



GOVERNMENT OF
WESTERN AUSTRALIA

2021-22

QUARTERLY FINANCIAL RESULTS REPORT

March 2022



2021-22

Quarterly Financial Results Report

March 2022

Acknowledgement of Country

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

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

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)

2021-22

Quarterly Financial Results Report

Nine Months Ended 31 March 2022

Table of Contents

Foreword	i
Statement of Responsibility	ii
Overview	1
Summary.....	1
Results Compared to Prior Year.....	2
General Government Sector	2
Total Public Sector.....	9
Appendix 1: Interim Financial Statements	13
Introduction	14
Notes to the Interim Financial Statements	23
Appendix 2: Operating Revenue	29
Appendix 3: Public Ledger	35
Consolidated Account.....	35
Treasurer's Special Purpose Accounts.....	38
Treasurer's Advance	39
Transfers, Excesses and New Items	40
Appendix 4: Special Purpose Accounts	43
Appendix 5: General Government Salaries	53

Foreword

This *Quarterly Financial Results Report* (QFRR) provides financial results for the Western Australian public sector for the nine months to 31 March 2022.

Care should be exercised in extrapolating the likely outcome for the 2021-22 year based on the quarterly results to date. Seasonal and other timing factors that impact the State's finances make full-year estimation difficult.

The presentation in this report is consistent with that used in the 2021-22 State Budget (presented to the Legislative Assembly on 9 September 2021).

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

The Overview chapter summarises movements in the operating and cash flow statements for the first nine months of 2021-22, including comparisons to the same period last year, and movements in the balance sheet over the nine months to 31 March 2022.

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 2022, and of the balance sheets of these reporting entities at 31 March 2022. 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*.



MICHAEL BARNES PSM
UNDER TREASURER



MAGDALENA WITTEK
MANAGER
FINANCIAL REPORTING

27 May 2022

Overview

Summary

The general government sector recorded an operating surplus of \$5.5 billion for the nine months to 31 March 2022, up from the \$2.4 billion operating surplus reported for the same period in 2020-21.

General government revenue for the first nine months of 2021-22 was \$3.1 billion higher than the same period last year, primarily due to higher Commonwealth grants (up \$2.6 billion) and tax revenue (up \$1.1 billion), partially offset by lower dividends from public corporations (down \$659 million).

General government expenses were \$94 million lower than the same period last year. Lower recurrent and capital transfers (down \$1.4 billion) were partially offset by higher salaries spending (up \$595 million), 'other' operating expenses (up \$450 million) and services and contracts (up \$130 million).

Infrastructure spending for the nine months to 31 March 2022 totalled \$5 billion, which is \$1.4 billion higher than the same period last year and is largely due to higher spending on road projects. Total public sector net debt was \$28.8 billion at 31 March 2022, a substantial \$4.7 billion lower than the outcome recorded at 30 June 2021.

Results Compared to Prior Year

General Government Sector

The general government sector recorded an operating surplus of \$5.5 billion for the nine months to 31 March 2022, up from the \$2.4 billion operating surplus reported for the same period in 2020-21.

Table 1

SUMMARY OF GENERAL GOVERNMENT SECTOR FINANCES
Western Australia

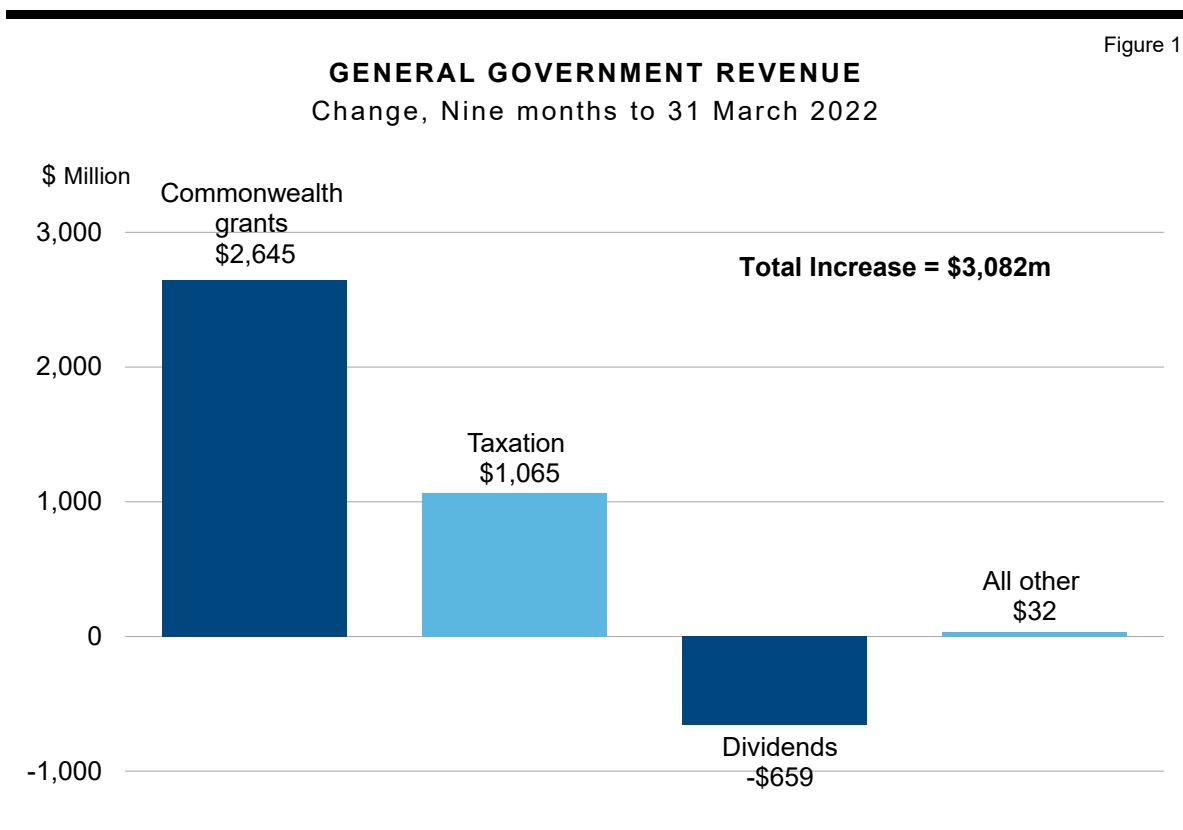
	2021-22			2020-21		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
Net operating balance	789	5,539	5,676	-581	2,363	5,838
Net worth		121,795	124,355		106,812	112,582
Movement in cash balances	-613	3,559	2,628	344	1,084	1,298
<i>Memorandum items</i>						
Net lending	275	4,391	4,157	-574	2,248	3,649
Net debt		18,728	19,622		22,868	22,788
Cash surplus/-deficit	-267	4,963	4,909	641	2,126	2,620

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

Revenue

Revenue for the nine months to 31 March 2022 totalled \$31 billion, \$3.1 billion higher than the same period last year.



The higher revenue outcome for the nine months to 31 March 2022 primarily reflects the net impact of:

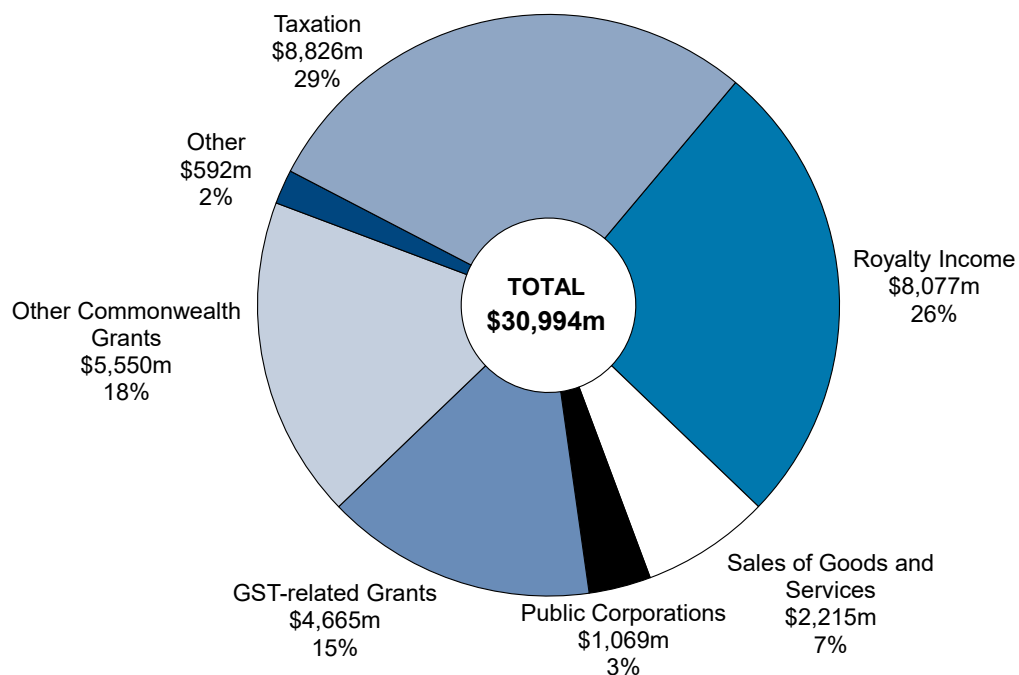
- higher Commonwealth grants (up \$2,645 million), mainly for:
 - higher GST grants (up \$1,141 million), mainly due to growth in the national pool of GST collections, as a result of buoyant national consumer spending;
 - higher North West Shelf petroleum grants (up \$482 million), reflecting higher commodity prices and a lower exchange rate, partially offset by lower production volumes;
 - increased funding under the National Partnership on COVID-19 Response (up \$287 million), mainly reflecting the Commonwealth's 50% contribution to the purchase of Rapid Antigen Tests in 2021-22;
 - increased HomeBuilder grant funding (up \$265 million), reflecting demand for new home construction stimulus grants; and
 - higher capital funding for transport infrastructure projects (up \$180 million);

2021-22 Quarterly Financial Results Report

- higher taxation revenue (up \$1,065 million), primarily due to:
 - higher payroll tax collections (up \$536 million), reflecting the strength of recovery in the State’s labour market, with employment reaching a record 1.47 million people in March 2022;
 - higher transfer duty (up \$461 million), due to higher numbers of residential property transactions and higher prices compared to the same period last year;
 - higher motor vehicle taxes (up \$109 million), reflecting higher average vehicle prices and growth in the number of registered vehicles;
 - lower landholder duty (down \$103 million), reflecting a lower number and value of commercial transactions; and
 - higher insurance duty (up \$79 million), due to stronger insurance market activity over the year to March 2022 and the impact of a large annual payment from an international insurer in December 2021; and
- lower dividend income (down \$659 million), following the Government’s 2021-22 Budget decision for most Government Trading Enterprises to retain 2021-22 dividends for future infrastructure investment.

Figure 2

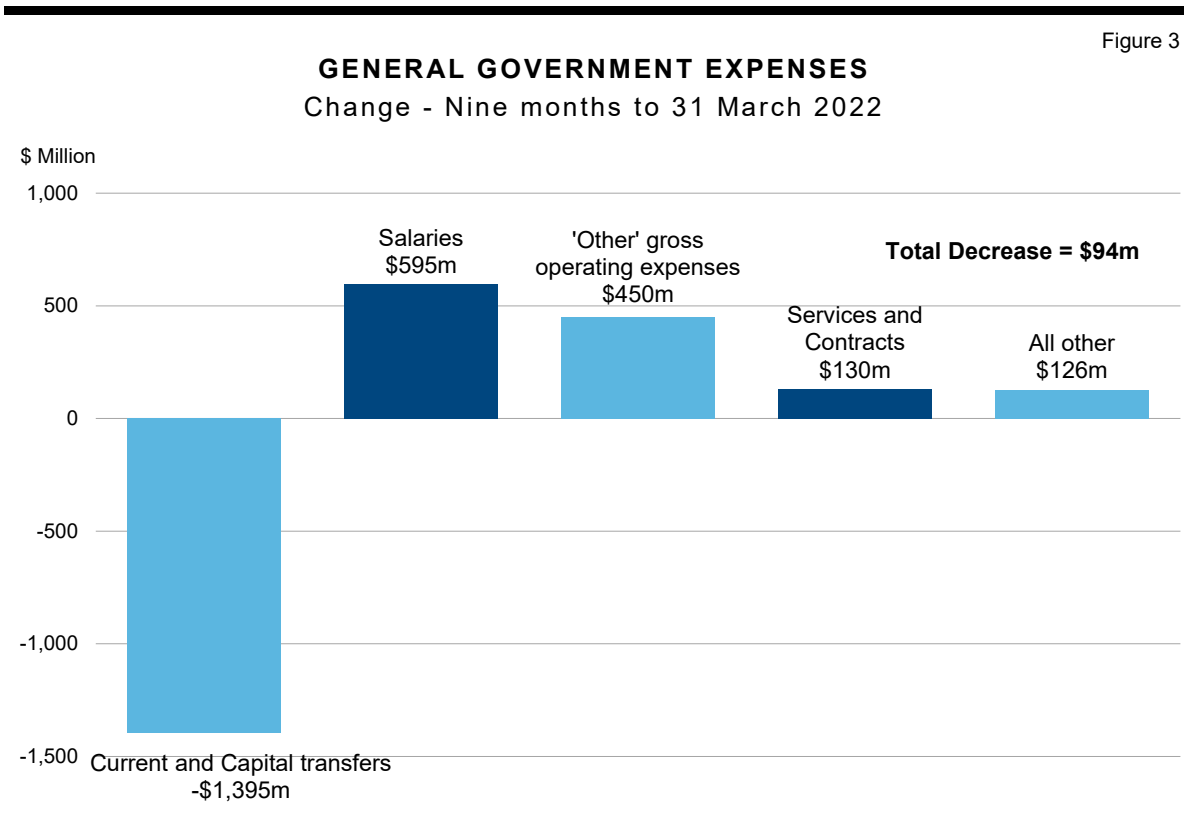
GENERAL GOVERNMENT REVENUE
 Nine months to 31 March 2022



Note: Segments may not add due to rounding.

Expenses

Expenses for the nine months to 31 March 2022 totalled \$25.5 billion, \$94 million less than the same period in 2020-21.

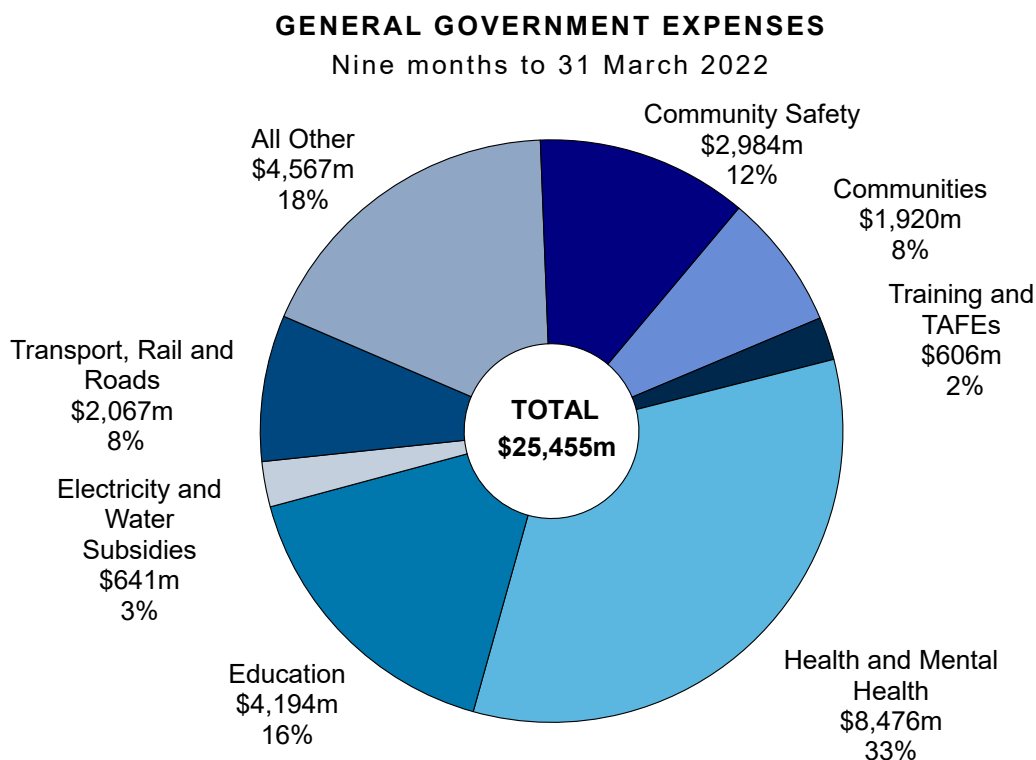


2021-22 Quarterly Financial Results Report

Lower general government expenses for the nine months to 31 March 2022, compared with the same period last year, mainly reflects the net effect of:

- lower current and capital transfers (down \$1,395 million), mainly due to:
 - the recognition of two significant Native Title settlements brought to account in 2020-21 (reducing expenses relative to the same period last year by \$1,298 million);
 - lower operating subsidies to Synergy, primarily due to the funding of pandemic support initiatives during the first nine months of 2020-21, including small business grants and the \$600 Household Electricity Credit (down \$463 million); and
 - higher on-passed grants for the Commonwealth's HomeBuilder scheme, and the State Government's Building Bonus stimulus grants (up \$441 million);
- higher salaries spending (up \$595 million), mainly due to the ongoing cost of responding to COVID-19, with increased staff numbers in WA Health, the Department of Education and the Western Australia Police Force;
- higher 'other' gross operating expenses (up \$450 million), largely due to COVID-19 and higher patient support costs in the health sector. This was partially offset by lower costs for expensed minor works for schools and an increase in the number of clients transitioning to the Commonwealth National Disability Insurance Scheme; and
- higher services and contracts (up \$130 million), primarily due to higher expenditure on road maintenance, and other transport sector costs.

Figure 4



Note: Segments may not add due to rounding.

Balance Sheet

Net worth of the general government sector increased by \$9.2 billion during the nine months to 31 March 2022, to be \$121.8 billion¹. This increase mainly reflects the combined impact of:

- an increase in the value of equity in public corporations (up \$3.8 billion), reflecting the value of physical assets and operating surpluses recorded by these sectors (see Total Public Sector later in this chapter);
- a \$3.1 billion increase in liquid assets (i.e. cash and liquid investments), mainly reflecting the impact of the general government sector operating surplus discussed earlier, and the timing of cash receipts and payments through the Public Bank Account;
- a \$924 million increase in general government sector property, plant and equipment, reflecting infrastructure investment and the net impact of valuation changes, depreciation charges and disposals of used assets;
- lower receivables (down \$909 million), largely due to the payment of accrued royalty assessments by producers;

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.

2021-22 Quarterly Financial Results Report

- a \$739 million reduction in the value of superannuation entitlements, reflecting an increase in the discount rate used to calculate the liability (from 1.4% at 30 June 2021 to 2.8% at 31 March 2022);
- a \$592 million reduction in borrowings, mainly reflecting the repayment of \$587 million of Consolidated Account borrowings funded by Insurance Commission of Western Australia and Western Australian Treasury Corporation dividends for 2021-22 (reflected in the 2021-22 Budget); and
- lower deposits held on behalf of other sectors (down \$398 million), mainly public non-financial corporations.

Cash Flow

The general government sector recorded a cash surplus of \$5 billion for the nine months to 31 March 2022, up from the \$2.1 billion cash surplus reported for the same period in 2020-21. This largely reflects the impact on cash of the operating surplus detailed earlier, partially offset by a \$883 million increase in asset investment (discussed later in this chapter).

Total Public Sector²

Operating Statement

The total public sector recorded an operating surplus of \$5.9 billion for the nine months to 31 March 2022, up from the \$2.9 billion operating surplus recorded in the same period last year.

SUMMARY OF TOTAL PUBLIC SECTOR FINANCES
Western Australia

Table 2

	2021-22			2020-21		
	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	1,098	5,892	5,952	-77	2,916	5,537
Net worth		121,795	124,355		106,812	112,582
Movement in cash balances	-489	3,020	2,451	103	726	1,607
<i>Memorandum items</i>						
Net lending	636	3,952	3,227	1,491	3,601	3,382
Net debt		28,810	29,949		33,645	33,482
Cash surplus/-deficit	-181	4,583	3,811	992	2,299	2,454

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

The increase in the total public sector operating surplus for the nine months to 31 March 2022 includes:

- the higher general government operating surplus outlined earlier;
- a \$313 million lower operating surplus in the public non-financial corporations sector, mainly due to higher depreciation costs associated with upward valuation of assets brought to book in final outcomes reported in agencies' 2020-21 annual reports; and
- a \$546 million lower operating surplus in the public financial corporations sector, largely due to the recognition of \$665 million in proceeds from the Bell Group settlement received by the Insurance Commission of Western Australia during the same period in 2020-21.

² The total public sector (also known as the whole-of-government) consolidates the general government sector (discussed in the previous sections of this chapter), 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 3

TOTAL PUBLIC SECTOR OPERATING BALANCE
By Sector

	2021-22			2020-21		
	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	789	5,539	5,676	-581	2,363	5,838
Public non-financial corporations sector	136	355	861	450	668	780
Public financial corporations sector	173	511	158	55	1,057	434
<i>less</i>						
General government dividend revenue	-	516	617	2	1,175	1,362
Public non-financial corporations dividend revenue ^(c)	-	-	129	-	-	156
Agency depreciation costs on right of use assets leased from other government sectors ^(d)	-1	-2	-2	-1	-2	-3
Total public sector net operating balance	1,098	5,892	5,952	-77	2,916	5,537

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

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

Balance Sheet

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

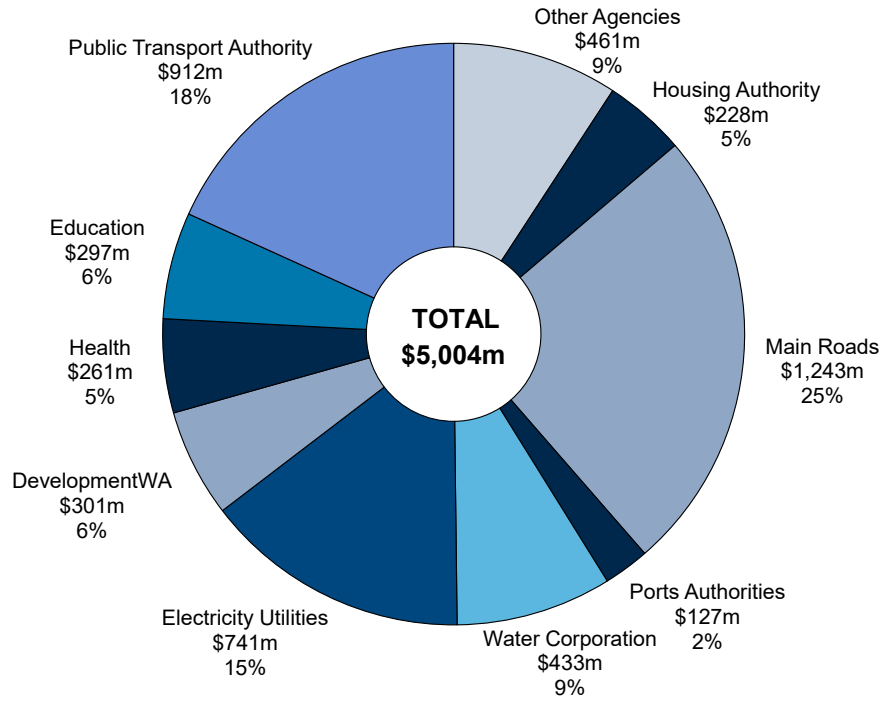
Total public sector net debt declined by a substantial \$4.7 billion during the nine months to 31 March 2022, to stand at \$28.8 billion. This mainly reflects the impact on cash of operating surpluses in the general government sector and across the public corporations sectors (see previous section).

Cash Flow

A cash surplus of \$4.6 billion was recorded for the total public sector for the nine months to 31 March 2022. This is mainly due to the general government cash outcome noted earlier. Total public sector infrastructure spending for the nine months to 31 March 2022 totalled \$5 billion, \$1.4 billion higher than the same period in 2020-21. This was mainly due to higher spending on road projects (including Tonkin Gap, the Leach Highway upgrade and Armadale Road Bridge), higher spending by the Public Transport Authority on the METRONET program of works, higher spending on land inventories by DevelopmentWA, and higher spending on health infrastructure.

Figure 5

ASSET INVESTMENT PROGRAM
Nine months to 31 March 2022



Note: Segments may not add due to rounding.

2021-22 Quarterly Financial Results Report

Interim Financial Statements

Contents	Page
Introduction	14
General Government	
Table 1.1: Operating Statement	15
Table 1.2: Balance Sheet	16
Table 1.3: Statement of Changes in Equity	17
Table 1.4: Cash Flow Statement	18
Total Public Sector	
Table 1.5: Operating Statement	19
Table 1.6: Balance Sheet	20
Table 1.7: Statement of Changes in Equity	21
Table 1.8: Cash Flow Statement	22
Notes to the Consolidated Financial Statements	
1 Statement of significant accounting policies	23
2 Operating revenue.....	24
3 Transfer expenses.....	24
4 Convergence differences.....	25
5 Investments, loans and placements	26
6 Receivables.....	26
7 Borrowings	27
8 Details of agencies consolidated	27
9 Contingent assets and liabilities	27

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 of the *Government Financial Responsibility Act 2000*. The formats used in this report are the same as those used in 2021-22 State Budget Papers presented to the Legislative Assembly on 9 September 2021, facilitating comparisons between estimates and outturns for the 2021-22 financial year.

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

Table 1.1

GENERAL GOVERNMENT OPERATING STATEMENT

	2021-22			2020-21			Actual ^(b) \$m
	Note	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	
RESULTS FROM TRANSACTIONS							
REVENUE							
Taxation		2,667	8,826	11,476	2,446	7,762	10,153
Current grants and subsidies		2,600	9,297	11,835	1,959	7,148	9,421
Capital grants		313	918	1,832	193	423	1,131
Sales of goods and services		696	2,215	3,058	690	2,063	2,821
Interest income		29	85	118	18	86	110
Revenue from public corporations							
Dividends from other sectors		-	516	617	2	1,175	1,362
Tax equivalent income		220	553	686	180	571	956
Royalty income		2,483	8,077	11,490	3,116	8,245	12,181
Other		153	507	778	160	440	2,015
Total	2	9,162	30,994	41,890	8,765	27,912	40,151
EXPENSES							
Salaries		3,476	10,562	14,097	3,299	9,967	13,469
Superannuation							
Concurrent costs		362	1,101	1,469	328	989	1,323
Superannuation interest cost		71	118	154	56	89	60
Other employee costs		29	225	342	105	291	422
Depreciation and amortisation		448	1,338	1,864	427	1,267	1,741
Services and contracts		711	1,964	3,589	599	1,834	2,686
Other gross operating expenses		1,525	4,566	6,086	1,358	4,116	5,602
Interest							
Interest on leases		33	99	132	29	98	134
Other interest		149	465	635	162	486	654
Current transfers	3	1,397	4,241	6,726	2,812	6,030	7,458
Capital transfers	3	172	776	1,121	171	382	763
Total		8,374	25,455	36,214	9,346	25,549	34,313
NET OPERATING BALANCE		789	5,539	5,676	-581	2,363	5,838
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		2	10	-184	23	21	-173
Provision for doubtful debts		-	-2	-17	-1	-2	-51
Changes in accounting policy/adjustments of prior periods		-116	-387	-	-10	6	9
Total other economic flows		-113	-379	-200	13	24	-215
OPERATING RESULT		675	5,160	5,475	-568	2,388	5,623
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		721	141	4,178	-70	-104	1,827
Net actuarial gains/loss - superannuation		447	619	780	604	823	1,072
Gains recognised directly in equity		-3	-	-43	-	-	2
Change in net worth of the public corporations sectors		1,088	3,292	1,383	879	1,266	1,620
All other		-	-	-	-	-	-
Total all other movements in equity		2,254	4,052	6,298	1,413	1,986	4,520
TOTAL CHANGE IN NET WORTH		2,929	9,213	11,773	845	4,373	10,144
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE		789	5,539	5,676	-581	2,363	5,838
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		755	2,324	3,157	402	1,442	2,614
Changes in inventories		236	249	365	38	71	70
Other movement in non-financial assets		-1	-	40	-6	-84	1,337
<i>less:</i>							
Sales of non-financial assets		29	87	180	13	45	90
Depreciation		448	1,338	1,864	427	1,267	1,741
Total net acquisition of non-financial assets		513	1,148	1,518	-7	116	2,189
NET LENDING/BORROWING		275	4,391	4,157	-574	2,248	3,649

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

Table 1.2

GENERAL GOVERNMENT BALANCE SHEET

	Note	For the period ending			
		31 Mar 2022	30 June 2022 ^(a)	31 Mar 2021	30 June 2021 ^(b)
		\$m	\$m	\$m	\$m
ASSETS					
<i>Financial assets</i>					
Cash and deposits		7,634	7,011	5,106	5,230
Advances paid		731	713	756	729
Investments, loans and placements	5	2,763	4,599	2,008	2,105
Receivables	6	5,033	5,125	5,076	5,942
Shares and other equity					
Investments in other public sector entities - equity method		45,873	43,964	42,228	42,581
Investments in other public sector entities - direct injections		12,307	12,877	11,517	11,751
Investments in other entities		30	30	22	30
Other financial assets		9	9	8	8
Total financial assets		74,379	74,327	66,722	68,376
<i>Non-financial assets</i>					
Land		37,949	38,613	35,151	37,821
Property, plant and equipment		48,233	52,374	46,263	47,428
Right-of-use assets		2,385	2,389	2,442	2,394
Service concession assets		775	775	747	798
Biological assets		54	54	109	54
Inventories					
Land inventories		-	-	-	-
Other inventories		428	544	179	179
Intangibles		569	605	542	586
Assets classified as held for sale		39	72	8	107
Investment property		7	7	7	7
Other		442	313	353	352
Total non-financial assets		90,882	95,745	85,802	89,726
TOTAL ASSETS		165,262	170,072	152,523	158,102
LIABILITIES					
Deposits held		935	3,014	1,208	1,333
Advances received		309	291	326	309
Borrowings	7				
Lease liabilities		2,753	2,768	2,745	2,753
Service concession liabilities		-	5	-	5
Other borrowings		25,859	25,867	26,459	26,451
Unfunded superannuation		4,777	4,575	5,867	5,516
Other employee benefits		3,728	3,970	3,916	3,875
Payables		2,458	2,638	2,568	2,537
Other liabilities		2,648	2,588	2,623	2,740
TOTAL LIABILITIES		43,467	45,717	45,712	45,520
NET ASSETS		121,795	124,355	106,812	112,582
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		20,078	22,506	10,814	14,298
Other reserves		101,717	101,849	95,998	98,284
NET WORTH		121,795	124,355	106,812	112,582
MEMORANDUM ITEMS					
<i>Net financial worth</i>		30,912	28,610	21,010	22,856
<i>Net financial liabilities</i>		27,267	28,231	32,735	31,476
<i>Net debt</i>					
Gross debt liabilities		29,856	31,945	30,738	30,851
less: liquid financial assets		11,128	12,323	7,870	8,063
Net debt		18,728	19,622	22,868	22,788

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

Table 1.3

GENERAL GOVERNMENT STATEMENT OF CHANGES IN EQUITY
For the nine months ended 31 March 2022

	Asset Revaluation Surplus \$m	Accumulated net gain on equity investments in other sector entities \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2021</i>	55,702	42,581	14,298	112,582
Operating result	-	-	5,160	5,160
All other movements in equity	142	3,292	619	4,052
<i>Total change in net worth</i>	142	3,292	5,779	9,213
Balance at 31 March 2022	55,844	45,873	20,078	121,795

For the nine months ended 31 March 2021

	Asset Revaluation Surplus \$m	Accumulated net gain on equity investments in other sector entities \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2020</i>	53,889	40,962	7,587	102,438
Operating result	-	-	2,388	2,388
All other movements in equity	-120	1,266	839	1,986
<i>Total change in net worth</i>	-120	1,266	3,227	4,373
Balance at 31 March 2021	53,770	42,228	10,814	106,812

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

2021-22 Quarterly Financial Results Report

Table 1.4

GENERAL GOVERNMENT CASH FLOW STATEMENT

	2021-22			2020-21		
	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	2,692	8,414	11,496	2,486	7,228	9,847
Grants and subsidies received	3,790	11,876	15,799	2,986	8,996	12,167
Receipts from sales of goods and services	713	2,187	3,009	614	2,015	2,858
Interest receipts	30	72	114	25	58	88
Dividends and tax equivalents	198	1,233	1,497	213	1,862	2,331
Other	2,392	11,029	14,417	3,089	8,964	12,694
Total cash received	9,816	34,811	46,332	9,412	29,122	39,985
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-4,128	-11,956	-15,855	-3,458	-10,812	-14,851
Payments for goods and services	-2,330	-7,179	-10,517	-1,976	-6,685	-8,904
Interest paid	-181	-551	-748	-199	-591	-803
Grants and subsidies paid	-2,260	-6,398	-9,617	-2,368	-6,149	-8,456
Dividends and tax equivalents	-	-	-	-	-	-
Other	-458	-1,525	-1,709	-382	-1,363	-1,828
Total cash paid	-9,357	-27,611	-38,447	-8,383	-25,600	-34,842
NET CASH FLOWS FROM OPERATING ACTIVITIES	459	7,200	7,885	1,029	3,522	5,143
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-755	-2,324	-3,157	-402	-1,442	-2,614
Sales of non-financial assets	29	87	180	13	45	90
Total cash flows from investments in non-financial assets	-727	-2,237	-2,976	-388	-1,396	-2,524
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	4	14	10	5	10	14
For liquidity purposes	18	66	65	23	61	86
<i>Cash paid</i>						
For policy purposes	-159	-556	-1,377	-207	-927	-1,210
For liquidity purposes	-11	-49	-7	-17	-80	-94
Total cash flows from investments in financial assets	-147	-525	-1,309	-196	-937	-1,205
NET CASH FLOWS FROM INVESTING ACTIVITIES	-874	-2,762	-4,285	-584	-2,333	-3,728
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	18	-	-	18
Borrowings	11	42	130	6	183	198
Deposits received	-	-	-	-	-	-
Other financing receipts	55	111	15	8	125	233
Total cash received	66	154	163	13	308	449
<i>Cash paid</i>						
Advances paid	-	-	-18	-	-	-17
Borrowings repaid	-99	-628	-707	-9	-19	-45
Deposits paid	-	-	-	-	-	-
Other financing payments	-166	-404	-410	-105	-394	-503
Total cash paid	-265	-1,032	-1,135	-114	-413	-566
NET CASH FLOWS FROM FINANCING ACTIVITIES	-199	-878	-972	-101	-105	-117
Net increase in cash and cash equivalents	-613	3,559	2,628	344	1,084	1,298
Cash and cash equivalents at the beginning of the year	11,116	6,943	6,943	6,384	5,645	5,645
Cash and cash equivalents at the end of the year	10,502	10,502	9,571	6,728	6,728	6,943
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	459	7,200	7,885	1,029	3,522	5,143
Net cash flows from investing in non-financial assets	-727	-2,237	-2,976	-388	-1,396	-2,524
Cash surplus/-deficit	-267	4,963	4,909	641	2,126	2,620

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

TOTAL PUBLIC SECTOR OPERATING STATEMENT

Table 1.5

	Note	2021-22			2020-21		Actual ^(b) \$m
		Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outcome ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	
<i>Results from Transactions</i>							
REVENUE							
Taxation		2,538	8,448	10,902	2,305	7,357	9,606
Current grants and subsidies		2,600	9,297	11,835	1,959	7,148	9,421
Capital grants		313	918	1,832	193	423	1,131
Sales of goods and services		9,976	27,233	39,008	10,280	32,855	41,172
Interest income		102	320	388	98	359	478
Royalty income		2,483	8,077	11,490	3,116	8,245	12,181
Other		279	859	1,193	271	829	2,556
Total	2	18,290	55,152	76,648	18,222	57,216	76,545
EXPENSES							
Salaries		3,790	11,511	15,512	3,598	10,872	14,676
Superannuation							
Concurrent costs		397	1,200	1,616	358	1,079	1,454
Superannuation interest cost		71	118	154	56	89	60
Other employee costs		125	417	515	94	260	404
Depreciation and amortisation		1,332	3,645	4,430	1,043	3,059	4,235
Services and contracts		957	2,720	4,564	805	2,394	3,549
Other gross operating expenses		9,188	25,156	37,040	9,636	30,408	38,936
Interest							
Interest on leases		50	152	214	47	154	209
Other interest		237	726	1,038	263	843	1,116
Other property expenses		-	-	-	-	-	-
Current transfers	3	899	2,919	4,682	2,223	4,794	5,629
Capital transfers	3	146	697	931	175	348	741
Total		17,192	49,260	70,696	18,298	54,300	71,008
NET OPERATING BALANCE		1,098	5,892	5,952	-77	2,916	5,537
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		-191	30	-84	167	581	471
Provision for doubtful debts		-10	-25	-62	-18	-7	-64
Changes in accounting policy/adjustment of prior periods		-84	83	524	47	-124	-98
Total other economic flows		-285	89	378	196	450	309
OPERATING RESULT		813	5,980	6,330	119	3,366	5,846
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		1,659	2,677	4,672	117	179	3,251
Net actuarial gains/loss - superannuation		457	632	804	612	832	1,071
Gains recognised directly in equity		-1	-76	-34	-3	-3	-24
All other		-	-	-	-	-	-
Total all other movements in equity		2,116	3,232	5,443	725	1,008	4,298
TOTAL CHANGE IN NET WORTH		2,929	9,213	11,773	845	4,373	10,144
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE		1,098	5,892	5,952	-77	2,916	5,537
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		1,702	5,004	6,980	1,097	3,604	5,816
Changes in inventories		219	857	497	-1,420	-820	-330
Other movement in non-financial assets		28	76	179	-13	-36	1,403
<i>less:</i>							
Sales of non-financial assets		155	352	501	189	373	499
Depreciation		1,332	3,645	4,430	1,043	3,059	4,235
Total net acquisition of non-financial assets		462	1,940	2,725	-1,568	-685	2,155
NET LENDING-BORROWING		636	3,952	3,227	1,491	3,601	3,382

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

Table 1.6

TOTAL PUBLIC SECTOR BALANCE SHEET

	Note	For the period ending			
		31 Mar 2022 \$m	30 June 2022 ^(a) \$m	31 Mar 2021 \$m	30 June 2021 ^(b) \$m
ASSETS					
<i>Financial assets</i>					
Cash and deposits		9,985	7,187	7,059	7,113
Advances paid		4,700	5,275	5,656	5,621
Investments, loans and placements	5	11,334	19,424	15,975	19,670
Receivables	6	6,526	6,569	6,859	7,480
Equity - investments in other entities		2,430	2,703	2,568	2,776
Other financial assets		9	9	12	9
Total financial assets		34,984	41,167	38,129	42,669
<i>Non-financial assets</i>					
Land		45,309	45,694	43,448	46,015
Property, plant and equipment		108,782	112,056	102,926	105,501
Right-of-use assets		2,821	3,008	2,921	2,856
Service concession assets		2,784	2,771	956	1,005
Biological assets		254	262	317	264
Inventories					
Land inventories		1,501	1,530	1,690	1,566
Other inventories		6,961	6,601	5,614	6,104
Intangibles		1,036	1,080	980	1,097
Assets classified as held for sale		40	77	13	112
Investment property		25	22	33	28
Other		619	508	502	523
Total non-financial assets		170,131	173,609	159,398	165,069
TOTAL ASSETS		205,115	214,776	197,527	207,738
LIABILITIES					
Deposits held		19	12	17	13
Advances received		309	291	326	309
Borrowings	7	-	-	-	-
Lease liabilities		3,440	3,641	3,484	3,474
Service concession liabilities		330	340	-	348
Other borrowings		50,731	57,551	58,508	61,741
Unfunded superannuation		4,833	4,639	5,939	5,602
Other employee benefits		4,184	4,418	4,347	4,343
Payables		9,907	9,924	9,812	10,021
Other liabilities		9,567	9,604	8,282	9,304
TOTAL LIABILITIES		83,320	90,421	90,715	95,156
NET ASSETS		121,795	124,355	106,812	112,582
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		40,615	44,308	31,298	34,118
Other reserves		81,180	80,047	75,513	78,464
NET WORTH		121,795	124,355	106,812	112,582
MEMORANDUM ITEMS					
<i>Net financial worth</i>		-48,336	-49,254	-52,586	-52,487
<i>Net financial liabilities</i>		48,336	49,254	52,586	52,487
<i>Net debt</i>					
Gross debt liabilities		54,829	61,835	62,335	65,885
less: liquid financial assets		26,019	31,886	28,690	32,404
Net debt		28,810	29,949	33,645	33,482

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

Table 1.7

TOTAL PUBLIC SECTOR STATEMENT OF CHANGES IN EQUITY
For the nine months ended 31 March 2022

	Asset		Total Equity
	Revaluation Surplus	Accumulated Surplus/deficit	
	\$m	\$m	\$m
<i>Balance at 1 July 2021</i>	78,464	34,118	112,582
Operating result	-	5,980	5,980
All other movements in equity	2,715	517	3,232
<i>Total change in net worth</i>	2,715	6,498	9,213
Balance at 31 March 2022	81,180	40,615	121,795

For the nine months ended 31 March 2021

	Asset		Total Equity
	Revaluation Surplus	Accumulated Surplus/deficit	
	\$m	\$m	\$m
<i>Balance at 1 July 2020</i>	75,355	27,083	102,438
Operating result	-	3,366	3,366
All other movements in equity	158	850	1,008
<i>Total change in net worth</i>	158	4,215	4,373
Balance at 31 March 2021	75,513	31,298	106,812

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

Table 1.8

TOTAL PUBLIC SECTOR CASH FLOW STATEMENT

	2021-22			2020-21		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Estimated Outcome ^(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	2,576	8,145	10,913	2,385	6,956	9,294
Grants and subsidies received	3,792	11,878	15,799	2,986	8,996	12,167
Receipts from sales of goods and services	7,884	21,061	28,381	6,930	22,933	29,970
Interest receipts	108	337	377	116	358	466
Other receipts	2,784	12,131	15,696	3,348	9,878	13,901
Total cash received	17,144	53,552	71,166	15,766	49,121	65,797
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-4,500	-13,040	-17,420	-3,802	-11,839	-16,177
Payments for goods and services	-7,934	-21,215	-29,732	-6,802	-22,052	-28,895
Interest paid	-339	-1,083	-1,200	-419	-1,290	-1,688
Grants and subsidies paid	-1,804	-5,029	-7,250	-1,718	-4,107	-5,632
Other payments	-1,199	-3,949	-5,275	-1,125	-4,303	-5,635
Total cash paid	-15,777	-44,317	-60,876	-13,865	-43,591	-58,026
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,366	9,235	10,290	1,901	5,530	7,771
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-1,702	-5,004	-6,980	-1,097	-3,604	-5,816
Sales of non-financial assets	155	352	501	189	373	499
Total cash flows from investments in non-financial assets	-1,547	-4,652	-6,479	-909	-3,231	-5,317
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	4	14	10	5	10	14
For liquidity purposes	2,950	9,130	9,277	3,272	10,639	12,774
<i>Cash paid</i>						
For policy purposes	-5	-13	-10	-5	-11	-17
For liquidity purposes	-1,757	-5,390	-8,557	-3,625	-10,222	-12,616
Total cash flows from investments in financial assets	1,193	3,741	720	-353	415	154
NET CASH FLOWS FROM INVESTING ACTIVITIES	-354	-911	-5,759	-1,261	-2,816	-5,162
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	-	-	-	-
Borrowings	6,659	16,514	19,808	10,160	24,135	29,482
Deposits received	-	-	-	-	-	-
Other financing receipts	56	116	13	12	131	232
Total cash received	6,715	16,630	19,820	10,172	24,266	29,714
<i>Cash paid</i>						
Advances paid	-	-	-18	-	-	-17
Borrowings repaid	-8,038	-21,479	-21,473	-10,587	-25,842	-30,138
Deposits paid	-	-	-	-	-	-
Other financing payments	-178	-455	-409	-121	-411	-560
Total cash paid	-8,216	-21,934	-21,900	-10,708	-26,254	-30,716
NET CASH FLOWS FROM FINANCING ACTIVITIES	-1,501	-5,304	-2,080	-536	-1,988	-1,002
Net increase in cash and cash equivalents	-489	3,020	2,451	103	726	1,607
Cash and cash equivalents at the beginning of the year	16,109	12,600	12,600	11,616	10,994	10,994
Cash and cash equivalents at the end of the year	15,621	15,621	15,051	11,720	11,720	12,600
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	1,366	9,235	10,290	1,901	5,530	7,771
Net cash flows from investing in non-financial assets	-1,547	-4,652	-6,479	-909	-3,231	-5,317
Cash surplus/-deficit	-181	4,583	3,811	992	2,299	2,454

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

Notes to the Interim Financial Statements

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

(c) Basis of Preparation

The financial statements for the nine months ended 31 March 2022 have been prepared in accordance with Australian Accounting Standards, in particular AASB 134: *Interim Financial Reporting*, and AASB 1049: *Whole of Government and General Government Sector Financial Reporting* and other authoritative pronouncements of the AASB.

This interim financial report does not include all the note disclosures that are included in an annual financial report. Accordingly, this report is to be read in conjunction with the audited Consolidated Financial Statements for the year ended 30 June 2021, presented in Appendix 1 of the *2020-21 Annual Report on State Finances* (ARSF) released on 24 September 2021. The accounting policies adopted in this publication are consistent with those outlined in the 2020-21 ARSF. The specific accounting policies of the Government of Western Australia are described in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the 2020-21 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			2020-21		
	2021-22		Estimated Outturn (b)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual (c)
	Three Months to 31 Mar	Nine Months to 31 Mar				
	\$m	\$m	\$m	\$m	\$m	\$m
CURRENT TRANSFERS						
Local government	89	262	506	60	227	302
Private and not-for-profit sector	378	1,342	2,233	1,659	2,619	2,868
Other sectors of government	931	2,637	3,988	1,093	3,183	4,288
Total Current Transfers	1,397	4,241	6,726	2,812	6,030	7,458
CAPITAL TRANSFERS						
Local government	16	32	72	16	100	138
Private and not-for-profit sector	124	652	830	122	201	527
Other sectors of government	31	92	218	33	81	97
Total Capital Transfers	172	776	1,121	171	382	763
	Total Public Sector			2020-21		
	2021-22		Estimated Outturn (b)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual (c)
	Three Months to 31 Mar	Nine Months to 31 Mar				
	\$m	\$m	\$m	\$m	\$m	\$m
CURRENT TRANSFERS						
Local government	89	262	506	60	227	305
Private and not-for-profit sector	569	1,943	3,121	1,937	3,932	4,420
Other sectors of government	241	713	1,055	225	634	904
Total Current Transfers	899	2,919	4,682	2,223	4,794	5,629
CAPITAL TRANSFERS						
Local government	16	32	72	16	100	138
Private and not-for-profit sector	129	665	859	159	249	602
Total Capital Transfers	146	697	931	175	348	741

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

(b) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

Note: Columns may not add due to rounding.

NOTE 4: CONVERGENCE DIFFERENCES

Where possible, AASB 1049 harmonises GFS and accounting concepts into a single presentation. Where harmonisation cannot be achieved as a result of differences in definition, recognition, measurement, classification and consolidation principles and rules, a convergence difference arises.

Full convergence on GFS and Generally Accepted Accounting Principles (GAAP) has not been achieved. This means that there are some differences between AASB 1049 aggregates in this report and the GFS information that the ABS reports.

The following outlines the key convergence differences.

- GFS recognises dividends to owners by the PNFC and PFC sectors as a GFS expense, whereas under GAAP they are treated as a distribution to owners and therefore a direct reduction of accumulated funds. This difference does not flow through to the total public sector as internal dividend transfers are eliminated on consolidation.
- GFS does not recognise an allowance for doubtful debts as the statistical framework only recognises bad debts when they are written off. Under GAAP, an allowance for doubtful debts is recognised in the balance sheet and doubtful debts are recognised in the Operating Statement as 'other economic flows'.
- Transactions with owners as owners (such as equity injections) are excluded from the 'total change in net worth'. However, these transactions are included in the movement in GFS net worth. These types of transactions result in a convergence difference as the total change in net worth under GAAP is disclosed before such transactions, while under GFS, these transactions are included in the movement in GFS net worth.

These convergence differences do not present material variations in the presentation of Western Australia's data under GAAP and GFS.

With the adoption of AASB 16: *Leases* from 2019-20, the distinction between operating leases and finance leases under previous accounting standards disappears. Accordingly, convergence differences for net debt aggregates produced in this report (which includes all leases in the calculation of net debt) and GFS concepts (which excludes leases previously classified as operating leases from GFS net debt) is not currently available.

NOTE 5: INVESTMENTS, LOANS AND PLACEMENTS

General Government				
	2021-22		2020-21	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
<i>Investments</i>				
Term deposits	2,759	4,593	2,002	2,100
Government securities	1	1	2	1
Total	2,761	4,594	2,004	2,102
<i>Loans and advances</i>				
Loans	3	3	3	3
Financial Assets held for trading/available for sale	-	2	-	-
Total	3	5	4	3
Total	2,763	4,599	2,008	2,105

Total Public Sector				
	2021-22		2020-21	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
<i>Investments</i>				
Term deposits	8,897	12,049	8,875	9,752
Government securities	1,728	3,387	3,203	3,390
Total	10,625	15,436	12,078	13,143
<i>Loans and advances</i>				
Loans	461	3,092	3,093	5,627
Financial Assets held for trading/available for sale	248	895	804	901
Total	709	3,988	3,897	6,528
Total	11,334	19,424	15,975	19,670

NOTE 6: RECEIVABLES

General Government				
	2021-22		2020-21	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
Accounts Receivable	5,217	5,321	5,313	6,138
Provision for impairment of receivables	-184	-196	-236	-197
Total	5,033	5,125	5,076	5,942

Total Public Sector				
	2021-22		2020-21	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
Accounts Receivable	6,880	6,925	7,243	7,828
Provision for impairment of receivables	-354	-356	-384	-347
Total	6,526	6,569	6,859	7,480

NOTE 7: BORROWINGS

General Government				
	2021-22		2020-21	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
Bank overdrafts	-	-	-	-
Lease liabilities	2,753	2,768	2,745	2,753
Finance leases	348	346	355	354
Service concession liabilities ^(a)	-	5	-	5
Borrowings	25,511	25,521	26,104	26,097
Total	28,612	28,640	29,204	29,209

Total Public Sector				
	2021-22		2020-21	
	31 Mar \$m	Estimated Outturn \$m	31 Mar \$m	Actual \$m
Bank overdrafts	-	-	-	-
Lease liabilities	3,440	3,641	3,484	3,474
Finance leases	348	346	702	354
Service concession liabilities ^(a)	330	340	-	348
Borrowings	50,383	57,205	57,806	61,387
Total	54,501	61,531	61,992	65,564

(a) AASB 1059: *Service Concession Arrangements* was first applied to the State's financial accounts for the year ending 30 June 2021. Interim accounts for the 2020-21 year (including the 31 December 2020 outturn) did not include measurements under AASB 1059.

NOTE 8: DETAILS OF AGENCIES CONSOLIDATED

The agencies included in these financial statements are detailed in Note 39: *Composition of Sectors* in the *2020-21 Annual Report on State Finances*. Since that date, the State Solicitor's Office became an independent sub-department of the Department of Justice from 1 October 2021.

NOTE 9: CONTINGENT ASSETS AND LIABILITIES

Claims by Mr Clive Palmer, Mineralogy and International Minerals

A contingent liability for a legal dispute between Mineralogy Pty Ltd and International Minerals Pty Ltd, and the Western Australian Government was included in the *2020-21 Annual Report on State Finances*.

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

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

2021-22 Quarterly Financial Results Report

Other actions commenced by Mineralogy and International Minerals in the Federal Court of Australia and in the Supreme Court of Queensland were adjourned pending the High Court outcome. The action in the Federal Court of Australia was subsequently discontinued by Mineralogy and International Minerals on 13 December 2021. The Queensland Court of Appeal has reserved its decision following an appeal hearing in mid-April 2022.

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

East Perth Power Station Works

DevelopmentWA is currently negotiating a Project Development Deed with the preferred proponent to redevelop the East Perth Power Station site. The Project Development Deed will stipulate the responsibilities of both parties under the development. To address a number of risks associated with site de-constraining works (e.g. infrastructure decommissioning and removal, and site decontamination) and precinct connectivity works, the parties are negotiating performance warranties with respect to delays in the completion of State led site de-constraining works. As DevelopmentWA is continuing to negotiate with the preferred proponent to achieve a value for money outcome for the State, a contingent liability for potential future costs arises.

Synergy

In early 2019, the Economic Regulation Authority referred Synergy to the Electricity Review Board (ERB) to establish whether prices offered into the balancing market between March 2016 and July 2017 had breached the Western Australian Wholesale Electricity Market (WEM) rules.

In May and June 2021, Synergy defended its conduct in a hearing before the ERB. To date, no provision for potential penalties that could be imposed by the ERB has been made as Synergy denies any wrongdoing or liability. The ERB's ruling is yet to be delivered. In the event the ERB finds that Synergy has breached the WEM rules, the ERB has wide discretion to set the amount of any penalty, and hence there is no firm estimate for any potential liability.

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

	2021-22			2020-21		
	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>	1,083	3,307	4,355	967	2,768	3,748
Property taxes						
<i>Land tax</i>	46	738	761	99	751	755
Transfer duty	612	1,747	2,263	456	1,286	1,860
Foreign Buyers surcharge	4	17	22	7	12	17
Landholder duty	40	103	311	68	206	222
<i>Total duty on transfers</i>	656	1,866	2,595	531	1,503	2,099
Other stamp duties	-(c)	-(c)	-(c)	-(c)	-(c)	-(c)
Metropolitan Region Improvement Tax	1	84	84	7	84	84
Perth Parking Levy	3	54	56	3	51	53
Emergency Services Levy	96	344	373	91	326	354
Loan guarantee fees	33	98	133	34	100	141
Building and Construction Industry Training Fund Levy	11	27	37	12	33	46
<i>Total other property taxes</i>	144	608	683	147	594	679
Taxes on provision of goods and services						
Lotteries Commission	38	114	199	50	143	191
Video lottery terminals	-(c)	-(c)	-(c)	-(c)	-(c)	-(c)
Casino tax	10	37	52	17	44	55
Point of Consumption Tax	27	89	116	27	86	114
<i>Total taxes on gambling</i>	75	240	366	95	273	360
Insurance duty	190	633	818	173	554	727
Other	5	15	20	5	15	20
<i>Total taxes on insurance</i>	195	648	838	178	568	747
<i>On-demand Transport Levy</i>	10	27	38	11	29	44
Taxes on use of goods and performance of activities						
Vehicle licence duty	148	427	560	130	370	514
Permits - oversize vehicles and loads	1	6	8	2	8	10
Motor vehicle registrations	277	828	1,120	258	777	1,048
Other vehicle taxes	9	28	32	8	27	36
<i>Total motor vehicle taxes</i>	436	1,290	1,718	399	1,181	1,607
<i>Mining Rehabilitation Levy</i>	-	38	38	-	35	35
<i>Landfill Levy</i>	22	64	83	19	59	79
Total Taxation	2,667	8,826	11,476	2,446	7,762	10,153

GENERAL GOVERNMENT
Operating Revenue

Table 2.1 (cont.)

	2021-22			2020-21		
	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
CURRENT GRANTS AND SUBSIDIES						
General Purpose Grants						
GST grants	809	2,550	3,369	709	1,978	3,006
Commonwealth-funded 70% floor	-	2,115	2,115	-	1,547	1,547
North West Shelf grants	307	770	880	132	287	425
Commonwealth compensation for changed crude oil excise arrangements	9	22	35	5	12	18
National Specific Purpose Payment Agreement Grants						
Skills and Workforce Development	41	123	165	41	121	163
National Disability Services	-	-	-	-	1	1
National Housing and Homelessness Agreement	43	130	175	43	128	172
National School Reform Agreement - Quality Schools	263	758	1,020	239	687	925
National Health Reform Agreement	671	1,972	2,663	625	1,876	2,418
National Partnerships/Other Grants						
Health	392	585	936	41	132	358
Transport	31	96	151	2	46	74
Disability Services	1	2	-	1	3	4
Other	33	173	327	122	329	309
Total Current Grants and Subsidies	2,600	9,297	11,835	1,959	7,148	9,421
CAPITAL GRANTS						
National Partnerships/Other Grants						
Transport	220	524	1,209	144	357	999
Other	93	394	623	49	66	133
Total Capital Grants	313	918	1,832	193	423	1,131
SALES OF GOODS AND SERVICES	696	2,215	3,058	690	2,063	2,821
INTEREST INCOME	29	85	118	18	86	110
REVENUE FROM PUBLIC CORPORATIONS						
Dividends	-	516	617	2	1,175	1,362
Tax Equivalent Regime	220	553	686	180	571	956
Total Revenue from Public Corporations	220	1,069	1,302	182	1,746	2,319
ROYALTY INCOME						
Iron ore	2,208	7,362	10,290	2,899	7,616	11,355
Other	275	715	1,200	217	629	826
Total Royalty Income	2,483	8,077	11,490	3,116	8,245	12,181
OTHER						
Lease rentals	37	149	176	37	106	132
Fines	56	177	222	53	149	204
Revenue not elsewhere counted	60	180	380	71	185	1,679
Total Other	153	507	778	160	440	2,015
GRAND TOTAL	9,162	30,994	41,890	8,765	27,912	40,151

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

Note: Columns may not add due to rounding.

Table 2.2

**TOTAL PUBLIC SECTOR
Operating Revenue**

	2021-22			2020-21		
	Three Months to 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>	1,057	3,231	4,255	943	2,697	3,651
Property taxes						
<i>Land tax</i>	29	687	660	80	699	687
Transfer Duty	612	1,747	2,263	456	1,286	1,860
Foreign Buyers surcharge	4	17	22	7	12	17
Landholder duty	40	103	311	68	206	222
<i>Total duty on transfers</i>	656	1,866	2,595	531	1,503	2,099
Other stamp duties	-(c)	-(c)	-(c)	-(c)	-(c)	-(c)
Metropolitan Region Improvement Tax	1	84	84	7	84	84
Perth Parking Levy	3	54	56	3	51	53
Emergency Services Levy	91	339	370	86	321	351
Loan Guarantee Fees	3	5	6	3	6	6
Building and Construction Industry Training Fund Levy	11	27	37	12	33	46
<i>Total other property taxes</i>	108	510	552	111	495	540
Taxes on provision of goods and services						
Video lottery terminals	-(c)	-(c)	-(c)	-(c)	-(c)	-(c)
Casino tax	10	37	52	17	44	55
Point of Consumption tax	15	51	72	15	46	61
<i>Total taxes on gambling</i>	25	87	124	32	89	116
Insurance duty	190	633	818	173	554	727
Other	5	15	20	5	15	20
<i>Total taxes on insurance</i>	195	648	838	178	568	747
<i>On-demand Transport Levy</i>	10	27	38	11	29	44
Taxes on use of goods and performance of activities						
Vehicle licence duty	148	427	560	130	370	514
Permits - oversize vehicles and loads	1	6	8	2	8	10
Motor vehicle registrations	277	828	1,120	258	777	1,048
Other vehicle taxes	9	28	32	8	27	36
<i>Total motor vehicle taxes</i>	436	1,290	1,718	399	1,181	1,607
<i>Mining Rehabilitation Levy</i>	-	38	38	-	35	35
<i>Landfill Levy</i>	22	64	83	19	59	79
Total Taxation	2,538	8,448	10,902	2,305	7,357	9,606

TOTAL PUBLIC SECTOR
Operating Revenue

Table 2.2 (cont.)

	2021-22			2020-21		
	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
CURRENT GRANTS AND SUBSIDIES						
General Purpose Grants						
GST grants	809	2,550	3,369	709	1,978	3,006
Commonwealth-funded 70% floor grant	-	2,115	2,115	-	1,547	1,547
North West Shelf grants	307	770	880	132	287	425
Commonwealth compensation for changed crude oil excise arrangements	9	22	35	5	12	18
National Specific Purpose Payment Agreement Grants						
Skills and Workforce Development	41	123	165	41	121	163
National Disability Services	-	-	-	-	1	1
National Housing and Homelessness Agreement	43	130	175	43	128	172
National School Reform Agreement Quality Schools	263	758	1,020	239	687	925
National Health Reform Agreement	671	1,972	2,663	625	1,876	2,418
National Partnerships/Other Grants						
Health	392	585	936	41	132	358
Transport	31	96	151	2	46	74
Disability Services	1	2	-	1	3	4
Other	33	173	327	122	329	309
Total Current Grants and Subsidies	2,600	9,297	11,835	1,959	7,148	9,421
CAPITAL GRANTS						
National Partnerships/Other Grants						
Transport	220	524	1,209	144	357	999
Other	93	394	623	49	66	133
Total Capital Grants	313	918	1,832	193	423	1,131
SALES OF GOODS AND SERVICES	9,976	27,233	39,008	10,280	32,855	41,172
INTEREST INCOME	102	320	388	98	359	478
ROYALTY INCOME						
Iron ore	2,208	7,362	10,290	2,899	7,616	11,355
Other	275	715	1,200	217	629	826
Total Royalty Income	2,483	8,077	11,490	3,116	8,245	12,181
OTHER						
Lease rentals	37	149	176	37	106	132
Fines	57	180	220	49	151	204
Revenue not elsewhere counted	185	530	797	185	572	2,220
Total Other	279	859	1,193	271	829	2,556
GRAND TOTAL	18,290	55,152	76,648	18,222	57,216	76,545

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

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

Note: Columns may not add due to rounding.

2021-22 Quarterly Financial Results Report

Public Ledger

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

Table 3.1

PUBLIC LEDGER BALANCES AT 31 MARCH			
	2022 \$m	2021 \$m	Variance \$m
THE PUBLIC LEDGER			
Consolidated Account ^(a)	-20,534	-18,835	-1,700
Treasurer's Special Purpose Accounts	22,474	18,077	4,397
Treasurer's Advance Account – Net Advances and Overdraw n Trusts	-59	-43	-16
TOTAL	1,880	-801	2,681
Agency Special Purpose Accounts	8,596	6,965	1,631
TOTAL PUBLIC BANK ACCOUNT	10,477	6,164	4,313

(a) The balance of the Consolidated Account at 31 March 2022 includes non-cash appropriations of \$16,719 million (31 March 2021: \$15,348 million), representing the funding of non-cash costs of agency services. These appropriations are credited to agency Holding Accounts that are included in the TSPAs balance. In cash terms, the Consolidated Account recorded a deficit of \$3,815 million at 31 March 2022 (compared with a deficit position of \$3,487 million at 31 March 2021).

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

Consolidated Account

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

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

2021-22 Quarterly Financial Results Report

The Consolidated Account accrual deficit at 31 March 2022 was \$20,534 million, \$1,700 million larger than the accumulated deficit at 31 March 2021. This included \$16,719 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 had a deficit balance of \$3,815 million at 31 March 2022, a \$328 million increase on the cash deficit balance at 31 March 2021.

Debt repayments totalling \$587 million were made during the first nine months of the financial year, funded from dividend revenue from the Insurance Commission of Western Australia and the Western Australian Treasury Corporation (as detailed in the 2021-22 Budget). Consolidated Account borrowings totalled \$25 billion at 31 March 2022, well below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding Loan Acts¹.

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

Table 3.2

CONSOLIDATED ACCOUNT TRANSACTIONS (a)
For the nine months ended 31 March

	2022 \$m	2021 \$m	Variance \$m
REVENUE			
<i>Operating Activities</i>			
Taxation	6,899	5,883	1,016
Commonwealth grants (b)	5,764	3,873	1,891
Government enterprises	1,239	1,864	-625
Revenue from other agencies	10,395	8,470	1,925
Other receipts (b)	244	232	12
<i>Total Operating Activities</i>	24,541	20,322	4,219
<i>Financing Activities</i>			
Repayments of recoverable advances	- (c)	-	- (c)
Transfers from the Debt Reduction Account	2,115	1,547	569
Borrowings	-	150	-150
Other receipts	8	6	-
<i>Total Financing Activities</i>	2,123	1,704	-1,704
TOTAL REVENUE	26,664	22,026	4,638
EXPENDITURE			
<i>Recurrent</i>			
Authorised by other statutes	2,036	2,026	10
Appropriation Act (No. 1)	19,128	17,700	1,428
Recurrent expenditure under the Treasurer's Advance	- (c)	-	- (c)
<i>Total Recurrent Expenditure</i>	21,164	19,726	1,438
<i>Investing Activities</i>			
Authorised by other statutes	291	241	50
Appropriation Act (No. 2)	4,891	1,745	3,146
Investing expenditure under the Treasurer's Advance	12	12	-
<i>Total Investing Activities</i>	5,194	1,998	3,196
<i>Financing Activities</i>			
Loan repayments	587	-	587
Appropriation Act (No. 2)	2,115	1,547	569
Other financing	7	6	1
<i>Total Financing Activities</i>	2,710	1,553	1,157
TOTAL EXPENDITURE	29,068	23,276	5,792
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-2,404	-1,250	-1,153
Consolidated Account Balance			
Opening balance at 1 July	-18,130	-17,584	-546
Closing balance at 31 March	-20,534	-18,835	-1,700
Of which:			
Appropriations payable	-16,719	-15,348	-1,371
Cash balance at 31 March	-3,815	-3,487	-328

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

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

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

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

Treasurer's Special Purpose Accounts

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

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

Aggregate TSPA balances were \$4,397 million higher than at the same time last year. This mainly reflects:

- the establishment of a number of new TSPAs, with initial deposits appropriated to these accounts in 2021-22 including the Women and Babies Hospital Account (\$1,787 million), the Social Housing Investment Fund (\$750 million), the Digital Capability Fund (\$492 million, reflecting the net balance after draw downs to date), and the Softwood Plantation Investment Fund (\$350 million);
- higher Holding Account balances for non-cash accrual appropriations for agency depreciation and accrued leave entitlements (up \$1,371 million);
- a net decrease in the Royalties for Regions Fund (down \$487 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 the Western Australian Future Health Research and Innovation Fund, reflecting appropriation of 1% of forecast annual royalty receipts (\$101.4 million) and interest earnings on the balance of the Fund (\$31.8 million), partly offset by the transfer of \$32.4 million to the Western Australian Future Health Research and Innovation Account;
- 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 \$54 million);
- a \$21 million increase in Commonwealth Grants for Specific Purposes relating to funding received from the Commonwealth under the National Partnership on COVID-19 Response (NPCR), which partially funds expenditure incurred by non-health State agencies managing the COVID-19 response; and

- a \$63 million reduction in the National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account, reflecting redress scheme payments and associated administration costs.

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

TREASURER'S SPECIAL PURPOSE ACCOUNTS

Table 3.3

At 31 March

	2022	2021	Variance
	\$m	\$m	\$m
Agency Holding Accounts	16,719	15,348	1,371
Women and Babies Hospital	1,787	-	1,787
Western Australian Future Health Research and Innovation Fund	1,588	1,487	101
Social Housing Investment Fund	750	-	750
Digital Capability Fund	492	-	492
Softwood Plantation Expansion Fund	350	-	350
Agency 27th Pay Accounts	252	198	54
Royalties for Regions Fund	287	774	-487
National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account	48	112	-63
Commonwealth Grants for Specific Purposes	76	56	21
Other Treasurer's Special Purpose Accounts	125	103	21
TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 31 MARCH	22,474	18,077	4,397

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

Treasurer's Advance

The Treasurer's Advance allows for repayable advances to agencies for working capital purposes (known as 'net recoverable advances'), a short-term advance for any overdrawn agency 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').

For the nine months to 31 March 2022, a limit of \$820.5 million applied to the Treasurer's Advance as authorised under section 29 of the FMA. This limit was increased to \$2.3 billion by the passage of the *Treasurer's Advance Authorisation Act 2022* in April 2022 to accommodate higher appropriation outcomes expected to be drawn in the June quarter.

Drawdowns against the Treasurer's Advance to 31 March 2022 remain below the original \$820.5 million limit authorised at that date.

Table 3.4

TREASURER'S ADVANCE AT 31 MARCH

	2022	2021	Variance
	\$m	\$m	\$m
AUTHORISED LIMIT	820.5	688.8	131.7
<i>Total Drawn Against Treasurer's Advance Account</i>	<i>71.0</i>	<i>55.1</i>	<i>15.9</i>
Comprising:			
<i>Net recoverable advances</i>	<i>58.7</i>	<i>43.2</i>	<i>15.5</i>
Petroleum and Geothermal Energy Safety	2.0	2.0	-
Western Australian Energy Disputes Arbitrator	0.2	0.2	-
Building Management and Works	50.0	30.0	20.0
Sport and Recreation	1.0	1.0	-
Suitors Fund	2.5	2.5	-
Sundry Debtors	3.0	2.5	0.5
2021 State Election additional costs	-	5.0	-5.0
Overdraw n Special Purpose Accounts	-	-	-
<i>Excesses and new items</i>	<i>12.3</i>	<i>11.9</i>	<i>0.4</i>
- recurrent	-	-	-
- capital	12.3	11.9	0.4

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

Transfers, Excesses and New Items

Table 3.5 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.

Transfers of appropriation funds are for the provision of an approved service which is now delivered by an alternative agency. Authorised under section 25 of the FMA, or by specific enabling legislation, there were no transfers or appropriation in the first nine months of 2021-22.

Funds drawn against the Treasurer's Advance for excesses and new items were for the following purposes.

Treasury

Item 37: **All Other Grants, Subsidies and Transfer Payments** (\$66.8 million) to facilitate the Small Business Hardship Grants program in 2021-22, administered by Treasury;

New Item: **Bunbury Water Corporation** (\$10.2 million), reflecting an operating subsidy to support the cost of the Bunbury Water Resource Recovery Scheme Project (approved as part of the WA Recovery Plan), and water network fluoridation planning costs.

Local Government, Sport and Cultural Industries

Item 139: **Capital Appropriation - Art Gallery of Western Australia** (\$2.1 million) to enable the Gallery to complete works on the Elevate rooftop project.

Table 3.5

TRANSFERS, EXCESSES AND NEW ITEMS
For the nine months to 31 March

	Budget \$m	Transfers ^(a) \$m	Treasurer's Advance			Draw n against Treasurer's Advance to date \$m
			New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Recurrent Appropriations						
<i>Treasury</i>						
Item 37: All other Grants, Subsidies and Transfer Payments	4.8	-	-	66.8	71.6	-
Total Recurrent		-	-	66.8		-
Capital Appropriations						
<i>Treasury</i>						
New Item: Bunbury Water Corporation	-	-	10.2	-	10.2	-
<i>Local Government, Sport and Cultural Industries</i>						
Item 139 : Art Gallery of Western Australia	0.5	-	-	2.1	2.6	-
Total Capital		-	10.2	2.1		-
TOTAL						-

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

2021-22 Quarterly Financial Results Report

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 (other accounts) that outline the purpose of the account.

This appendix details balances at 31 March 2022 for a number of key SPAs established to deliver specific Government policy outcomes. The focus of this Appendix is on major/material SPAs that were in existence at 31 March 2022. The SPA balances, and transactions in and out of these accounts, form part of the overall consolidated outcomes outlined elsewhere in this report.

Climate Action Fund

The 2021-22 Budget set aside \$750 million for various climate action initiatives. This included the creation of the Climate Action Fund which will support spending on hydrogen industry initiatives, the Government's Just Transition Plan (supporting the transition away from native forest logging) and other climate action spending.

Budget funding is expected to be deposited in the account during the June quarter.

Debt Reduction Account

The Debt Reduction Account was established in 2017-18 to apply windfall funds to the repayment of Consolidated Account borrowings.

A total of \$2.7 billion flowed through the account in the nine months to 31 March 2022, comprising Western Australia's GST floor grant for 2021-22 (\$2.1 billion) and funds sourced from the Insurance Commission of Western Australia (ICWA) and the Western Australian Treasury Corporation (WATC) following the Government's 2021-22 Budget decision to apply the dividends from these agencies (totalling \$587 million) to debt repayment.

2021-22 Quarterly Financial Results Report

Consistent with arrangements in 2020-21, the GST floor grant was redirected back to the Consolidated Account to reduce the need for new borrowings that would otherwise be required in 2021-22, while the ICWA and WATC dividends have been applied to debt repayment.

DEBT REDUCTION ACCOUNT

Table 4.1

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	-	-
Receipts	2,703	1,547
Payments	2,703	1,547
Closing Balance	-	-

Note: Columns may not add due to rounding.

Digital Capability Fund Account

This SPA was established in 2021-22 to hold funds for the upgrade of ICT systems to improve government service delivery, enhance cyber security and mitigate operational risks.

Receipts for the March quarter reflect \$500 million appropriated for the establishment of the Fund as part of the 2021-22 Budget. Payments to date have been made to the Western Australia Police Force for critical ICT upgrades (\$8.1 million) and to the Parliamentary Services Department (\$414,000) for the Digital Parliament Strategy.

DIGITAL CAPABILITY FUND ACCOUNT

Table 4.2

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	-	-
Receipts	500	-
Payments	8	-
Closing Balance	492	-

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 year to date ending 31 March 2022 reflect appropriation funding.

Payments of \$737.7 million were for transport infrastructure planning and delivery and METRONET Office operating expenses (\$1 million).

METRONET ACCOUNT			Table 4.3
At 31 March			
	2022 \$m	2021 \$m	
<i>Balance at 1 July</i>	432	527	
Receipts	406	356	
Payments	739	374	
Closing Balance	99	509	

Note: Columns may not add due to rounding.

METRONET Roads Account

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

Receipts are expected to flow to the account during the June quarter (in line with arrangements in 2020-21). For the nine months ending 31 March 2022, payments of \$71.7 million were drawn by Main Roads in support of several METRONET projects.

METRONET ROADS ACCOUNT			Table 4.4
At 31 March			
	2022 \$m	2021 \$m	
<i>Balance at 1 July</i>	106	72	
Receipts	-	-	
Payments	72	71	
Closing Balance	34	1	

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.

Receipts for the nine months to the end of March 2022 mainly reflect Metropolitan Region Improvement Tax collections (\$64.4 million), proceeds from the sale of land and buildings (\$7.2 million) and rent revenue (\$5.5 million). Payments from the fund were for works on the Yanchep Rail Extension (\$70 million), the acquisition of land and buildings (\$26.3 million), service delivery costs associated with the Account (\$20.8 million), compensation to landowners for compulsory property acquisitions (\$4.7 million), and funding for a range of smaller infrastructure projects (\$1.7 million).

METROPOLITAN REGION IMPROVEMENT ACCOUNT

At 31 March

Table 4.5

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	443	434
Receipts	80	77
Payments	124	93
Closing Balance	399	419

Note: Columns may not add due to rounding.

Mining Rehabilitation Fund

The Mining Rehabilitation Fund was established in July 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*. Receipts for the nine months to the end of March 2022 reflect levy contributions by mining operators (\$37.9 million) and interest earnings (\$0.4 million). Payments for the year to date were for administration costs (\$0.6 million) and rehabilitation costs (\$0.4 million).

MINING REHABILITATION FUND

At 31 March

Table 4.6

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	219	185
Receipts	38	36
Payments	1	2
Closing Balance	256	219

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 in State institutions.

During the nine months ended 31 March 2022, payments totalling \$28 million have been made to meet the costs associated with the State's participation in the National Redress Scheme.

Table 4.7

NATIONAL REDRESS SCHEME AND CIVIL LITIGATION FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT
At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	77	141
Receipts	-	-
Payments	28	29
Closing Balance	49	112

Note: Columns may not add due to rounding.

Perth Parking Licensing Account

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

Funds that are drawn from the account are to be 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 4.8

PERTH PARKING LICENSING ACCOUNT
At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	165	131
Receipts	54	50
Payments	6	13
Closing Balance	213	168

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This account was established to provide for road safety initiatives. Receipts to the end of 31 March 2022 reflect collections from prescribed penalties (\$82 million), interest revenue on the account balance (\$0.1 million), and other miscellaneous funds collected under the *Road Traffic (Administration) Act 2008* (\$0.5 million).

Projects funded from the account to 31 March 2022 included initiatives to:

- reduce run-off crashes on regional roads by applying treatments such as shoulder sealing, audible edge lines and installing safety barriers (\$16.9 million);
- manage speed on Western Australian roads (\$11.5 million);
- reduce the number and rate at which vulnerable road users are killed and seriously injured (\$9.8 million); and
- providing post-crash support (\$2.1 million).

A further \$11 million was spent on the operations of the Road Safety Commission, including community education campaigns, community grants, the Infringement Management Reform Program, and a range of other road safety initiatives.

ROAD TRAUMA TRUST ACCOUNT At 31 March

Table 4.9

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	43	54
Receipts	83	74
Payments	51	70
Closing Balance	74	58

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.

Receipts in the nine months to 31 March 2022 reflect interest revenue earned on the account balance (\$1.9 million), and unused funds from associated projects returned to the Fund by agencies (\$5.1 million). Appropriation receipts for 2021-22 are expected to be paid into the Fund during the June quarter. A total of \$719.9 million was disbursed from the Fund to support infrastructure, business and economic development, and other regional initiatives (detailed in Chapter 7 of both the 2021-22 and 2022-23 Budget Paper No. 3).

ROYALTIES FOR REGIONS FUND

Table 4.10

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	1,000	1,000
Receipts	7	560
Payments	720	786
Closing Balance	287	774

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. During the nine months to 31 March 2022, the Department of Communities returned almost \$0.5 million in unspent funding (related to the Regional Services Reform Unit) and a payment of \$2.4 million was made to the Department of Education for the Kimberley Schools Project.

ROYALTES FOR REGIONS REGIONAL REFORM FUND

Table 4.11

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	57	69
Receipts	- (a)	-
Payments	2	10
Closing Balance	55	59

(a) Amounts less than \$500,000.

Note: Columns may not add due to rounding.

Social Housing Investment Fund

The \$750 million Social Housing Investment Fund was established as part of the 2021-22 Budget to fund future dwelling construction projects and other initiatives that increase social housing supply. Receipts paid into the Fund were sourced from the better than expected operating surplus for 2020-21.

Drawdowns are expected to commence during the June quarter.

Table 4.12

SOCIAL HOUSING INVESTMENT FUND
At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	-	-
Receipts	750	-
Payments	-	-
Closing Balance	750	-

Note: Columns may not add due to rounding.

Softwood Plantation Expansion Fund

This Fund was established as part of the 2021-22 Budget to expand the State’s softwood plantation estate and support the Western Australian timber and construction industries offset the production of carbon dioxide, and to support associated regional development.

Receipts for the nine months to 31 March 2022 reflect the approved funding of \$350 million for the expansion of the softwood plantation estate. Drawdowns are expected to commence during the June quarter.

Table 4.13

SOFTWOOD PLANTATION EXPANSION FUND
At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	-	-
Receipts	350	-
Payments	-	-
Closing Balance	350	-

Note: Columns may not add due to rounding.

Waste Avoidance and Resource Recovery Account

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

Receipts totalling \$27.6 million were paid into the account to 31 March 2022. This included \$15.6 million in Landfill Levy collections allocated to the account by Ministerial determination under the Act, an \$11.6 million loan repayment from Western Australian Return Recycle Renew Ltd. and miscellaneous receipts (\$0.4 million). Drawdowns totalling \$13 million were made for waste programs and the payment of administration costs incurred by the Department of Water and Environmental Regulation.

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

Table 4.14

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	30	40
Receipts	28	16
Payments	13	28
Closing Balance	44	27

Note: Columns may not add due to rounding.

Western Australian Future Health Research and Innovation Fund

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

Receipts of \$128.6 million in the nine months to 31 March 2022 included the Consolidated Account's annual contribution equivalent to 1% of annual forecast royalty revenue (\$101.4 million) and interest receipts (\$27.2 million). Drawdowns were for the transfer of \$32.4 million to the Western Australian Future Health Research and Innovation Account.

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

Table 4.15

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	1,492	1,408
Receipts	129	113
Payments	32	34
Closing Balance	1,588	1,488

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

Note: Columns may not add due to rounding.

The Western Australian Future Health Research and Innovation Account received \$32.4 million from the Future Health Research and Innovation Fund in July 2021. Drawdowns totalling \$3 million were made to support grant programs.

Table 4.16

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

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	15	-
Receipts	32	34
Payments	3	4
Closing Balance	45	30

(a) The Account is an agency Special Purpose Account administered by the Minister for Health.

Note: Columns may not add due to rounding.

Westport Account

This account was established as part of the 2021-22 Budget to support the Westport project. Funding for the Western Australian Planning Commission for the Future of Fremantle initiative (detailed in the 2022-23 Budget) has been flowed through the Account to date, with the balance of appropriation funding to be received during the June quarter.

Table 4.17

WESTPORT ACCOUNT

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	-	-
Receipts	1	-
Payments	-	-
Closing Balance	1	-

Note: Columns may not add due to rounding.

Women and Newborn Health Service Relocation Account

This SPA was established as part of the 2021-22 Budget to support the construction of a new Women and Babies Hospital at the Queen Elizabeth II Medical Centre campus.

No drawdowns have occurred since the SPA was introduced.

Table 4.18

WOMEN AND NEWBORN HEALTH SERVICE RELOCATION ACCOUNT

At 31 March

	2022 \$m	2021 \$m
<i>Balance at 1 July</i>	-	-
Receipts	1,787	-
Payments	-	-
Closing Balance	1,787	-

Note: Columns may not add due to rounding.

General Government Salaries

Introduction

Salaries represent the single largest component of general government sector expenses (41.5% for the nine months to 31 March 2022, or 45.8% if concurrent superannuation costs are also included).

General government salaries for the first nine months of 2021-22 grew by 6% to total \$10,562 million. Salaries in the health, education, law and order, and community services sectors account for 83% of the general government salaries costs in the March outcome and represent most of the \$595 million net increase on the same period in 2020-21. This increase is mainly due to the ongoing cost of responding to COVID-19 and includes higher workforce numbers, particularly in WA Health, the Department of Education and the Western Australia Police Force.

The following table summarises salaries outcomes for general government agencies for the nine months to 31 March 2022 compared with the same period last year.

Table 5.1

SALARIES COSTS
General Government Sector

	2021-22		2020-21	
	Nine Months to 31 Mar \$m	Estimated Outturn ^(a) \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
Health	4,125	5,345	3,755	5,101
Education	2,924	3,921	2,794	3,732
Western Australia Police Force	785	1,051	751	1,012
Justice	575	742	569	765
Communities	394	545	422	564
Fire and Emergency Services	153	207	148	203
Biodiversity, Conservation and Attractions	151	204	142	196
Primary Industries and Regional Development	141	188	129	181
Mines, Industry Regulation and Safety	125	170	129	171
Transport	105	153	100	135
South Metropolitan TAFE	90	117	83	116
North Metropolitan TAFE	90	125	88	117
Finance	85	125	80	108
Water and Environmental Regulation	70	98	68	90
Premier and Cabinet	68	94	68	93
Local Government, Sport and Cultural Industries	66	100	63	88
Planning, Lands and Heritage	65	91	64	87
Commissioner of Main Roads	43	61	52	68
WA Sports Centre Trust (Venues West)	36	45	27	42
Land Information Authority (Landgate)	35	51	36	48
Training and Workforce Development	35	49	34	45
Mental Health Commission	33	47	29	39
South Regional TAFE	31	39	29	41
Jobs, Tourism, Science and Innovation	31	44	28	40
Legal Aid Commission of Western Australia	28	46	25	35
Central Regional TAFE	26	36	26	36
Office of the Director of Public Prosecutions	27	37	26	36
North Regional TAFE	26	38	23	32
Treasury	23	32	23	32
Legislative Assembly	17	23	17	24
Office of the Auditor General	16	23	14	19
State Solicitor's Office	17	29	-	-
Public Sector Commission	13	18	12	17
Legislative Council	12	16	12	17
Corruption and Crime Commission	11	16	12	16
WorkCover WA Authority	10	14	10	13
Chemistry Centre (WA)	11	14	10	14
Parliamentary Services Dept	8	11	7	10
All other agencies (with annual salaries costs below \$10 million)	60	84	61	86
Provisions	-	49	-	-
Total salaries	10,562	14,097	9,967	13,469

(a) Consistent with the revised estimated outcome published in the 2022-23 Budget, released on 12 May 2022.

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

Note: Columns may not add due to rounding.

