



2012-13

Quarterly Financial Results Report

December 2012



2012-13

QUARTERLY FINANCIAL RESULTS REPORT

DECEMBER 2012

2012-13 Quarterly Financial Results Report
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**QUARTERLY FINANCIAL RESULTS REPORT
Six Months Ended 31 December 2012**

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Foreword

This *Quarterly Financial Results Report* (QFRR) provides financial results for the Western Australian public sector for the six months to 31 December 2012.

Care should be exercised in extrapolating the likely outcome for the 2012-13 year based on the quarterly results to date, particularly in light of the seasonal and other timing factors that impact the State's finances. For example, the timing of grant revenue (from the Commonwealth), grant payments, and goods and services purchases and sales by agencies can be volatile, making comparisons between quarterly reporting periods difficult.

The focus of the State Budget is the general government sector net operating balance. The presentation in this report is consistent to that used in the original State Budget (released on 17 May 2012).

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*.

This report includes Appendix 3: *Public Ledger* which summarises information on the Consolidated Account, Treasurer's Special Purpose Accounts and the Treasurer's Advance.

This report also includes Appendix 4: *Special Purpose Accounts* which details movements in trust fund balances for Special Purpose Accounts established for the delivery of key Government policy outcomes.

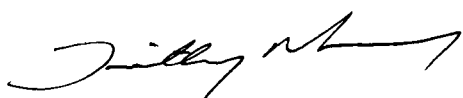
Information presented in this QFRR is not audited.

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 six months ended 31 December 2012 and of the balance sheets of these reporting entities at 31 December 2012. 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 2005*.

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



TIMOTHY MARNEY
UNDER TREASURER



MARK HORT
A/ASSISTANT DIRECTOR
FINANCIAL REPORTING

26 February 2013

Overview

Summary

The general government sector recorded an operating surplus of \$239 million for the six months to 31 December 2012, \$533 million lower than the \$772 million surplus reported for the same period in 2011-12.

- General government revenue in the first six months of 2012-13 was \$132 million (or 1.0%) lower than the same period last year. This outcome mainly reflects the combined effect of higher taxation collections (up \$656 million, mainly payroll tax and transfer duty), lower royalty income (down \$284 million, primarily due to lower iron ore prices), and lower Commonwealth grants (down \$375 million), mainly due to the State's lower share of national GST collections (down \$288 million).
- General government sector expenses grew by \$402 million (or 3.3%), largely reflecting higher salaries costs across the education and training, health, and law and order sectors, and higher agency operating costs across the sector. This relatively low rate of growth suggests that efficiency dividends and other savings measures are having some success in controlling spending growth.

Total public sector net worth increased by \$1.1 billion over the six months to 31 December 2012, to stand at \$112.6 billion, while total public sector net debt was \$16.1 billion at 31 December 2012 (\$1.6 billion higher than the \$14.5 billion recorded at 30 June 2012).

General Government Sector

The general government sector recorded an operating surplus of \$239 million for the six months to 31 December 2012, \$533 million lower than the \$772 million surplus reported for the same period in 2011-12. Compared with the same time last year, total revenue has declined by 1.0% while expenses grew at a moderate 3.3%.

Table 1

SUMMARY OF GENERAL GOVERNMENT FINANCES
Western Australia

	2012-13			2011-12		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Actual ^(b) \$m
Net operating balance	168	239	241	447	772	649
Net worth		112,556	115,526		112,350	111,475
Increase in cash balances	-48	-1,728	-476	322	-923	1,378
<i>Memorandum items</i>						
Net lending	-458	-772	-1,624	-124	-490	-1,717
Net debt		3,854	4,791		1,239	2,050
Cash surplus/-deficit	-117	-1,434	-1,888	30	-744	-1,221

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.
(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

Revenue

Revenue for the six months to 31 December 2012 totalled \$12,644 million, \$132 million (or 1.0%) lower than the same period in 2011-12. This decrease mainly reflects the net effect of:

- higher revenue from taxation (up \$656 million), largely due to:
 - higher payroll tax collections (up \$258 million), as a result of economy-wide wage growth;
 - higher transfer duty (up \$137 million), primarily due to stronger housing market activity and price growth after a protracted period of sluggish performance;
 - higher landholder duties receipts (up \$86 million), as a result of large value transactions during the first six months of 2012-13;
 - higher vehicle licence fee and duty (up a combined \$59 million), mainly due to growth in the number of new vehicle sales and vehicle transfers;
 - higher insurance duty (up \$41 million), due to increases in insurance premiums; and
 - higher loan guarantee fees (up \$28 million), due mainly to increased agency borrowings and the impact of moving Government Trading Enterprises to higher loan guarantee fee rates in the 2012-13 Budget;

- lower Commonwealth grants revenue (down \$375 million), due largely to:
 - lower GST grants (down \$288 million), reflecting the effect of Western Australia’s lower share of national GST collections (with Western Australia receiving just 55% of its population share in 2012-13, down from 72% in 2011-12);
 - lower on-passed grants to the health sector (down \$89 million), mainly due to earlier receipt of grants in 2011-12 for the *Health and Hospital* program (down \$58 million in 2012-13), and the *Highly Specialised Drug* program (down \$23 million in 2012-13);
 - higher North West Shelf petroleum grants (up \$76 million), due to higher LNG production volumes and higher prices for all products, partially offset by lower domestic gas, oil, condensate, and LPG volumes; and
 - lower funding to the education and training sectors (down \$44 million), due mainly to the winding down of Commonwealth stimulus funding (down \$56 million) and lower funding for *Productivity Places* (down \$25 million), partially offset by higher funding under the *National Education Agreement* (up \$47 million);
- lower royalty income (down \$284 million), due to lower (and very volatile) iron ore prices during the first six months of 2012-13, partially offset by higher iron ore production levels and higher iron ore ‘fines’ royalty rate applying from this year¹; and
- lower ‘other revenue’ (down \$135 million), mainly due to the Real Estate and Business Agents Supervisory Board and the Settlement Agents Supervisory Board being transferred to the Department of Commerce in 2011-12².

Expenses

Expenses for the six months to 31 December 2012 totalled \$12,406 million, up \$402 million (or 3.3%) on the same period in 2011-12. The increase primarily reflects the combined impact of:

- higher salaries (up \$272 million, or 5.7%), mainly due to increases in pay rates and staff numbers across the health, education, and law and order sectors (accounting for 73.1% of total salary costs). This compares with growth of 9.4% in the same period in 2011-12 and is consistent with recent measures to slow employee costs through tighter control of staffing levels across the sector;
- higher ‘other gross operating expenses’ (up \$182 million), mainly due to higher health and disability sector spending for the not-for-profit sector (up \$141 million, mainly due to Consumer Price Index adjustments, higher State funding for the sector as part of reforms included in the 2011-12 Budget, and the impact of population growth), and higher patient support costs (up \$38 million);

¹ An increase in the royalty rate applying to iron ore ‘fines’ production to match the iron ore ‘lump’ was announced in the 2011-12 Budget, to be phased in over two years commencing 1 July 2012.

² These external Boards were wound up with the Department of Commerce assuming these roles from 1 July 2011. The assets transferred to the general government sector include moneys held in trust and funds supporting the regulation of the real estate and settlement agent industries in Western Australia. Changes to the Boards are a consequence of legislative change under the *Acts Amendments (Fair Trading) Act 2010* (which gave effect to national uniform Australian consumer law and a standard set of investigative powers under Western Australian consumer protection legislation).

- lower current transfers (down \$165 million), due largely to:
 - lower subsidies paid to the Public Transport Authority (down \$71 million), reflecting changes in depreciation funding arrangements announced in the 2012-13 Budget;
 - lower *Royalties for Regions* spending (down \$46 million), mainly for projects funded from the Country Local Government Fund and the Country Age Pension Fuel Card program; and
 - higher ex-gratia payments in 2011-12 under the *Redress WA Scheme* (down \$30 million in 2012-13); and
- higher interest expenses (up \$42 million), primarily due to higher levels of Consolidated Account borrowings in support of agency infrastructure spending.

Balance Sheet

The net worth of the general government sector increased by \$1.1 billion in the first six months of 2012-13, to stand at \$112.6 billion at 31 December 2012. This increase is mainly due to the net impact of:

- lower investments, loans and placements (down \$1.6 billion), as liquid investments are utilised for infrastructure spending;
- an increase in holdings of land and physical assets (up \$1.4 billion), reflecting infrastructure spending and projected increases in land values over the year;
- an increase in the value of equity in the public corporations sectors (up \$0.8 billion), due mainly to operating surpluses recorded by these sectors for the first six months of 2012-13, and capital contributions supporting infrastructure spending; and
- lower liabilities (down \$0.5 billion), mainly reflecting movements in payables and ‘other liabilities’, largely related to the timing of agency payments.

General government sector net debt totalled \$3.9 billion at 31 December 2012 (up \$1.8 billion since 30 June 2012), reflecting higher borrowings and lower liquid investments used to fund the State’s infrastructure spending program.

Cash Flow

A cash deficit of \$1.4 billion was recorded for the six months ended 31 December 2012. This was \$690 million higher than the \$744 million cash deficit for the same period in 2011-12, and is mainly due to the impact on cash of the operating changes detailed earlier.

Net cash spending on infrastructure (i.e. gross investment spending less sales of surplus assets) totalled \$1.4 billion, down \$132 million from the same period in 2011-12. This mainly reflects the impact of spending on major works, such as the Fiona Stanley Hospital, easing off as these projects move towards the final stages of construction. It also reflects the winding down of Commonwealth schools stimulus spending delivered through the State. These are partially offset by higher spending on the Ord-East Kimberley Expansion project.

Total Public Sector³

The total public sector recorded an operating surplus of \$246 million for the six months to 31 December 2012. This is \$624 million lower than the surplus recorded in the same period in 2011-12, with operating surplus outcomes recorded in all sectors of government.

Total public sector net worth increased by \$1.1 billion over the six months to 31 December 2012 (see general government sector balance sheet discussion above).

Net debt increased (by \$1.6 billion) over the first half of 2012-13, to be \$16.1 billion at 31 December 2012. This increase is in line with the projected demand for funding of the State's public sector infrastructure program, which totalled \$3.4 billion for the first six months of the year.

SUMMARY OF TOTAL PUBLIC SECTOR FINANCES Western Australia

Table 2

	2012-13			2011-12		
	Three Months to 31 Dec	Six Months to 31 Dec	Estimated Outturn ^(a)	Three Months to 31 Dec	Six Months to 31 Dec	Actual ^(b)
	\$m	\$m	\$m	\$m	\$m	\$m
Net operating balance	-155	246	-405	345	870	466
Net worth		112,556	115,526		112,350	111,475
Increase in cash balances	223	-2,531	-2,669	49	-135	3,379
<i>Memorandum items</i>						
Net lending	-1,167	-1,987	-3,245	-353	-1,446	-2,872
Net debt		16,109	18,263		12,960	14,523
Cash surplus/-deficit	-913	-1,926	-3,525	-444	-1,000	-2,240

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the 2011-12 *Annual Report on State Finances*, released 26 September 2012.

Operating Statement

The total public sector operating surplus for the first six months of 2012-13 primarily reflects:

- the \$239 million operating surplus for the general government sector discussed earlier;
- a public non-financial corporations sector operating surplus of \$63 million, \$208 million lower than the surplus recorded by the sector for the same period in 2011-12, mainly due to the 2012-13 Budget decision to cease funding the Public Transport Authority's non-cash depreciation costs; and
- an operating surplus of \$138 million for the public financial corporations sector, \$96 million higher than the surplus recorded in the same period in 2011-12. This outcome is mainly due to higher net investment income and higher insurance premium revenue (partially offset by lower claims expenses) for the Insurance Commission of Western Australia.

³ The total public sector (also known as the whole-of-government consolidates the general government sector (discussed in the previous section), the public non-financial corporations sector (which includes entities such as the electricity utilities, Water Corporation, ports and the Public Transport Authority), and the public financial corporations sector (including agencies such as the Western Australian Treasury Corporation and the Insurance Commission of Western Australia).

Balance Sheet

The value of the total public sector balance sheet is identical to that of the general government sector in terms of net worth (discussed earlier). This is because the net worth of the public corporations is recognised as an investment asset of the general government sector.

Total public sector net debt increased by \$1.6 billion during the first six months of 2012-13, to stand at \$16.1 billion at 31 December 2012. This compares to the \$18.3 billion estimated outturn for 30 June 2013 (reflected in the recent 2012-13 *Pre-election Financial Projections Statement*). The increase in net debt reflects the State's significant Asset Investment Program (which is projected to be \$7.3 billion for the full year in 2012-13).

Cash Flow

A cash deficit of \$1.9 billion was recorded for the six months to 31 December 2012, which is a \$926 million increase on the \$1.0 billion deficit recorded for the same period in 2011-12.

Total public sector infrastructure spending is \$295 million higher than the same time last year. This reflects the lower general government sector investment outlined earlier being more than offset by higher spending by public corporations, including expenditure on the Southern Seawater Desalination Plant and a range of electricity projects (including regulated transmission and distribution projects, and the Karratha Temporary Generation project).

APPENDIX 1

Interim Financial Statements

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Introduction

Financial information presented in this appendix has been prepared in accordance with Australian Accounting Standards and pronouncements, including AASB 134: *Interim Financial Reporting*, AASB 1049: *Whole of Government and General Government Sector Financial Reporting*, and requirements under section 14A(3) of the *Government Financial Responsibility Act 2000*. The formats used in this report are the same as those used in 2012-13 State Budget Papers released on 17 May 2012, facilitating comparisons between estimates and outturns.

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

Table 1.1

GENERAL GOVERNMENT OPERATING STATEMENT
For the six months ended 31 December 2012

	Note	2012-13			2011-12		Actual ^(b) \$m
		Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	
<i>Results from Transactions</i>							
REVENUE							
Taxation		2,101	4,474	8,200	1,772	3,818	7,173
Current grants and subsidies		2,090	4,198	8,154	2,205	4,370	8,678
Capital grants		124	186	689	210	389	1,082
Sales of goods and services		453	972	2,030	442	941	1,929
Interest Income		65	136	282	72	153	304
Dividends from other sectors		194	194	820	215	215	704
Tax equivalent income		101	173	398	86	159	381
Royalty income		993	2,076	4,488	1,232	2,360	4,343
Other		133	235	417	133	370	627
Total	2	6,254	12,644	25,477	6,367	12,776	25,220
EXPENSES							
Salaries		2,525	5,006	9,883	2,393	4,734	9,605
Superannuation							
Concurrent costs		240	476	936	229	450	913
Superannuation interest cost		81	146	313	57	134	317
Other employee costs		108	212	443	101	197	419
Depreciation and amortisation		233	490	1,064	236	471	990
Services and contracts		424	812	1,864	472	821	1,728
Other gross operating expenses		1,130	2,459	4,934	1,163	2,277	4,656
Other interest		107	216	401	88	174	371
Current transfers	3	1,135	2,344	4,929	1,097	2,509	5,053
Capital transfers	3	103	244	469	84	237	520
Total		6,086	12,406	25,236	5,920	12,004	24,571
NET OPERATING BALANCE	4	168	239	241	447	772	649
<i>Other economic flows</i>							
Net gains on assets/liabilities		1	7	3	7	10	92
Net actuarial gains - superannuation		332	-6	-6	-404	-1,503	-1,676
Provision for doubtful debts		-1	-1	-2	-1	-2	-26
Total other economic flows		332	-1	-6	-398	-1,495	-1,611
OPERATING RESULT		500	238	235	49	-723	-962
<i>All other movements in equity</i>							
Revaluations		134	395	2,110	256	680	-4
Gains recognised directly in equity		-	-5	-1	-6	-13	-7
Changes in accounting policy/correction of prior period errors		92	-31	-693	-15	-228	-263
Change in net worth of the public corporations sectors		-16	484	2,399	162	430	508
Total all other movements in equity		210	843	3,816	397	869	234
TOTAL CHANGE IN NET WORTH		710	1,080	4,051	446	146	-728
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE	4	168	239	241	447	772	649
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		827	1,518	3,192	836	1,663	3,358
Changes in inventories		6	11	-2	-1	3	-
Other movement in non-financial assets		44	44	1	13	152	183
<i>less:</i>							
Sales of non-financial assets		18	72	262	40	85	184
Depreciation		233	490	1,064	236	471	990
Total net acquisition of non-financial assets		627	1,011	1,865	571	1,262	2,366
NET LENDING/-BORROWING	4	-458	-772	-1,624	-124	-490	-1,717

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

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

Table 1.2

GENERAL GOVERNMENT BALANCE SHEET
As at 31 December 2012

	Note	2012-13		2011-12	
		31 Dec \$m	Estimated Outturn ^(a) \$m	31 Dec \$m	Actual ^(b) \$m
ASSETS					
<i>Financial assets</i>					
Cash and deposits		612	574	556	840
Advances paid		676	662	697	675
Investments, loans and placements	5	4,601	5,909	4,159	6,200
Receivables	6	2,746	2,621	2,645	2,488
Investment property		8	8	9	8
Shares and other equity					
Investments in other public sector entities - equity method		43,873	45,788	43,312	43,389
Investments in other public sector entities - direct injections		5,833	6,060	5,294	5,544
Investments in other entities		10	10	-	9
Other financial assets		-	-	-	-
Total financial assets		58,359	61,632	56,672	59,153
<i>Non-financial assets</i>					
Land		37,892	38,185	39,440	37,599
Property, plant and equipment		38,914	41,108	35,423	37,849
Biological assets		2	2	2	2
Inventories					
Land inventories		83	93	100	95
Other inventories		74	62	67	63
Intangibles		494	461	468	511
Non-current assets held for sale		77	86	50	91
Other		276	142	232	213
Total non-financial assets		77,813	80,140	75,782	76,423
TOTAL ASSETS		136,173	141,771	132,453	135,577
LIABILITIES					
Deposits held		465	454	466	528
Advances received		454	439	468	454
Borrowings	7	8,912	11,131	5,805	8,871
Unfunded superannuation		8,901	8,816	8,777	8,937
Other employee benefits		2,871	2,827	2,587	2,797
Payables		472	936	532	885
Other liabilities		1,541	1,643	1,468	1,630
TOTAL LIABILITIES		23,617	26,245	20,103	24,101
NET ASSETS		112,556	115,526	112,350	111,475
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		9,730	10,897	9,882	9,547
Other reserves		102,826	104,629	102,468	101,928
NET WORTH	4	112,556	115,526	112,350	111,475
MEMORANDUM ITEMS					
<i>Net financial worth</i>		34,742	35,387	36,568	35,052
<i>Net financial liabilities</i>		14,964	16,461	12,037	13,881
<i>Net debt</i>					
Gross debt liabilities		9,831	12,024	6,739	9,853
less: liquid financial assets		5,889	7,145	5,412	7,715
less: convergence differences impacting net debt		88	88	88	88
Net debt		3,854	4,791	1,239	2,050

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

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 six months ended 31 December 2012

	Accumulated surplus/deficit \$m	Reserves \$m	Total Equity \$m
<i>Balance as at 1 July 2012</i>	9,547	101,928	111,475
Net Operating Balance	239	-	239
Revaluations	-	395	395
Change in net worth of the other sectors	-	484	484
All other	-56	20	-37
Balance as at 31 December 2012	9,730	102,826	112,556

For the six months ended 31 December 2011

	Accumulated surplus/deficit \$m	Reserves \$m	Total Equity \$m
<i>Balance as at 1 July 2011</i>	10,833	101,371	112,203
Net Operating Balance	772	-	772
Revaluations	-	680	680
Change in net worth of the other sectors	-	430	430
Equity reclassification	17	-17	-
All other	-1,741	5	-1,736
Balance as at 31 December 2011	9,882	102,468	112,350

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

Table 1.4

GENERAL GOVERNMENT CASH FLOW STATEMENT
For the six months ended 31 December 2012

	2012-13			2011-12			
	Note	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Actual ^(b) \$m
CASH FLOWS FROM OPERATING ACTIVITIES							
<i>Cash received</i>							
Taxes received		2,299	4,116	8,209	1,960	3,544	7,091
Grants and subsidies received		2,231	4,233	8,836	2,416	4,696	9,831
Receipts from sales of goods and services		499	1,003	2,059	492	1,004	1,983
Interest receipts		61	131	274	66	142	299
Dividends and tax equivalents		371	450	1,169	371	467	1,127
Other		1,469	3,005	5,784	1,661	3,260	6,101
<i>Total cash received</i>		6,931	12,938	26,332	6,964	13,112	26,433
<i>Cash paid</i>							
Wages, salaries and supplements, and superannuation		-2,630	-5,567	-11,221	-2,563	-5,211	-10,635
Payments for goods and services		-1,831	-4,001	-7,157	-1,889	-3,581	-6,815
Interest paid		-103	-207	-367	-83	-158	-353
Grants and subsidies paid		-1,314	-2,386	-5,229	-1,259	-2,567	-5,289
Other		-361	-765	-1,317	-344	-760	-1,388
<i>Total cash paid</i>		-6,239	-12,925	-25,290	-6,138	-12,277	-24,480
NET CASH FLOWS FROM OPERATING ACTIVITIES		692	13	1,042	825	834	1,953
CASH FLOWS FROM INVESTING ACTIVITIES							
<i>Cash flows from investments in non-financial assets</i>							
Purchase of non-financial assets		-827	-1,518	-3,192	-836	-1,663	-3,358
Sales of non-financial assets		18	72	262	40	85	184
<i>Total cash flows from investments in non-financial assets</i>		-810	-1,446	-2,931	-795	-1,578	-3,174
<i>Cash flows from investments in financial assets</i>							
<i>Cash received</i>							
For policy purposes		4	5	-	2	2	6
For liquidity purposes		-	-	-	-	-	1
<i>Cash paid</i>							
For policy purposes		-148	-301	-763	-111	-397	-669
For liquidity purposes		-	-	-58	-	-1	-6
<i>Total cash flows from investments in financial assets</i>		-144	-295	-821	-110	-395	-668
NET CASH FLOWS FROM INVESTING ACTIVITIES		-953	-1,741	-3,751	-905	-1,973	-3,842
CASH FLOWS FROM FINANCING ACTIVITIES							
<i>Cash received</i>							
Advances received		-	-	15	-	-	14
Borrowings		231	245	2,394	265	279	3,416
Deposits received		-	-	-	-	-	-
Other financing receipts		7	21	40	7	15	32
<i>Total cash received</i>		238	265	2,449	272	294	3,463
<i>Cash paid</i>							
Advances paid		-	-	-15	-	-	-14
Borrowings repaid		-8	-222	-129	142	-38	-95
Deposits paid		-	-	-	-	-	-
Other financing payments		-17	-42	-73	-13	-40	-86
<i>Total cash paid</i>		-25	-265	-216	129	-78	-196
NET CASH FLOWS FROM FINANCING ACTIVITIES		213	-	2,233	401	216	3,267
Net increase in cash and cash equivalents		-48	-1,728	-476	322	-923	1,378
Cash and cash equivalents at the beginning of the year		5,117	6,796	6,796	4,174	5,418	5,418
Cash and cash equivalents at the end of the year		5,068	5,068	6,320	4,496	4,496	6,796
KEY FISCAL AGGREGATES							
Net cash flows from operating activities		692	13	1,042	825	834	1,953
Net cash flows from investing in non-financial assets		-810	-1,446	-2,931	-795	-1,578	-3,174
Cash surplus/-deficit	4	-117	-1,434	-1,888	30	-744	-1,221

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

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

Table 1.5

TOTAL PUBLIC SECTOR OPERATING STATEMENT
For the six months ended 31 December 2012

	Note	2012-13			2011-12		Actual ^(b) \$m
		Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	
<i>Results from Transactions</i>							
REVENUE							
Taxation		1,981	4,270	7,792	1,689	3,657	6,850
Current grants and subsidies		2,090	4,198	8,154	2,205	4,370	8,678
Capital grants		124	186	689	210	389	1,082
Sales of goods and services		4,079	8,355	18,527	3,880	8,632	17,867
Interest Income		169	350	881	229	478	924
Royalty income		993	2,076	4,488	1,232	2,360	4,343
Other		235	421	771	209	544	954
Total	2	9,670	19,856	41,302	9,654	20,431	40,699
EXPENSES							
Salaries		2,819	5,594	11,049	2,670	5,292	10,671
Superannuation							
Concurrent costs		268	531	1,046	255	503	1,014
Superannuation interest cost		81	146	313	57	134	317
Other employee costs		74	144	274	73	142	305
Depreciation and amortisation		689	1,405	2,874	670	1,301	2,702
Services and contracts		668	1,246	2,688	672	1,229	2,579
Other gross operating expenses		3,806	7,688	17,761	3,724	8,182	17,204
Other interest		467	843	1,566	389	807	1,587
Current transfers	3	860	1,809	3,518	728	1,775	3,470
Capital transfers	3	91	203	617	72	196	384
Total		9,825	19,610	41,707	9,309	19,560	40,233
NET OPERATING BALANCE	4	-155	246	-405	345	870	466
<i>Other economic flows</i>							
Gains on net assets		286	315	137	50	79	89
Net actuarial gains - superannuation		337	-7	-6	-411	-1,526	-1,737
Provision for doubtful debts		-1	-7	-19	-6	-9	-43
Total other economic flows		622	302	111	-367	-1,455	-1,692
OPERATING RESULT		467	548	-294	-21	-585	-1,226
<i>All other movements in equity</i>							
Revaluations		188	169	4,766	452	611	332
Gains recognised directly in equity		-59	461	-44	9	476	545
Changes in accounting policy/correction of prior period errors		114	-98	-378	6	-355	-379
Total all other movements in equity		243	533	4,345	467	732	498
TOTAL CHANGE IN NET WORTH		710	1,080	4,051	446	146	-728
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE	4	-155	246	-405	345	870	466
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		1,853	3,404	7,324	1,612	3,109	6,782
Changes in inventories		-70	510	117	-92	682	-8
Other movement in non-financial assets		93	85	-226	1	167	158
<i>less:</i>							
Sales of non-financial assets		175	362	1,501	153	341	892
Depreciation		689	1,405	2,874	670	1,301	2,702
Total net acquisition of non-financial assets		1,013	2,233	2,840	699	2,316	3,338
NET LENDING/-BORROWING	4	-1,167	-1,987	-3,245	-353	-1,446	-2,872

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

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

Table 1.6

TOTAL PUBLIC SECTOR BALANCE SHEET
As at 31 December 2012

	Note	2012-13		2011-12	
		31 Dec \$m	Estimated Outturn ^(a) \$m	31 Dec \$m	Actual ^(b) \$m
ASSETS					
<i>Financial assets</i>					
Cash and deposits		1,612	1,451	1,245	1,606
Advances paid		3,489	5,222	3,880	3,630
Investments, loans and placements	5	13,838	15,571	12,295	18,575
Receivables	6	4,241	4,327	3,879	4,255
Investment property		543	586	534	545
Equity - investments in other entities		1,269	1,422	1,120	1,236
Other financial assets		13	39	48	39
<i>Total financial assets</i>		25,004	28,619	23,002	29,886
<i>Non-financial assets</i>					
Land		52,340	54,494	53,589	51,869
Property, plant and equipment		85,565	88,780	80,141	83,926
Biological assets		335	331	346	335
Inventories					
Land inventories		1,912	2,106	1,786	1,831
Other inventories		3,953	3,559	4,133	3,443
Intangibles		985	847	869	943
Non-current assets held for sale		107	105	88	110
Other		441	318	355	391
<i>Total non-financial assets</i>		145,639	150,540	141,307	142,847
TOTAL ASSETS		170,642	179,159	164,309	172,733
LIABILITIES					
Deposits held		186	190	122	192
Advances received		454	439	468	454
Borrowings	7	34,496	39,966	29,878	37,776
Unfunded superannuation		9,047	8,942	8,924	9,097
Other employee benefits		3,265	3,233	2,939	3,203
Payables		5,503	5,110	5,287	5,032
Other liabilities		5,137	5,753	4,342	5,503
TOTAL LIABILITIES		58,087	63,633	51,960	61,258
NET ASSETS		112,556	115,526	112,350	111,475
<i>Of which:</i>					
Contributed equity		-	-	-	-
Accumulated surplus		30,483	30,324	29,996	29,629
Other reserves		82,073	85,202	82,353	81,846
NET WORTH	4	112,556	115,526	112,350	111,475
MEMORANDUM ITEMS					
<i>Net financial worth</i>		-33,083	-35,014	-28,957	-31,372
<i>Net financial liabilities</i>		34,352	36,436	30,077	32,608
<i>Net debt</i>					
Gross debt liabilities		35,135	40,595	30,468	38,422
less: liquid financial assets		18,939	22,244	17,420	23,811
less: convergence differences impacting net debt		88	88	88	88
<i>Net debt</i>		16,109	18,263	12,960	14,523

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

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 six months ended 31 December 2012

	Accumulated surplus/deficit \$m	Reserves \$m	Total Equity \$m
<i>Balance as at 1 July 2012</i>	29,629	81,846	111,475
Net Operating Balance	246	-	246
Revaluations	-	169	169
All other	608	57	665
Balance as at 31 December 2012	30,483	82,073	112,556

For the six months ended 31 December 2011

	Accumulated surplus/deficit \$m	Reserves \$m	Total Equity \$m
<i>Balance as at 1 July 2011</i>	30,755	81,449	112,203
Net Operating Balance	870	-	870
Revaluations	-	611	611
Equity reclassification	-173	173	-
All other	-1,455	120	-1,335
Balance as at 31 December 2011	29,996	82,353	112,350

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

Table 1.8

TOTAL PUBLIC SECTOR CASH FLOW STATEMENT
For the six months ended 31 December 2012

	2012-13			2011-12		Actual ^(b) \$m	
	Note	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Dec \$m		Six Months to 31 Dec \$m
CASH FLOWS FROM OPERATING ACTIVITIES							
<i>Cash received</i>							
Taxes received		2,204	3,971	7,750	1,890	3,426	6,709
Grants and subsidies received		2,231	4,233	8,836	2,416	4,696	9,831
Receipts from sales of goods and services		3,833	8,547	18,412	3,923	9,211	18,061
Interest receipts		194	430	951	222	480	920
Other receipts		1,844	3,774	6,984	1,882	3,803	7,093
<i>Total cash received</i>		10,307	20,955	42,933	10,331	21,615	42,613
<i>Cash paid</i>							
Wages, salaries and supplements, and superannuation		-2,948	-6,222	-12,555	-2,878	-5,848	-11,845
Payments for goods and services		-4,157	-8,840	-18,768	-4,173	-9,474	-18,351
Interest paid		-553	-914	-1,532	-428	-757	-1,485
Grants and subsidies paid		-895	-1,754	-3,705	-738	-1,756	-3,568
Other payments		-991	-2,109	-4,075	-1,100	-2,011	-3,715
<i>Total cash paid</i>		-9,543	-19,839	-40,635	-9,317	-19,847	-38,963
NET CASH FLOWS FROM OPERATING ACTIVITIES		764	1,116	2,298	1,016	1,768	3,650
CASH FLOWS FROM INVESTING ACTIVITIES							
<i>Cash flows from investments in non-financial assets</i>							
Purchase of non-financial assets		-1,853	-3,404	-7,324	-1,612	-3,109	-6,782
Sales of non-financial assets		175	362	1,501	153	341	892
<i>Total cash flows from investments in non-financial assets</i>		-1,677	-3,043	-5,823	-1,459	-2,768	-5,890
<i>Cash flows from investments in financial assets</i>							
<i>Cash received</i>							
For policy purposes		4	5	-	2	2	6
For liquidity purposes		1,611	3,984	1,242	1,500	3,527	6,288
<i>Cash paid</i>							
For policy purposes		-4	-6	-	-2	-3	-6
For liquidity purposes		-1,216	-3,017	-5,221	-1,267	-2,770	-6,518
<i>Total cash flows from investments in financial assets</i>		395	966	-3,979	233	757	-230
NET CASH FLOWS FROM INVESTING ACTIVITIES		-1,282	-2,076	-9,801	-1,226	-2,011	-6,120
CASH FLOWS FROM FINANCING ACTIVITIES							
<i>Cash received</i>							
Advances received		-	-	-	-	-	-
Borrowings		6,745	13,897	30,572	5,426	11,086	27,171
Deposits received		-	-	-	-	-	-
Other financing receipts		12	25	82	11	20	52
<i>Total cash received</i>		6,757	13,922	30,653	5,437	11,106	27,224
<i>Cash paid</i>							
Advances paid		-	-	-15	-	-	-14
Borrowings repaid		-5,992	-15,439	-25,739	-5,154	-10,942	-21,252
Deposits paid		-	-	-	-	-	-
Other financing payments		-24	-54	-65	-24	-57	-108
<i>Total cash paid</i>		-6,016	-15,493	-25,819	-5,178	-10,999	-21,374
NET CASH FLOWS FROM FINANCING ACTIVITIES		741	-1,571	4,835	259	108	5,849
Net increase in cash and cash equivalents		223	-2,531	-2,669	49	-135	3,379
Cash and cash equivalents at the beginning of the year		9,227	11,981	11,981	8,418	8,602	8,602
Cash and cash equivalents at the end of the year		9,450	9,450	9,312	8,467	8,467	11,981
KEY FISCAL AGGREGATES							
Net cash flow s from operating activities		764	1,116	2,298	1,016	1,768	3,650
Net cash flow s from investing in non-financial assets		-1,677	-3,043	-5,823	-1,459	-2,768	-5,890
Cash surplus/-deficit	4	-913	-1,926	-3,525	-444	-1,000	-2,240

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

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

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

(b) The Reporting Entity

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

The total public sector includes the general government sector and the public corporations sector (which seek to recover the majority of costs of their operations through user charges and other revenue sources).

The general government sector consists of those agencies and Crown entities that provide services that are predominantly funded from central revenue.

(c) Basis of Preparation

The financial statements for the six months ended 31 December 2012 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 notes of the type normally 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 2012, presented in Appendix 1 of the *2011-12 Annual Report on State Finances (ARSF)* released on 26 September 2012. The accounting policies adopted in this publication are consistent with those outlined in the 2011-12 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 2011-12 ARSF.

The Interim Financial Statements are presented in Australian dollars and all amounts are rounded to the nearest million dollars (\$m). As a consequence, columns/rows may not add due to rounding.

(d) Unaudited Data

The Interim Financial Statements are not subject to audit.

NOTE 2: OPERATING REVENUE

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

NOTE 3: TRANSFER EXPENSES

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

TRANSFER EXPENSES^(a)

General Government						
	2012-13			2011-12		
	Three Months to 31 Dec	Six Months to 31 Dec	Estimated Outturn ^(b)	Three Months to 31 Dec	Six Months to 31 Dec	Actual ^(c)
	\$m	\$m	\$m	\$m	\$m	\$m
<i>CURRENT TRANSFERS</i>						
Local Government	51	125	318	68	160	450
Local Government on-passing	19	119	162	29	96	154
Private and Not-for-profit sector	372	777	1,554	243	796	1,407
Private and Not-for-profit sector on-passing	246	446	817	241	425	831
Other sectors of Government	446	877	2,078	516	1,031	2,211
Total Current Transfers	1,135	2,344	4,929	1,097	2,509	5,053
<i>CAPITAL TRANSFERS</i>						
Local Government	22	33	85	14	21	64
Local Government on-passing	12	77	105	19	63	101
Private and Not-for-profit sector	37	68	147	30	55	123
Private and Not-for-profit sector on-passing	5	8	25	9	32	40
Other sectors of Government	27	59	107	12	66	192
Total Capital Transfers	103	244	469	84	237	520
Total Public Sector						
	2012-13			2011-12		
	Three Months to 31 Dec	Six Months to 31 Dec	Estimated Outturn ^(b)	Three Months to 31 Dec	Six Months to 31 Dec	Actual ^(c)
	\$m	\$m	\$m	\$m	\$m	\$m
<i>CURRENT TRANSFERS</i>						
Local Government	51	125	318	68	160	450
Local Government on-passing	19	119	162	29	96	154
Private and Not-for-profit sector	544	1,113	2,211	388	1,087	2,018
Private and Not-for-profit sector on-passing	246	446	817	241	425	831
Other sectors of Government	-	6	11	3	7	17
Total Current Transfers	860	1,809	3,518	728	1,775	3,470
<i>CAPITAL TRANSFERS</i>						
Local Government	20	33	85	14	21	69
Local Government on-passing	12	77	105	19	63	101
Private and Not-for-profit sector	55	86	402	30	79	173
Private and Not-for-profit sector on-passing	5	8	25	9	32	40
Other sectors of Government	-	-	-	-	-	-
Total Capital Transfers	91	203	617	72	196	384

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

(b) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(c) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

Note: Columns may not add due to rounding.

NOTE 4: CONVERGENCE DIFFERENCES

Where possible, AASB 1049 harmonises GFS and accounting concepts into a single presentation. Where harmonisation cannot be achieved (e.g. the recognition of a doubtful debts provision is excluded from GFS net worth), a convergence difference arises.

The following tables detail convergence differences reflected in the December 2012 results.

AASB 1049 TO GFS CONVERGENCE DIFFERENCES Net Operating Balance

	2012-13			2011-12		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Actual \$m
<u>General government</u>						
AASB1049 net operating balance	168	239	241	447	772	649
Plus GFS revenue adjustments	-	-	-	-	-	-
Less GFS expense adjustments	-	-	-	-	-	-
Total GFS adjustments to AASB 1049 net operating balance	-	-	-	-	-	-
GFS net operating balance	168	239	241	447	772	649
<u>Total public sector</u>						
AASB1049 net operating balance	-155	246	-405	345	870	466
Plus GFS revenue adjustments	-	-	-	-	-	-
Less GFS expense adjustments	-	-	-	-	-	-
Capitalised interest	5	13	42	11	26	37
Total GFS expense adjustments	5	13	42	11	26	37
Total GFS adjustments to AASB 1049 net operating balance	-5	-13	-42	-11	-26	-37
GFS net operating balance	-160	233	-447	334	844	429

AASB 1049 TO GFS CONVERGENCE DIFFERENCES Net Lending/-Borrowing

	2012-13			2011-12		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Actual \$m
<u>General government</u>						
AASB1049 net lending/-borrowing	-458	-772	-1,624	-124	-490	-1,717
Plus Net operating balance convergence differences	-	-	-	-	-	-
GFS net lending/-borrowing	-458	-772	-1,624	-124	-490	-1,717
<u>Total public sector</u>						
AASB1049 net lending/-borrowing	-1,167	-1,987	-3,245	-353	-1,446	-2,872
Plus Net operating balance convergence differences	-5	-13	-42	-11	-26	-37
GFS net lending/-borrowing	-1,173	-2,000	-3,287	-365	-1,472	-2,909

AASB 1049 TO GFS CONVERGENCE DIFFERENCES Net Worth

	2012-13		2011-12	
	Six Months to 31 Dec \$m	Estimated Outturn \$m	Six Months to 31 Dec \$m	Actual \$m
<i>General government</i>				
AASB1049 net worth	112,556	115,526	112,350	111,475
<i>Plus</i>				
Dampier to Bunbury Natural Gas Pipeline loan asset	88	88	88	88
Provision for doubtful debts				
General government sector	202	202	191	202
Impact on public corporations net worth	24	21	23	22
Total GFS net worth adjustments	314	311	303	312
GFS net worth	112,870	115,837	112,653	111,787
<i>Total public sector</i>				
AASB1049 net worth	112,556	115,526	112,350	111,475
<i>Plus</i>				
Dampier to Bunbury Natural Gas Pipeline loan asset	88	88	88	88
Provision for doubtful debts	226	223	215	223
Total GFS net worth adjustments	314	311	303	312
GFS net worth	112,870	115,837	112,653	111,787

AASB 1049 TO GFS CONVERGENCE DIFFERENCES Cash Surplus/-Deficit

	2012-13			2011-12		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Actual \$m
<i>General government</i>						
AASB1049 cash surplus/-deficit	-117	-1,434	-1,888	30	-744	-1,221
<i>Less Acquisitions under finance leases and similar arrangements</i>						
	28	28	-	1	3	19
GFS cash surplus/-deficit	-146	-1,462	-1,888	29	-747	-1,239
<i>Total public sector</i>						
AASB1049 cash surplus/-deficit	-913	-1,926	-3,525	-444	-1,000	-2,240
<i>Less Acquisitions under finance leases and similar arrangements</i>						
	28	28	1	-	67	82
GFS cash surplus/-deficit	-942	-1,955	-3,526	-444	-1,067	-2,322

NOTE 5: INVESTMENTS, LOANS AND PLACEMENTS

General Government				
	2012-13		2011-12	
	31 Dec \$m	Estimated Outturn \$m	31 Dec \$m	Actual \$m
<i>Investments</i>				
Term deposits	4,585	5,881	4,139	6,171
Government securities	7	7	8	7
Total	4,592	5,888	4,147	6,178
<i>Loans and advances</i>				
Loans	8	8	9	9
Financial Assets held for trading/available for sale	1	13	3	13
Total	9	21	12	22
Total	4,601	5,909	4,159	6,200
Total Public Sector				
	2012-13		2011-12	
	31 Dec \$m	Estimated Outturn \$m	31 Dec \$m	Actual \$m
<i>Investments</i>				
Term deposits	10,745	11,629	9,664	13,981
Government securities	171	7	120	7
Total	10,916	11,636	9,783	13,988
<i>Loans and advances</i>				
Loans	2,540	3,417	2,112	4,061
Financial Assets held for trading/available for sale	381	519	400	525
Total	2,921	3,935	2,512	4,586
Total	13,838	15,571	12,295	18,575

NOTE 6: RECEIVABLES

General Government				
	2012-13		2011-12	
	31 Dec \$m	Estimated Outturn \$m	31 Dec \$m	Actual \$m
Accounts Receivable	2,948	2,823	2,837	2,689
Provision for impairment of receivables	-202	-202	-191	-202
Total	2,746	2,621	2,645	2,488
Total Public Sector				
	2012-13		2011-12	
	31 Dec \$m	Estimated Outturn \$m	31 Dec \$m	Actual \$m
Accounts Receivable	4,467	4,550	4,094	4,478
Provision for impairment of receivables	-226	-223	-215	-223
Total	4,241	4,327	3,879	4,255

NOTE 7: BORROWINGS

 General Government

	2012-13		2011-12	
	31 Dec \$m	Estimated Outturn \$m	31 Dec \$m	Actual \$m
Bank overdrafts	44	17	-	17
Finance leases	342	314	307	321
Borrowings	8,526	10,800	5,498	8,533
Total	8,912	11,131	5,805	8,871

 Total Public Sector

	2012-13		2011-12	
	31 Dec \$m	Estimated Outturn \$m	31 Dec \$m	Actual \$m
Bank overdrafts	46	21	3	17
Finance leases	1,026	989	1,008	1,013
Borrowings	33,424	38,957	28,868	36,746
Total	34,496	39,966	29,878	37,776

NOTE 8: DETAILS OF AGENCIES CONSOLIDATED

The agencies included in these financial statements were detailed in Note 32, Composition of Sectors in the 2011-12 *Annual Report on State Finances*. Changes since that date include:

- the Goldfields Institute of Technology was created from 1 July 2012; and
- the Department of Fire and Emergency Services was established on 1 November 2012, replacing the Fire and Emergency Services Authority.

NOTE 9: CONTINGENT LIABILITIES

There have been no material changes in contingent liabilities since the release of the 2011-12 *Annual Report on State Finances*.

APPENDIX 2

Operating Revenue

The tables below 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 internal collections are not shown in the total public sector taxation revenue data which is thus smaller in magnitude than the general government taxation revenue aggregate.

Table 2.1

GENERAL GOVERNMENT
Operating Revenue

	2012-13			2011-12		Actual ^(b)
	Three Months to 31 Dec	Six Months to 31 Dec	Estimated Outturn ^(a)	Three Months to 31 Dec	Six Months to 31 Dec	
	\$m	\$m	\$m	\$m	\$m	\$m
TAXATION						
<i>Payroll tax</i>	870	1,788	3,584	756	1,530	3,096
Property taxes						
<i>Land tax</i>	171	558	569	153	544	552
Transfer Duty	394	725	1,486	298	588	1,261
Landholder Duty	13	113	138	9	27	101
<i>Total duty on transfers</i>	406	838	1,624	307	615	1,362
Other stamp duties	5	5	5	-	-	-
Metropolitan Region Improvement Tax	46	85	86	45	84	84
Emergency Services Levy	62	153	231	68	147	220
Loan guarantee fees	32	40	105	9	12	25
<i>Total other property taxes</i>	145	283	428	121	243	329
Taxes on provision of goods and services						
Lotteries Commission	46	81	141	35	69	140
Video lottery terminals	-	-	1	-	-	-
Casino Tax	32	60	125	26	55	108
Betting tax	11	21	37	9	18	38
Other	-	-	-	-	-	19
<i>Total taxes on gambling</i>	89	163	303	70	143	305
Insurance Duty	143	286	558	116	245	487
Other	6	11	22	5	12	22
<i>Total taxes on insurance</i>	148	297	580	121	256	509
Taxes on use of goods and performance of activities						
Vehicle Licence Duty	100	201	416	88	174	367
Permits - Oversize Vehicles and Loads	1	1	5	1	3	7
Motor Vehicle recording fee	12	23	46	11	22	46
Motor Vehicle registrations	158	320	646	144	289	599
<i>Total motor vehicle taxes</i>	270	546	1,113	243	487	1,019
Total Taxation	2,101	4,474	8,200	1,772	3,818	7,173

GENERAL GOVERNMENT
Operating Revenue

Table 2.1 (cont.)

	2012-13			2011-12		
	Three Months to 31 Dec	Six Months to 31 Dec	Estimated Outturn ^(a)	Three Months to 31 Dec	Six Months to 31 Dec	Actual ^(b)
	\$m	\$m	\$m	\$m	\$m	\$m
CURRENT GRANTS AND SUBSIDIES						
<i>General Purpose Grants</i>						
GST grants	809	1,508	2,961	896	1,796	3,454
North West Shelf grants	257	545	928	227	469	925
Compensation for Commonwealth crude oil excise arrangements	18	32	51	20	38	75
<i>Grants through the State</i>						
Schools assistance – non-government schools	246	446	817	241	425	831
Local government financial assistance grants	19	119	162	29	96	154
Local government roads	12	77	105	19	63	101
First Home Owners' Boost	-	-	-	-	1	1
Other	-	-	25	-	-	-
<i>National Health Reform^(c)</i>	327	655	1,395	-	-	-
<i>National Specific Purpose Payment Agreement Grants</i>						
Healthcare ^(c)	-	-	-	330	660	1,312
Schools	100	202	401	95	190	378
Skills and Workforce Development	37	73	145	35	69	139
Disability Services	32	63	126	27	55	110
Affordable Housing	34	68	134	32	65	129
<i>Other Grants/National Partnerships</i>						
Health	88	170	399	110	205	505
Housing	-	-	14	1	1	2
Transport	10	42	70	1	17	68
Other	100	197	420	142	222	493
Total Current Grants and Subsidies	2,090	4,198	8,154	2,205	4,370	8,678
CAPITAL GRANTS						
<i>Grants through the State</i>						
Schools assistance – non-government schools	5	8	25	9	32	40
<i>Nation Building and Jobs Plan</i>						
Schools	-	-	-	-	40	40
Housing	-	-	-	-	-	20
<i>National Partnerships/Other Grants</i>						
Housing	32	61	82	31	63	181
Transport	82	112	485	112	154	505
Other	4	5	98	59	100	296
Total Capital Grants	124	186	689	210	389	1,082
SALES OF GOODS AND SERVICES	453	972	2,030	442	941	1,929
INTEREST INCOME	65	136	282	72	153	304
REVENUE FROM PUBLIC CORPORATIONS						
Dividends	194	194	820	215	215	704
Tax Equivalent Regime	101	173	398	86	159	381
Total Revenue from Public Corporations	295	367	1,218	301	374	1,085
ROYALTY INCOME	993	2,076	4,488	1,232	2,360	4,343
OTHER						
Lease Rentals	24	47	82	20	46	91
Fines	39	80	174	42	80	159
Revenue not elsew here counted	70	108	161	71	243	377
Total Other	133	235	417	133	370	627
GRAND TOTAL	6,254	12,644	25,477	6,367	12,776	25,220

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

(c) New Health Reform arrangements commenced on 1 July 2012.

Note: Columns may not add due to rounding.

Table 2.2

**TOTAL PUBLIC SECTOR
Operating Revenue**

	2012-13			2011-12		Actual ^(b) \$m
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	
TAXATION						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	851	1,750	3,503	737	1,494	3,022
Property taxes						
<i>Land tax</i>	158	533	522	142	521	509
Transfer Duty	394	725	1,486	298	588	1,261
Landholder Duty	13	113	138	9	27	101
<i>Total duty on transfers</i>	406	838	1,624	307	615	1,362
Other stamp duties	5	5	5	-	-	-
Metropolitan Region Improvement Tax	46	85	86	45	84	84
Emergency Services Levy	62	153	231	68	143	216
Loan guarantee fees	1	1	3	-	1	1
<i>Total other property taxes</i>	114	245	326	113	227	301
Taxes on provision of goods and services						
Video lottery terminals	-	-	1	-	-	-
Casino Tax	32	60	125	26	55	108
Other	-	-	-	-	-	19
<i>Total taxes on gambling</i>	32	61	126	26	55	127
Insurance Duty	143	286	558	116	245	487
Other	6	11	22	5	12	22
<i>Total taxes on insurance</i>	148	297	580	121	256	509
Taxes on use of goods and performance of activities						
Vehicle Licence Duty	100	201	416	88	174	367
Permits - Oversize Vehicles and Loads	1	1	5	1	3	7
Motor Vehicle recording fee	12	23	46	11	22	46
Motor Vehicle registrations	158	320	646	144	289	599
<i>Total motor vehicle taxes</i>	270	546	1,113	243	487	1,019
Total Taxation	1,981	4,270	7,792	1,689	3,657	6,850

**TOTAL PUBLIC SECTOR
Operating Revenue**

Table 2.2 (cont.)

	2012-13			2011-12		Actual ^(b) \$m
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Estimated Outturn ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	
CURRENT GRANTS AND SUBSIDIES						
<i>General Purpose Grants</i>						
GST grants	809	1,508	2,961	896	1,796	3,454
North West Shelf grants	257	545	928	227	469	925
Compensation for Commonwealth crude oil excise arrangements	18	32	51	20	38	75
<i>Grants through the State</i>						
Schools assistance – non-government schools	246	446	817	241	425	831
Local government financial assistance grants	19	119	162	29	96	154
Local government roads	12	77	105	19	63	101
First Home Owners' Boost	-	-	-	-	1	1
Other	-	-	25	-	-	-
<i>National Health Reform^(c)</i>	327	655	1,395	-	-	-
<i>National Specific Purpose Payment Agreement Grants</i>						
Healthcare ^(c)	-	-	-	330	660	1,312
Schools	100	202	401	95	190	378
Skills and Workforce Development	37	73	145	35	69	139
Disability Services	32	63	126	27	55	110
Affordable Housing	34	68	134	32	65	129
<i>Other Grants/National Partnerships</i>						
Health	88	170	399	110	205	505
Housing	-	-	14	1	1	2
Transport	10	42	70	1	17	68
Other	100	197	420	142	222	493
Total Current Grants and Subsidies	2,090	4,198	8,154	2,205	4,370	8,678
CAPITAL GRANTS						
<i>Grants through the State</i>						
Schools assistance – non-government schools	5	8	25	9	32	40
<i>Nation Building and Jobs Plan</i>						
Schools	-	-	-	-	40	40
Housing	-	-	-	-	-	20
<i>National Partnerships/Other Grants</i>						
Housing	32	61	82	31	63	181
Transport	82	112	485	112	154	505
Other	4	5	98	59	100	296
Total Capital Grants	124	186	689	210	389	1,082
SALES OF GOODS AND SERVICES	4,079	8,355	18,527	3,880	8,632	17,867
INTEREST INCOME	169	350	881	229	478	924
ROYALTY INCOME	993	2,076	4,488	1,232	2,360	4,343
OTHER						
Lease Rentals	24	47	82	20	46	91
Fines	40	82	174	43	82	160
Revenue not else here counted	171	291	515	146	416	704
Total Other	235	421	771	209	544	954
GRAND TOTAL	9,670	19,856	41,302	9,654	20,431	40,699

(a) Consistent with the revised outturn published in the *Pre-election Financial Projections Statement*, released 7 February 2013.

(b) Consistent with final audited data contained in the *2011-12 Annual Report on State Finances*, released 26 September 2012.

(c) New Health Reform arrangements commenced on 1 July 2012.

Note: Columns may not add due to rounding.

APPENDIX 3

Public Ledger

The Public Ledger, established by section 7 of the *Financial Management Act 2006* (FMA), includes those transactions and operations that are conducted through the Public Bank Account and maintained by the Treasurer. The Public Ledger comprises the Consolidated Account, the Treasurer's Advance Account and the Treasurer's Special Purpose Accounts.

Table 3.1 shows that the aggregate balance of the Public Ledger at 31 December 2012 increased by \$41 million compared with 31 December 2011. This increase mainly reflects the net impact of a \$572 million increase in the Consolidated Account deficit, and an increase of \$623 million in the Treasurer's Special Purpose Accounts.

PUBLIC LEDGER BALANCES AT 31 DECEMBER	2012-13 \$m	2011-12 \$m
THE PUBLIC LEDGER		
Consolidated Account ^(a)	-8,320	-7,748
Treasurer's Special Purpose Accounts	8,876	8,253
Treasurer's Advance Account – Net Advances	-66	-56
TOTAL	490	449

(a) The balance of the Consolidated Account at 31 December 2012 includes non-cash appropriations of \$6,787 million (31 December 2011: \$5,984 million), representing the non-cash cost of agency services. These appropriations are credited to agency holding accounts that are included in the Treasurer's Special Purpose Accounts balance.

Note: Columns 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, and that payments out of the Account must be appropriated by Parliament.

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

The Consolidated Account recorded an accumulated deficit of \$8,320 million at 31 December 2012. This included \$6,787 million in non-cash Holding Account balances for agencies, associated with accrual (non-cash) appropriations for depreciation and leave entitlements.

In cash terms, the Consolidated Account recorded an accumulated cash deficit of \$1,533 million at 31 December 2012, compared with an accumulated cash deficit of \$1,764 million at 31 December 2011. Cash balances vary significantly through the year, depending on the timing of receipts into, and payments from, the Account.

Table 3.2

CONSOLIDATED ACCOUNT TRANSACTIONS

For the six months ended 31 December

	2012-13 \$m	2011-12 \$m
REVENUE		
<i>Operating Activities</i>		
Taxation	3,524	3,013
Commonwealth Grants	2,142	3,060
Government Enterprises	451	468
Revenue from other agencies	2,602	2,850
Other	136	127
<i>Total Operating Activities</i>	8,855	9,518
<i>Financing Activities</i>		
Repayments of Recoverable Advances	3	7
Transfers from:		
Public Bank Account Interest Earned Account	-	80
Bankwest Pension Trust	1	1
Other Receipts	1	2
Borrowings	-	250
<i>Total Financing Activities</i>	5	340
TOTAL REVENUE	8,860	9,858
EXPENDITURE		
<i>Recurrent</i>		
Authorised by Other Statutes	784	742
Appropriation Act (No. 1)	8,909	9,473
Recurrent Expenditure under the Treasurer's Advance	-	4
<i>Total Recurrent Expenditure</i>	9,693	10,219
<i>Investing Activities</i>		
Authorised by Other Statutes	32	49
Appropriation Act (No. 2)	1,371	1,951
Investing Expenditure under the Treasurer's Advance	-	1
<i>Total Investing Activities</i>	1,403	2,001
<i>Financing Activities</i>		
Loan repayments	-	-
Other financing	1	2
<i>Total Financing Activities</i>	1	2
TOTAL EXPENDITURE	11,097	12,222
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-2,237	-2,364
Consolidated Account Balance		
Opening balance at 1 July	-6,083	-5,385
Closing balance at 31 December	-8,320	-7,748
Of which:		
Appropriations payable	-6,787	-5,984
Cash balance at 31 December	-1,533	-1,764

Note: Columns 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 account established to hold other money and determined by the Treasurer to be a TSPA.

Relative to 31 December 2011, a \$623 million increase in aggregate TSPA balances at 31 December 2012 mainly reflects:

- higher Holding Account balances for accrual appropriations to agencies for depreciation and accrued leave entitlements (up \$803 million);
- the draw down of cash reserves set aside for construction of the Fiona Stanley Hospital (\$386 million) as work on the project proceeds;
- a net decrease for the New Children's Hospital Account balance (down \$75 million), with \$70 million in surplus Consolidated Account cash from 2010-11 credited to the account during the September 2012 quarter, which was more than offset by drawn downs for construction costs over the first six months of 2012-13;
- a \$100 million balance for the newly established Perth's New Major Stadium Construction Account, transferred in July 2012 using surplus Consolidated Account cash from 2010-11;
- a decrease in *Royalties for Regions* balances (down \$218 million), mainly due to differences in the timing of royalty receipts paid to the account and payments for approved projects, and the transfer of 'seed capital' to the Western Australian Future Fund (established in November 2012);
- the establishment of the Western Australian Future Fund using 'seed capital' sourced from the Royalties for Regions Fund (\$298 million); and
- an increase in the balances of Other Special Purpose Accounts (up \$101 million), including accumulated interest on Public Bank Account balances yet to be transferred to interest earning accounts.

Details of key Special Purpose Accounts are disclosed in Appendix 4: *Special Purpose Accounts*.

TREASURER'S SPECIAL PURPOSE ACCOUNTS

Table 3.3

At 31 December

	2012-13	2011-12
	\$m	\$m
Agency Holding Accounts	6,787	5,984
Fiona Stanley Hospital Construction Account	118	503
Royalties for Regions Special Purpose Account	673	891
Western Australian Future Fund	298	-
New Children's Hospital Account	381	456
The New Perth Stadium Account	100	-
Other Special Purpose Accounts	520	419
TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 31 DECEMBER	8,877	8,253

Note: Columns may not add due to rounding.

Treasurer's Advance

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

A limit of \$651.5 million is authorised under section 29 of the FMA for the year ended 30 June 2013, compared with a total of \$577.1 million authorised limit applying at the same time last year.

Of the \$651.5 million authorised limit, \$65.7 million was held in the form of net recoverable advances at 31 December 2012 (see Table 3.4).

TREASURER'S ADVANCE AT 31 DECEMBER

Table 3.4

	2012-13	2011-12
	\$m	\$m
AUTHORISED LIMIT	651.5	577.1
<i>Total Drawn Against Treasurer's Advance Account</i>	65.7	55.7
Comprising:		
Net recoverable advances as at 31 December (see below)	65.7	50.7
Excesses and New Items		
- recurrent	-	4.2
- capital	-	0.8
NET RECOVERABLE ADVANCES		
Building Farm Business Grants	4.0	-
Building Management and Works	50.0	20.0
Electoral Boundaries Distribution	0.2	1.1
Energy Smart Government Program	-	0.4
Gas Review Board	-	0.7
Local Government Elections	-	2.5
Mining Rehabilitation Fund	0.3	-
Suitors Fund	1.8	1.8
Sundry Debtors	0.3	0.3
Sport and Recreation	1.8	1.9
Strategic Projects	5.0	20.0
Teacher Registration Board	0.3	-
Transport	2.0	2.0
TOTAL RECOVERABLE TREASURER'S ADVANCES	65.7	50.7

Transfers, Excesses and New Items

Table 3.5 outlines transfers of appropriation 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, EXCESSES AND NEW ITEMS						
For the six months to 31 December						
		Treasurer's Advance				Draw n against Treasurer's Advance to date \$m
	Budget \$m	Transfers ^(a) \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Recurrent Appropriations						
<i>Western Australian Electoral Commission</i>						
Item 17: Delivery of Services	23.2	0.1	-	-	23.3	-
<i>Treasury</i>						
Item 37: Department of Finance	26.2	-0.1	-	-	26.1	-
<i>Racing, Gaming and Liquor</i>						
Item 73: Administered Grants, Subsidies and Other Transfer Payments	106.0	-	-	4.6	110.6	-
Total Recurrent		-	-	4.6		

(a) Authorised under section 25 of the FMA.

A total \$0.1 million was transferred from appropriations administered by the Department of Treasury to the Electoral Commission for transition costs associated with the decommissioned shared corporate services environment and to re-establish the Commission's corporate services function.

Approved excesses and new items during the six months to 31 December 2012 were limited to Racing, Gaming and Liquor, Item 73: **Administered Grants, Subsidies and Other Transfer Payments** (\$4.6 million) to meet costs associated with the construction of the New Perth Stadium.

Special Purpose Accounts

Special Purpose Accounts (SPAs) are established under various sections of the *Financial Management Act 2006* (FMA). All such accounts include a trust fund statement outlining the purpose of the individual SPA. Some SPAs arise as a result of statute (e.g. the Fiona Stanley Hospital Construction Account and the Royalties for Regions Fund), while others are established administratively under the authority of the FMA.

This appendix details the year-to-date position of SPAs established to deliver key Government policy outcomes. This is not an exhaustive list of all SPAs, but it covers the major/material SPAs in existence at 31 December 2012. The SPA balances, and transactions in and out of these accounts, form part of the overall consolidated projections outlined elsewhere in this report.

Fiona Stanley Hospital Construction Account

This SPA was established in October 2007 to set aside funds to be used for the construction of the Fiona Stanley Hospital. The hospital is expected to reach practical completion in December 2013 and to commence operation in April 2014. Construction will utilise all available funds in the SPA.

Receipts during the December quarter reflect interest revenue earned on the account balances. Funds are drawn from the account and paid to WA Health as payments for construction work fall due.

FIONA STANLEY HOSPITAL CONSTRUCTION ACCOUNT
At 31 December

Table 4.1

	2012-13	2011-12
	\$m	\$m
<i>Balance at 1 July</i>	309	808
Receipts	6	20
Payments	198	326
CLOSING BALANCE	118	503

Note: Columns may not add due to rounding.

New Children's Hospital Account

This SPA was established in October 2010 to hold money for the construction and start up of the New Children's Hospital. The hospital is expected to be completed by mid-2015 and utilise all available funds in the SPA.

Receipts reflect moneys appropriated by Parliament, including \$100 million from the better than expected operating surplus for the 2009-10 financial year (paid into the account in 2011-12), \$70 million from the better than expected operating surplus for the 2010-11 financial year (paid into the account in July 2012), a one-off contribution of \$350 million funded from a joint payment to the State by BHP Billiton and Rio Tinto in relation to amendments to relevant State Agreements Acts and a one-off royalty back-payment of \$55 million (related to the Robe River Mesa J mine). Funds are drawn from the SPA and paid to WA Health as payments for construction work fall due.

NEW CHILDRENS HOSPITAL ACCOUNT

Table 4.2

At 31 December

	2012-13	2011-12
	\$m	\$m
<i>Balance at 1 July</i>	423	-
Receipts	70	505
Payments	112	49
CLOSING BALANCE	381	456

Note: Columns may not add due to rounding.

Perth Parking Licensing Account

This SPA was established in July 1999 to set aside funds to be used to encourage a balanced transport system for gaining access to the Perth city area.

Receipts reflect money paid by way of application fees, license fees, penalties, money appropriated by Parliament and interest revenue earned on the account balances. Funds drawn from the account are spent on the Central Area Transit system, improving public transport access, enhancing the pedestrian environment and supporting bicycle access, and for administration of the *Perth Parking Management Act 1999*.

PERTH PARKING LICENSE ACCOUNT

Table 4.3

At 31 December

	2012-13	2011-12
	\$m	\$m
<i>Balance at 1 July</i>	56	39
Receipts	32	28
Payments	8	7
CLOSING BALANCE	80	60

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This account was established in July 2002 to provide for road safety initiatives.

Receipts reflect prescribed penalties paid during the period, other funds collected under the *Road Traffic Act 1974*, and interest revenue earned on the account balance. Key road safety initiatives funded from the account in 2012-13 include improvements to metropolitan intersections, vehicle run off treatments on regional roads, community education campaigns to reduce speeding, drink and drug driving, the electronic school zone sign project, neurotrauma research, strategic traffic enforcement and increasing breath and drug testing by Western Australia Police.

ROAD TRAUMA TRUST ACCOUNT			Table 4.4
At 31 December			
	2012-13	2011-12	
	\$m	\$m	
<i>Balance at 1 July</i>	43	3	
Receipts	47	30	
Payments	17	7	
CLOSING BALANCE	73	26	

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 25% of the State's annual royalty income to fund investment in regional Western Australia.

Receipts during the first six months of 2012-13 reflect moneys appropriated by Parliament and interest revenue earned on the account balance. Funds were drawn during the six months to 31 December 2012 to support infrastructure services, business and economic development, and other regional initiatives outlined in the 2012-13 Budget.

ROYALTIES FOR REGIONS FUND			Table 4.5
At 31 December			
	2012-13	2011-12	
	\$m	\$m	
<i>Balance at 1 July</i>	687	670	
Receipts	628	612	
Payments	642	391	
CLOSING BALANCE	673	891	

Note: Columns may not add due to rounding.

Royalties for Regions Southern Inland Health Initiative

This SPA was established in June 2012 to hold funds for expenditure on the Southern Inland Health Initiative, pursuant to section 9(1) of the *Royalties for Regions Act 2009*.

Funds are yet to be drawn from the SPA, but will be applied to support local hospitals and health facilities, provide additional resources, telehealth services and other related regional health services in the Great Southern, Mid-West, Goldfields, South-West and Wheatbelt regions.

Table 4.6

ROYALTIES FOR REGIONS SOUTHERN INLAND HEALTH INITIATIVE

At 31 December

	2012-13	2011-12
	\$m	\$m
<i>Balance at 1 July</i>	226	-
Receipts	-	-
Payments	-	-
CLOSING BALANCE	226	-

Note: Columns may not add due to rounding.

The New Perth Stadium Account

This SPA was established in October 2011 and is to be used to set aside funds for the construction of the new Perth Stadium and associated transport infrastructure. The stadium is expected to be completed by 2018 and utilise all available funds in the SPA as part of the funding to support the construction.

Receipts reflect moneys appropriated by Parliament in the 2012-13 Budget, with \$100 million from the better than expected operating surplus for the 2010-11 financial year. Funds will be drawn from the SPA as payments for construction work fall due.

Table 4.7

THE NEW PERTH STADIUM ACCOUNT

At 31 December

	2012-13	2011-12
	\$m	\$m
<i>Balance at 1 July</i>	-	-
Receipts	100	-
Payments	-	-
CLOSING BALANCE	100	-

Note: Columns may not add due to rounding.

Western Australian Future Fund

The Western Australian Future Fund was established as a Treasurer's SPA following the passage of the *Western Australian Future Fund Act 2012* in November 2012. The Act provides for an accruing balance over 20 years to 2032, after which the annual interest earnings can be drawn down to fund economic or social infrastructure across Western Australia.

Around \$1 billion in 'seed capital' will be transferred from the Royalties for Regions Fund over the period 2012-13 to 2015-16. From 2016-17 onwards, a minimum of 1% of the State's annual royalty revenue will be paid into the Future Fund. Receipts reflect 'seed capital' transfers approved by Parliament in November 2012.

Table 4.8

WESTERN AUSTRALIAN FUTURE FUND
At 31 December

	2012-13	2011-12
	\$m	\$m
<i>Balance at 1 July</i>	-	-
Receipts	298	-
Payments	-	-
CLOSING BALANCE	298	-

Note: Columns may not add due to rounding.

