder Duty	13	20	61	69	100	234
<i>Total duty on transfers</i>	257	833	1,181	364	1,039	1,457
Metropolitan Region Improvement Tax	3	89	90	1	93	93
Perth Parking Levy	2	56	58	2	56	58
Emergency Services Levy	97	340	367	86	305	334
Loan guarantee fees	3	7	7	3	8	8
Building and Construction Industry Training Fund Levy	8	19	33	6	19	25
<i>Total other property taxes</i>	114	511	555	98	481	518
Taxes on provision of goods and services						
Casino Tax	12	40	71	13	41	61
Point of Consumption Tax	5	5	13	-	-	-
<i>Total taxes on gambling</i>	17	44	84	13	41	61
Insurance Duty	154	490	647	146	469	625
Other	4	13	17	5	15	20
<i>Total taxes on insurance</i>	159	503	664	151	484	645
<i>On-demand Transport Levy</i>	-	-	3	-	-	-
Taxes on use of goods and performance of activities ^(c)						
Vehicle Licence Duty	92	270	368	94	263	355
Permits - Oversize Vehicles and Loads	3	7	8	3	7	7
Motor Vehicle registrations	248	735	991	235	688	937
<i>Total motor vehicle taxes ^(c)</i>	343	1,013	1,366	331	958	1,299
<i>Mining Rehabilitation Levy</i>	-	30	30	-	29	29
<i>Landfill Levy</i>	20	61	83	20	39	75
Total Taxation ^(c)	1,772	6,355	8,169	1,828	6,254	8,053
CURRENT GRANTS AND SUBSIDIES						
<i>General Purpose Grants</i>						
GST grants	807	2,448	3,200	546	1,673	2,249
Commonwealth-funded 70% floor grant	-	-	434	-	-	-
North West Shelf grants	202	700	921	187	497	695
Compensation for Commonwealth crude oil excise arrangements	5	25	51	7	22	28
<i>Grants through the State</i>						
Schools assistance – non-government schools	667	1,294	1,318	630	1,228	1,233
Local government financial assistance grants	22	67	180	20	60	169
Local government roads	14	43	118	14	42	113
<i>National Specific Purpose Payment Agreement Grants</i>						
National Skills and Workforce Development	39	118	157	38	115	152
National Disability Services	11	122	171	42	119	158
National Affordable Housing	41	123	164	35	104	140
Quality Schools	194	547	740	171	489	660
National Health Reform	555	1,687	2,267	531	1,593	2,174
<i>National Partnerships\Other Grants</i>						
Health	36	119	188	83	284	386
Housing	-	-	4	4	11	14
Transport	1	50	102	8	68	74
Disability Services	-	-	76	27	65	96
Other	78	128	259	50	131	187
Total Current Grants and Subsidies	2,673	7,471	10,348	2,393	6,500	8,529

Table 2.2 (cont.)

TOTAL PUBLIC SECTOR
Operating Revenue

	2018-19			2017-18		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
CAPITAL GRANTS						
<i>Grants through the State</i>						
Schools assistance – non-government schools	3	13	18	3	12	17
<i>National Partnerships/Other Grants</i>						
Housing	121	251	251	48	48	48
Transport	167	359	538	59	118	990
Other	-	-	17	3	9	208
Total Capital Grants	291	624	825	114	188	1,263
SALES OF GOODS AND SERVICES ^(c)	5,951	17,969	22,920	5,111	15,687	21,128
INTEREST INCOME	141	451	657	138	409	585
ROYALTY INCOME	1,498	4,351	6,226	1,350	3,865	5,231
OTHER						
Lease Rentals	25	82	102	25	82	105
Fines	82	177	227	46	141	207
Revenue not elsew here counted	223	568	769	160	461	720
Total Other	330	827	1,098	231	684	1,031
GRAND TOTAL	12,655	38,049	50,243	11,165	33,588	45,819

(a) Consistent with the estimated outturn published in the 2019-20 Budget (Appendix 1, Note 9: *2017-18 and 2018-19 Financial Statements Under Existing Accounting Standards*), released on 9 May 2019.

(b) Consistent with the final audited data contained in the 2017-18 *Annual Report on State Finances*, released on 26 September 2018.

(c) The motor vehicle recording fee has been reclassified from taxation revenue to sales of goods and services on advice from the Australian Bureau of Statistics. Prior periods have been restated for comparability purposes.

Note: Columns may not add due to rounding.

2018-19 Quarterly Financial Results Report

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 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 31 MARCH			
	2019 \$m	2018 \$m	Variance \$m
THE PUBLIC LEDGER			
Consolidated Account ^(a)	-17,456	-14,569	-2,887
Treasurer's Special Purpose Accounts ^(b)	15,360	13,787	1,573
Treasurer's Advance Account – Net Advances and Overdraw n Trusts	-25	-22	-3
TOTAL	-2,121	-803	-1,318
Agency Special Purpose Account ^(b)	6,907	5,841	1,065
TOTAL PUBLIC BANK ACCOUNT INVESTMENTS	4,786	5,038	-252

(a) The balance of the Consolidated Account at 31 March 2019 includes non-cash appropriations of \$12,789 million (31 March 2018: \$11,499 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 \$4,667 million at 31 March 2019 (compared with a deficit position of \$3,069 million at 31 March 2018).

(b) Treasurer's Special Purpose Account balances in March 2018 have been restated for corrected classification of some agency Special Purpose Accounts.

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.

2018-19 Quarterly Financial Results Report

The Consolidated Account accrual deficit at 31 March 2019 was \$17,456 million, an increase of \$2.9 billion on the accumulated deficit at 31 March 2018. This included \$12,789 million associated with accrual (non-cash) appropriations for depreciation and leave entitlements, matched by equivalent non-cash balances in agency Holding Accounts.

In cash terms, the Consolidated Account was overdrawn by \$4,667 million at 31 March 2019. This compares with a \$3,069 million deficit cash balance at 31 March 2018. This outcome reflects \$2.2 billion lower receipts for the nine months to 31 March 2019 compared with the same period last year. This is primarily due to changes in proceeds from borrowing with the Consolidated Account not expected to require new debt funding in 2018-19.

Consolidated Account borrowings decreased by a net \$241.7 million in the March 2019 quarter. Centrally-held borrowings totalled \$26.2 billion at 31 March 2019 compared with \$26.4 billion in December 2018. Debt repayments of \$241.7 million were made in the March 2019 quarter, reflecting return of surplus capital from RiskCover (\$162.3 million) and the return of surplus agency cash (\$79.4 million). These repayments were made through the Debt Reduction Account. Total proceeds from borrowings (i.e. excluding repayments of borrowings) stood at \$26.6 billion at 31 March 2019 which remains below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding *Loan Acts*¹. The Consolidated Account is not expected to require any new borrowings for the year to 30 June 2019.

¹ Proceeds of borrowings by the Consolidated Account (i.e. borrowings before debt repayments) cannot exceed the cumulative limit authorised by the *Loan Acts*.

Table 3.2

CONSOLIDATED ACCOUNT TRANSACTIONS
For the nine months ended 31 March

	2019 \$m	2018 \$m	Variance \$m
REVENUE			
<i>Operating Activities</i>			
Taxation	5,385	5,032	352
Commonwealth Grants	3,169	2,175	994
Government Enterprises	944	1,166	-222
Revenue from other agencies	5,035	4,702	333
Other	470	385	85
<i>Total Operating Activities</i>	15,002	13,460	1,542
<i>Financing Activities</i>			
Repayments of Recoverable Advances	5	5	-
Other Receipts	10	5	5
Borrowings	-	3,750	-3,750
<i>Total Financing Activities</i>	15	3,760	-3,745
TOTAL REVENUE	15,018	17,221	-2,203
EXPENDITURE			
<i>Recurrent</i>			
Authorised by Other Statutes	2,035	1,914	122
Appropriation Act (No. 1)	14,704	14,622	83
Recurrent Expenditure under the Treasurer's Advance	191	-	191
<i>Total Recurrent Expenditure</i>	16,931	16,535	395
<i>Investing Activities</i>			
Authorised by Other Statutes	242	174	67
Appropriation Act (No. 2)	1,178	1,149	29
Investing Expenditure under the Treasurer's Advance	4	1	4
<i>Total Investing Activities</i>	1,424	1,325	100
<i>Financing Activities</i>			
Loan repayments	242	-	242
Other financing	9	4	5
<i>Total Financing Activities</i>	251	4	247
TOTAL EXPENDITURE	18,606	17,865	742
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-3,588	-644	-2,944
Consolidated Account Balance			
Opening balance at 1 July	-13,868	-13,925	57
Closing balance at 31 March	-17,456	-14,569	-2,887
Of which:			
Appropriations payable	-12,789	-11,499	-1,290
Cash balance at 31 March	-4,667	-3,069	-1,597

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 31 March 2019, aggregate TSPA balances were \$1,573 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 \$1,290 million);
- the establishment and receipt of an initial \$153 million into a dedicated account to meet the cost of payments associated with the State's participation in the National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse;
- an increase in the balance of the Western Australian Future Fund reflecting appropriation of 1% of forecast annual royalty receipts (\$51 million) and interest earnings on the balance of the Fund for the year to date (\$48 million);
- an increase in the balance of the Commonwealth Grants for Specific Purposes Account (up \$67 million), primarily reflecting National Disability Specific Purpose Payment funding pending its on-payment to the National Disability Insurance Agency (for the Commonwealth-run National Disability Insurance Scheme) and interim Skilling Australians funding from the Commonwealth;
- a decrease in the balance of the Fiona Stanley Construction Hospital Account (down \$39 million), reflecting the return of unspent funds to the Consolidated Account and closure of this SPA;
- a decrease in the balance of the Perth Stadium Account (down \$24 million), reflecting funds drawn for replacement of tennis courts at the State Tennis Centre and procurement and works spending relating to transport infrastructure incurred during the period to date;

- a net decrease in the Royalties for Regions Fund (down \$18 million), reflecting the timing of appropriation payments to the Fund, and draw downs for approved spending on individual programs;
- 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 \$38 million); and
- net movements in all other TSPAs totalling \$6 million.

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

TREASURER'S SPECIAL PURPOSE ACCOUNTS At 31 March

Table 3.3

	2019 \$m	2018 \$m	Variance \$m
Agency Holding Accounts	12,789	11,499	1,290
Royalties for Regions Fund	838	856	-18
Western Australian Future Fund	1,304	1,205	99
National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account	153	-	153
Agency 27th Pay Accounts	93	55	38
Commonwealth Grants for Specific Purposes	92	25	67
Fiona Stanley Hospital Construction Account	-	39	-39
Perth Children's Hospital Account	13	13	-
Perth Stadium Account	11	34	-24
Other Special Purpose Accounts ^(a)	67	60	6
TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 31 MARCH	15,360	13,787	1,573

(a) Treasurer's Special Purpose Account balances in March 2018 have been restated for corrected classification of some agency Special Purpose Accounts.

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

Treasurer's Advance

The Treasurer's Advance allows for short term repayable advances to agencies for working capital purposes (known as 'net recoverable advances'), a short term advance for any overdrawn agency Special Purpose Accounts, 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 \$652.2 million is authorised under section 29 of the FMA for the year ended 30 June 2019, compared with a total of \$646.1 million authorised limit applying at the same time last year.

Table 3.4

TREASURER'S ADVANCE AT 31 MARCH

	2019	2018	Variance
	\$m	\$m	\$m
AUTHORISED LIMIT	652.2	646.1	6.1
<i>Total Drawn Against Treasurer's Advance Account</i>	<i>220.7</i>	<i>22.9</i>	<i>197.8</i>
Comprising:			
Net recoverable advances as at 31 December (see below)	25.0	11.0	14.0
Overdraw n Special Purpose Accounts ^(a)	-	11.1	-11.1
Excesses and New Items			
- recurrent	191.3	-	191.3
- capital	4.4	0.8	3.6
NET RECOVERABLE ADVANCES			
Mines Safety	16.5	-	16.5
Petroleum and Geothermal Energy Safety	2.0	-	2.0
Mining Rehabilitation Fund	-	5.3	-5.3
Sport and Recreation	1.1	1.1	-
Suitors Fund	2.5	2.5	-
Western Australian Energy Disputes Arbitrator	0.1	0.1	-
Sundry Debtors	2.7	1.9	0.8
TOTAL RECOVERABLE TREASURER'S ADVANCES	25.0	11.0	14.0

(a) The Treasurer gave approval for the Department of Mines, Industry Regulation and Safety to overdraw a Special Purpose Account in 2017-18. Any overdrawn SPA is taken to be an advance to be charged in the relevant financial year to the Treasurer's Advance Account.

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

Transfers, Excesses and New Items

Table 3.6 summarises transfers of appropriations between agencies, authorised under section 25 of the FMA (and which have no impact on the Treasurer's Advance), and excesses and/or new items approved by the Treasurer under the authority of section 27 of the FMA.

Transfer of appropriation funds are for the provision of an approved service which is now delivered by an alternative agency. These transfers are authorised either under section 25 of the FMA or specific enabling legislation and are summarised in the following table.

In the nine months to 31 March 2019, appropriation transfers included:

- \$24.6 million from the provision for the Voluntary Targeted Separation Scheme (VTSS), with payments administered by Treasury to a number of agencies shown in the following table. These transfers reimbursed agencies for costs associated with separations finalised during the month of June 2018. The VTSS closed for most agencies on 30 June 2018 (see feature box in the *Financial Results* chapter of the 2017-18 *Annual Report on State Finances* for further details);

2018-19 VOLUNTARY TARGETED SEPARATION SCHEME
For the nine months ended 31 March 2019

Table 3.5

Item	Agency	Transfer from Appropriation
		\$m
5	Premier and Cabinet	0.4
38	Finance	0.3
42	Primary Industries and Regional Development	0.8
44	Mines, Industry Regulation and Safety	0.4
49	WA Health	10.7
54	Education	0.8
58	Justice (including Legal Aid Commission of Western Australia)	1.6
59	Fire and Emergency Services	0.1
64	Office of the Inspector of Custodial Services	0.1
66	Communities	2.6
68	Local Government, Sport and Cultural Industries	0.6
71	Library Board of Western Australia	0.3
73	Western Australian Museum	0.1
75	Western Australian Sports Centre Trust	0.1
76	Transport	0.4
80	Biodiversity, Conservation and Attractions	0.3
81	Planning, Lands and Heritage	4.8
Total		24.6

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

- \$2.2 million from the Library Board of Western Australia to the Department of Local Government, Sport and Cultural Industries for the transfer of information and communication technology services;
- \$1.5 million from the Department of Mines, Industry Regulation and Safety to the Small Business Development Corporation for the transfer of the Building and Construction Code Monitoring Unit;
- \$0.9 million from the Department of Education to the Department of Training and Workforce Development for the transfer of the Training Accreditation Council;
- \$0.2 million from the Public Sector Commission to the Department of Mines, Industry Regulation and Safety for costs associated with implementation of new industrial agreements; and
- \$0.1 million from the Department of Communities to the Department of Local Government, Sport and Cultural Industries for the transfer of staff costs associated with managing the Native Welfare Files (\$33,000) and the transfer of the Metropolitan Migrant Resource Centre (\$62,000).

2018-19 Quarterly Financial Results Report

Approved excesses and new items during the nine months to 31 March 2019 included:

- a new item for \$153 million administered by Treasury to fund projected payments to 30 June 2022 associated with the State's participation in the National Redress Scheme for Survivors of Institutional Child Sex Abuse (\$147.6 million)², establishment of a Response Coordination Unit to administer the State's participation in the Scheme (\$3.5 million), and to fund resources to source, evaluate and provide relevant case records as part of the assessment process for the Scheme (\$1.9 million);
- a new item for \$33 million for the Department of Mines, Industry Regulation and Safety to reflect an ex gratia payment to Mineral Resources Limited to facilitate the purchase of Cliffs Asia Pacific Iron Ore Pty Ltd Koolyanobbing mine;
- the provision of \$31.5 million in recurrent funding for the Metropolitan Redevelopment Authority primarily for structural reforms and regulatory planning activities (\$16.3 million), the repayment of a loan for the Forrestdale Business Park East project (\$12.2 million), place activation and management of Yagan Square (\$1.4 million), preliminary investigative works for the East Perth Power Station (\$1 million) and to fund external consultants, internal resources and operating costs to facilitate project exits (\$0.5 million);
- an excess of \$24.9 million to the Western Australian Land Authority for the land acquisitions and infrastructure works at the Forrestdale Business Park West precinct (\$7.5 million), the demolition of Subiaco Oval (\$5 million), the Mangles Bay Marina tourist precinct (\$7 million) and upgrading the ballast system at the Australian Marine Complex (\$5.3 million);
- an additional \$21.9 million to the Southern Ports Authority for operating subsidy payments which form part of the Government Support Package relating to Mineral Resources Limited's purchase of Cliffs Asia Pacific Iron Ore Pty Ltd's Koolyanobbing Iron Ore Operation (detailed in a feature box in Chapter 1 of the 2018-19 *Government Mid-year Financial Projection Statement*);
- capital funding of \$6.1 million to the Metropolitan Redevelopment Authority to finalise all remaining construction and commissioning works related to the Yagan Square precinct;
- an excess of \$3.6 million to the Fire and Emergency Services to reflect the payment of claims under the Western Australian Natural Disaster Relief and Recovery Arrangements;
- \$2.5 million for higher than expected claims against the Government Insurance Fund (administered by the Department of Treasury).
- an excess of \$1.5 million to the Chemistry Centre (WA) to replace specialist equipment that has reached the end of its economic life, the equipment provides expert chemical analysis to a range of government and non-government customers; and
- an excess of \$1.1 million to the Animal Resources Authority for the procurement of the replacement autoclave.

² The Government has announced that these and future payments beyond 2021-22 are expected to ultimately be funded from the proceeds of the partial commercialisation of Landgate's automated titling services.

TREASURER'S ADVANCE AT 31 MARCH 2019

Table 3.6

	Treasurer's Advance					Draw n against Treasurer's Advance to date \$m
	Budget \$m	Transfers ^(a) \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Recurrent Appropriations						
<i>Premier and Cabinet</i>						
Item 5: Delivery of Services	126.7	0.4	-	-	127.1	-
<i>Public Sector Commission</i>						
Item 7: Delivery of Services	23.6	-0.2	-	-	23.5	-
<i>Treasury</i>						
Item 23: Southern Ports Authority	0.3	-	-	21.9	22.2	9.0
Item 25: Western Australian Land Authority	27.7	-	-	24.9	52.5	-
Item 28: Metropolitan Redevelopment Authority	10.4	-	-	31.5	41.8	24.3
Item 30: Provision for Unfunded Liabilities in the Government Insurance Fund	1.9	-	-	2.5	4.4	1.4
Item 31: Provision for Voluntary Targeted Separation Scheme	55.8	-24.6	-	-	31.2	-
<i>Finance</i>						
Item 38: Delivery of Services	151.1	0.3	-	-	151.5	-
<i>Primary Industries and Regional Development</i>						
Item 42: Delivery of Services	166.3	0.8	-	-	167.1	-
<i>Mines, Industry Regulation and Safety</i>						
Item 44: Delivery of Services	125.1	-0.9	-	-	124.2	-
<i>Small Business Development Corporation</i>						
Item 46: Delivery of Services	11.9	1.5	-	-	13.4	-
<i>WA Health</i>						
Item 49: Delivery of Services	4,819.2	10.7	-	-	4,829.9	-
<i>Education</i>						
Item 54: Delivery of Services	4,042.0	-0.1	-	-	4,041.9	-
<i>Training and Workforce Development</i>						
Item 56: Delivery of Services	354.2	0.9	-	-	355.2	-
<i>Justice</i>						
Item 58: Delivery of Services	1,177.3	1.6	-	-	1,178.8	-
<i>Fire and Emergency Services</i>						
Item 59: Delivery of Services	22.8	0.1	-	-	22.9	-
Item 60: Western Australia Natural Disaster Relief and Recovery Arrangements	45.0	-	-	3.6	48.6	3.6
<i>Office of the Inspector of Custodial Services</i>						
Item 64: Delivery of Services	3.3	0.1	-	-	3.4	-
<i>Communities</i>						
Item 66: Delivery of Services	1,720.8	2.5	-	-	1,723.3	-
<i>Local Government, Sport and Cultural Industries</i>						
Item 68: Delivery of Services	110.3	3.0	-	-	113.2	-
Item 71: Library Board of Western Australia	31.4	-2.0	-	-	29.5	-
Item 73: Western Australian Museum	22.2	0.1	-	-	22.4	-

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

Table 3.6 (cont'd)

TREASURER'S ADVANCE AT 31 MARCH 2019

	Treasurer's Advance					Draw n against Treasurer's Advance to date \$m
	Budget \$m	Transfers ^(a) \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Recurrent Appropriations						
<i>Western Australian Sports Centre Trust</i>						
Item 75: Delivery of Services	80.0	0.1	-	-	80.1	-
<i>Transport</i>						
Item 76: Delivery of Services	77.3	0.4	-	-	77.7	-
<i>Biodiversity, Conservation and Attractions</i>						
Item 80: Delivery of Services	239.3	0.3	-	-	239.7	-
<i>Planning, Lands and Heritage</i>						
Item 81: Delivery of Services	92.3	4.8	-	-	97.1	-
<i>Mines, Industry Regulation and Safety</i>						
New Item: Ex-gratia Payment	-	-	33.0	-	33.0	-
<i>Treasury</i>						
New Item: National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse	-	-	153.0	-	153.0	153.0
Total Recurrent		-	186.0	84.3		191.3
Capital Appropriations						
<i>Animal Resources Authority</i>						
Item 88: Capital Appropriation	0.8	-	-	1.1	1.9	0.1
<i>Metropolitan Redevelopment Authority</i>						
Item 96: Capital Appropriation	100.2	-	-	6.1	106.3	3.8
<i>Chemistry Centre (WA)</i>						
Item 115: Capital Appropriation	1.0	-	-	1.5	2.5	0.5
Total Capital		-	-	8.7		4.4
TOTAL						195.7

(a) Authorised under section 25 of the FMA

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

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 account¹.

This appendix details balances at 31 March 2019 for a number of key SPAs established to deliver specific policy outcomes. The focus of this Appendix is on major/material SPAs that were in existence at 31 March 2019. 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

In line with the Government's election commitments for responsible financial management, a Debt Reduction Account was established in 2017-18 to apply windfall funds to the repayment of Consolidated Account borrowings. In the quarter ended 31 March 2019 receipts (and payments) of \$242 million reflect surplus funds returned to the Consolidated Account by RiskCover and excess agency cash returned to the Consolidated Account prior to 30 June 2018.

DEBT REDUCTION ACCOUNT
At 31 March

Table 4.1

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	-	-
Receipts	242	-
Payments	242	-
Closing Balance	-	-

Note: Columns may not add due to rounding.

¹ Section 16 of the *Financial Management Act 2006* provides for the establishment of agency SPAs. Moneys in operating accounts can only be applied for the services and purposes detailed in the annual Budget Statements, while moneys in trust accounts are held by the State for or on behalf of a person other than the State.

Fiona Stanley Hospital Construction Account

This SPA was established in October 2007 to set aside funds to be used for the construction and establishment of the Fiona Stanley Hospital.

The hospital achieved practical completion in December 2013, followed by completion of phased commissioning in February 2015. Project closure has now occurred, with the account closed and remaining unspent funds returned to the Consolidated Account.

FIONA STANLEY HOSPITAL CONSTRUCTION ACCOUNT		
At 31 March		
	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	39	20
Receipts	1	18
Payments	39	-
Closing Balance	-	39

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 first nine months of the year reflect appropriation funding of \$272.6 million for METRONET projects and \$1.4 million for the operating costs of the METRONET Office. Payments of \$29.7 million during the period were for transport infrastructure and planning and delivery (such as the Yanchep Rail Extension and Thornlie-Cockburn Link) and \$1 million for METRONET Office operating expenses.

METRONET ACCOUNT		
At 31 March		
	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	10	-
Receipts	274	12
Payments	31	12
Closing Balance	253	-(a)

(a) Amount below \$500,000.
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 nine months to the end of March 2019 reflect MRIT revenue (\$63.5 million), proceeds from the sale of land and buildings (\$9.8 million), interest revenue (\$6.7 million), rental revenue (\$4.6 million), revenue at Whiteman Park (\$0.8 million), and the return of funds for land acquisition that was not settled (\$0.7 million). Payments from the account were mainly for associated service delivery expenses (\$16.5 million), the acquisition of land and buildings (\$13.8 million), and to the Australian Taxation Office for GST on sales (\$1.5 million).

Table 4.4

METROPOLITAN REGION IMPROVEMENT ACCOUNT
At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	399	348
Receipts	86	86
Payments	33	47
Closing Balance	453	387

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 reflect levy contributions by mining operators (\$30.2 million) and interest earnings (\$1.6 million). Payments for the year to date include repayment of Treasurer's Advance (\$5.3 million)² and administration costs (\$0.4 million)

Table 4.5

MINING REHABILITATION FUND
At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	122	92
Receipts	32	30
Payments	6	^(a)
Closing Balance	148	122

(a) Amount below \$500,000.

Note: Columns may not add due to rounding.

Municipal and Essential Services Account

This SPA was established in 2015 to administer Commonwealth funds of \$90 million, following the withdrawal of the Commonwealth from the provision of municipal and essential services to remote Aboriginal communities at the end of June 2015.

² A Treasurer's Advance (reflecting a short term financing arrangement under section 28 of the *Financial Management Act 2006*) was used to fund administration costs for the Fund during prior periods where interest income on the available balance was insufficient to meet these costs in full. The Fund is now self-sustaining for the purpose of these costs.

Payments of \$0.1 million in the nine months to March 2019 were for the delivery of existing municipal and essential services at a range of remote communities and repairs, and replacement of equipment required to support these services. MUNS related works and contracts are currently being negotiated/finalised, with the full balance expected to be committed by the end of the current financial year.

Table 4.6

MUNICIPAL AND ESSENTIAL SERVICES ACCOUNT
At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	7	42
Receipts	-	-
Payments	_(a)	35
Closing Balance	7	7

(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. The receipt of \$153 million in 2018-19 reflects the initial allocation to meet payments from the account over the four years to 2021-22. The proceeds from the planned commercialisation of Landgate's automated land titling service will be used to repay the Consolidated Account for this initial contribution to the account, and to meet all other payments from the account in response to the Scheme.

Table 4.7

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

At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	-	-
Receipts	153	-
Payments	-	-
Closing Balance	153	-

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 was opened on 10 June 2018. Project closure arrangements for the hospital are expected to be finalised in 2020 to accommodate the extended defect liability period, with any remaining funds in the account to be returned to the Consolidated Account at that time.

Table 4.8

PERTH CHILDREN'S HOSPITAL ACCOUNT
At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	13	40
Receipts	-	-
Payments	-	27
Closing Balance	13	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* (the Act) 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.

Table 4.9

PERTH PARKING LICENSING ACCOUNT
At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	54	23
Receipts	56	56
Payments	13	20
Closing Balance	97	59

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 Perth Stadium and associated transport infrastructure. The stadium commenced operations in early 2018.

Payments during the nine months to March 2019 were for the replacement of tennis courts at the State Tennis Centre.

PERTH STADIUM ACCOUNT
At 31 March

Table 4.10

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	13	96
Receipts	-	122
Payments	3	183
Closing Balance	11	34

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This account was established to provide for road safety initiatives. Receipts reflect collections from prescribed penalties (\$71.3 million), other funds collected under the *Road Traffic (Administration) Act 2008* (\$0.3 million), and interest revenue earned on the account balance (\$1.1 million).

Projects funded from the Account are focused on achieving reductions in serious road trauma as part of the Government's Towards Zero Strategy for 2008 to 2020. The majority of the \$50 million drawn from the account in the nine months to the 31 March 2019 were to fund:

- the Regional Run-off Crashes program (\$19.6 million);
- the Inappropriate Speed Crashes program (\$10.1 million);
- the Intersections program (\$5.4 million);
- the ongoing operational cost of the Road Safety Commission (\$4.9 million); and
- a range of smaller road safety initiatives and support programs.

ROAD TRAUMA TRUST ACCOUNT
At 31 March

Table 4.11

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	53	57
Receipts	73	79
Payments	50	61
Closing Balance	76	74

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 first nine months of 2018-19 reflect the draw down of moneys appropriated by the Parliament (\$236 million), interest revenue earned on the account balance (\$15 million), and unused funds from associated projects returned to the Fund by agencies (\$11.2 million).

A total of \$424.5 million was disbursed from the account to support regional initiatives as detailed each year in Chapter 7 of Budget Paper No. 3.

ROYALTIES FOR REGIONS FUND

Table 4.12

At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	1,000	1,000
Receipts	262	422
Payments	425	566
Closing Balance	838	856

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. Payment of \$9.9 million in the nine months to March 2019 was drawn for the Department of Communities to fund the Essential and Municipal Services – Improvement in Remote Aboriginal Communities project.

ROYALITES FOR REGIONS REGIONAL REFORM FUND

Table 4.13

At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	96	100
Receipts	-	-
Payments	10	_(a)
Closing Balance	86	99

(a) Amount below \$500,000.

Note: Columns may not add due to rounding.

Royalties for Regions Southern Inland Health Initiative

This SPA was established to hold funds for expenditure on the Southern Inland Health Initiative, pursuant to section 9(1) of the *Royalties for Regions Act 2009*. Funding is provided by the Royalties for Regions Fund for initiatives to improve healthcare across the southern part of the State.

There have been no draw downs from the account during the nine months to the end of March 2019.

Table 4.14

ROYALTIES FOR REGIONS SOUTHERN INLAND HEALTH INITIATIVE
At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	23	56
Receipts	-	75
Payments	-	118
Closing Balance	23	13

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 by the Minister from the landfill levy. Waste levy receipts to date totalled \$58.4 million, of which \$15.6 million was allocated to the account as determined by the Minister. Draw downs totalling \$11 million were for waste programs and the payment of administration costs incurred by the Department of Water and Environmental Regulation.

Table 4.15

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT
At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i> ^(a)	39	33
Receipts	16	14
Payments	11	9
Closing Balance	44	38

(a) The closing balance of \$39 million at 30 June 2018 (opening balance at 1 July) has been restated from the \$38 million (reported in the 2017-18 *Annual Report on State Finances*). The restatement incorporates a correction to the rounding of the closing balance, which revises the closing value at 30 June 2018.

Note: Columns may not add due to rounding.

Western Australian Future Fund

The Western Australian Future Fund was established under the *Western Australian Future Fund Act 2012*. The Act provides for an accruing balance over 20 years to 2032, after which the annual interest earnings can be drawn down to fund economic or social infrastructure projects across Western Australia.

Year to date receipts to 31 March 2019 of \$88.9 million included the Consolidated Account's annual contribution equivalent to 1% of annual forecast royalty revenue (\$50.6 million) and interest receipts (\$38.3 million).

Table 4.16

WESTERN AUSTRALIAN FUTURE FUND
At 31 March

	2019 \$m	2018 \$m
<i>Balance at 1 July</i>	1,215	1,126
Receipts	89	80
Payments	-	-
Closing Balance	1,304	1,205

Note: Columns may not add due to rounding.

2018-19 Quarterly Financial Results Report

General Government Salaries

Introduction

Salaries represent the single largest component of general government sector expenses (40.5% in the first nine months of 2018-19).

General government salaries grew by 0.4% (up \$39 million) over the first three quarters of 2018-19, to total \$9,097 million. Salaries in the health, education, law and order, and community services sectors account for over 80% of general government salaries costs in the March outcome. Compared to the prior period, the lower net increase in salary costs is mainly due to savings realised through the Voluntary Targeted Separation Scheme which was completed for most agencies by 30 June 2018, and separation payments under the scheme paid in late 2017-18.

The following table summarises salaries outcomes for general government agencies for the nine months to 31 March 2019.

Table 5.1

SALARIES COSTS
General Government Sector

	2018-19		2017-18	
	Nine Months to 31 Mar \$m	Estimated Outturn \$m	Nine Months to 31 Mar \$m	Actual \$m
WA Health	3,380	4,649	3,310	4,469
Education	2,586	3,481	2,553	3,425
Western Australia Police Force	708	922	677	911
Justice	492	619	501	666
Communities	371	471	364	505
Fire and Emergency Services	140	188	134	181
Biodiversity Conservation and Attractions	136	182	138	185
Primary Industries and Regional Development	119	182	139	185
Mines, Industry Regulation and Safety	106	146	112	152
Transport	90	125	92	123
North Metropolitan TAFE	84	114	86	118
South Metropolitan TAFE	75	104	76	105
Finance	71	101	79	103
Water and Environmental Regulation	60	85	68	88
Local Government, Sport and Cultural Industries	59	84	68	92
Premier and Cabinet	60	79	58	77
Planning, Lands and Heritage	55	77	66	84
Western Australian Sports Centre Trust	40	50	33	43
Commissioner of Main Roads	37	58	42	65
Land Information Authority	37	57	48	60
Training and Workforce Development	33	46	38	50
Mental Health Commission	23	31	25	34
Treasury	25	35	24	32
Central Regional TAFE	24	33	25	34
North Regional TAFE	24	31	22	30
South Regional TAFE	26	34	25	34
Jobs, Tourism, Science and Innovation	23	32	24	33
Legal Aid Commission of WA	23	31	23	30
Office of the Director of Public Prosecutions	22	31	21	29
Legislative Assembly	17	23	17	22
Legislative Council	12	16	11	15
Office of the Auditor General	11	16	10	15
Corruption and Crime Commission	11	16	11	16
Chemistry Centre (WA)	10	13	10	14
Public Sector Commission	9	16	13	17
WorkCover WA	9	12	10	13
All other agencies (with annual salaries costs below \$10 million)	91	127	104	142
Provisions ^(a)	-	5	-	-
Total salaries	9,097	12,322	9,058	12,193

(a) The 2019-20 Budget includes a provision for Voluntary Targeted Separations Scheme costs for workplace changes (including salaries costs) for the transition to the Commonwealth-run National Disability Insurance Scheme.

Note: Columns may not add due to rounding.

