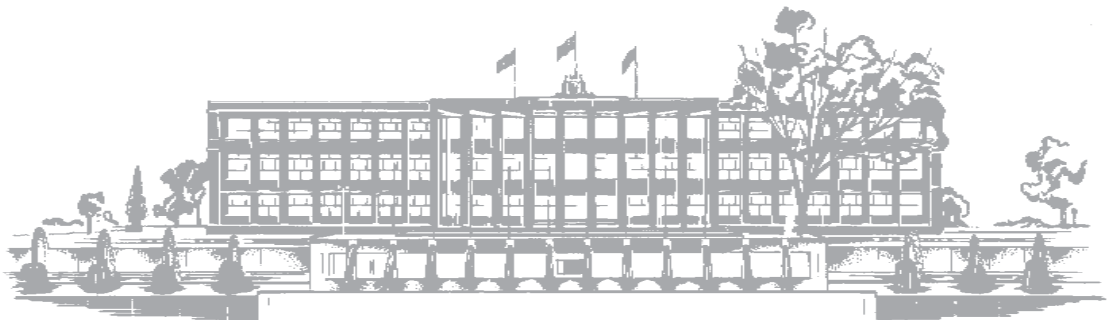




2003 - 04

QUARTERLY FINANCIAL
RESULTS REPORT

DECEMBER 2003



2003–04 Quarterly Financial Results Report
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For further information or enquiries related to this report, please contact one of the following officers:

Michael Barnes	Director Fiscal Strategy	(08) 9222 9134
Valerie Jayasinghe	Assistant Director Financial Reporting	(08) 9222 9327
Chris Wright	Assistant Director Fiscal Analysis and Budget	(08) 9222 9826
Facsimile		(08) 9222 9338

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2003-04

**QUARTERLY FINANCIAL RESULTS REPORT
Six Months Ended 31 December 2003**

TABLE OF CONTENTS

FOREWORD.....	1
OVERVIEW.....	2
Summary	2
General Government Sector	3
Total Public Sector.....	7
APPENDIX 1: GOVERNMENT FINANCE STATISTICS	9
APPENDIX 2: GENERAL GOVERNMENT MONTHLY FINANCIAL RESULTS DECEMBER 2003.....	17
APPENDIX 3: INTERIM CONSOLIDATED FINANCIAL STATEMENTS	22

Foreword

This *Quarterly Financial Results Report* (QFRR) provides the Western Australian public sector's financial results for the six months to 31 December 2003.

Care should be exercised in extrapolating the likely outcome for the 2003-04 year based on the quarterly results to date, reflecting seasonal and other timing factors that impact the State's finances. For instance, the State's annual land tax revenue is fully recognised in the first half of the financial year (reflecting the timing of assessments issued by the Office of State Revenue), while expenditure (both recurrent and capital) by public sector agencies typically accelerates in the second half of the year.

The focus of the State budget is the government finance statistics (GFS) operating balance for the general government sector. The GFS presentation in this report can be compared directly with the format of the budget.

In addition to the GFS presentation that is the focus of this QFRR, an Australian Accounting Standards (AAS) compliant series of results is also presented in Appendix 3, which includes interim financial statements for the total public sector prepared in accordance with accounting standard AASB 1029: *Interim Financial Reporting*. Unlike the *Government of Western Australia Consolidated Financial Statements* (CFS), which are prepared annually in accordance with accounting standard AAS 31: *Financial Reporting by Governments*, this QFRR is not audited.

The 2002-03 annual results appearing in this report are consistent with the audited CFS for the year ended 30 June 2003, released on 11 December 2003, while the annual estimates for 2003-04 are consistent with the 2003-04 *Government Mid-year Financial Projections Statement* released on 19 December 2003.

CHAPTER 1

Overview

Summary

Both the general government and total public sectors recorded strong operating surpluses for the six months to 31 December 2003, reflecting solid growth in revenues and moderate growth in expenses.

Growth in the domestic economy, including the property market, continued to drive taxation revenue growth in the December 2003 quarter, with stamp duties on financial and capital transactions (predominantly stamp duty on property conveyances), payroll tax and motor vehicle taxes the main contributors.

Taxation revenue growth is expected to moderate in the latter part of 2003-04, reflecting a forecast easing in property market activity as the Reserve Bank's interest rate rises in November and December 2003 begin to have an effect on home buying activity.

The State's balance sheet also remains in a sound position, with total public sector net worth (i.e. the excess of the State's assets over its liabilities) increasing by \$1.3 billion over the first six months of 2003-04, and net debt declining by \$131 million to stand at \$4.4 billion at 31 December 2003.

General Government Sector

The general government sector is the focus of the Government's 'headline' budget measure (the general government net operating balance). This sector is responsible for the collection of central revenue such as taxation, mining royalties and Commonwealth grants, and for the provision of key services to the community such as health, education and law and order.

For the six months to 31 December 2003, the general government sector recorded a \$674 million operating surplus, compared with a surplus of \$316 million for the same period the previous year.

Revenue

Revenue in the six months to 31 December 2003 totalled \$6,516 million, representing 54.1% of the annual estimate for 2003-04 (as published in the 2003-04 *Government Mid-year Financial Projections Statement*).

Revenue in the first half of 2003-04 exceeds 50% of the annual estimate in part because of seasonal factors, including that virtually all of the annual estimate for land tax and 'other' taxes on property (such as the Emergency Services Levy) is recognised in the first half of the financial year. It should also be noted that the annual estimate for stamp duty on property conveyances assumes an easing in property market activity levels in the latter part of 2003-04.

Revenue in the six months to 31 December 2003 is \$577 million (or 9.7%) higher than the first six months in 2002-03. This increase largely reflects:

- higher taxation revenue (up \$497 million), with the main contributors being:
 - higher stamp duties on financial and capital transactions (up \$279 million), reflecting the continued high level of property market activity in the first half of 2003-04;
 - higher payroll tax (up \$76 million) due mainly to employment and wages growth;
 - higher 'other' taxes on property (up \$68 million) due to the commencement of the Emergency Services Levy in July 2003;
 - higher motor vehicle taxes (up \$39 million), reflecting strong growth in motor vehicle sales; and

- higher taxes on insurance (up \$20 million), largely reflecting an increase in the stamp duty rate on insurance policies (from 8% to 10%) from 1 July 2003;
- higher revenue from public corporations (up \$58 million), reflecting increased profitability in the State's larger utilities;
- higher Commonwealth grants (up \$41 million), reflecting:
 - a revised payment profile for GST grants in 2003-04 (up \$67 million);
 - higher quarterly receipt of Australian Health Care Agreement grants (up \$35 million) as a result of indexation changes;
 - higher education-related funding (up \$33 million) for non-government schools;
 - lower North West Shelf petroleum royalties (down \$31 million) due to a higher \$A/\$US exchange rate and reduced crude oil production levels;
 - a reduction in the State's competition payments (down \$19 million) in response to the National Competition Council's assessment of the pace of National Competition Policy reform; and
 - the cessation of funding for the Australian Marine Complex following the completion of the project in 2002-03 (down \$17 million); and
- lower royalty income (down \$17 million), with the impact of a higher \$A/\$US exchange rate (which reduces royalty revenue¹) more than offsetting higher commodity prices and export volumes.

¹ As most of the State's minerals are sold under contracts denominated in \$US, a rise in the \$A/\$US exchange rate reduces the \$A returns to the producer and the royalty payment to the State, other things equal.

Expenses

Expenses in the six months to 31 December 2003 totalled \$5,842 million, representing 49.1% of the annual estimate for 2003-04 published in the 2003-04 *Government Mid-year Financial Projections Statement*.

Typically, agencies' expenditure accelerates in the latter months of the financial year as annual spending programs are concluded by 30 June. Hence, it is common to see expenses running below the annual estimate (on a pro-rata basis) in the first half of the year.

Relative to the first six months of 2002-03, expenses have increased by \$218 million (or 3.9%) in the six months to 31 December 2003. This increase primarily reflects:

- higher salaries (up \$160 million), mainly due to higher pay rates and increased FTE levels in the education and health sectors (up \$111 million) and increased pay rates under the Enterprise Bargaining Agreement for sworn police officers (\$17 million);
- higher superannuation expenses (up \$32 million), largely reflecting the increase in salaries discussed above;
- higher current and capital transfers (up \$29 million), due to the transfer of bus and ferry services (and the associated funding) from the Department for Planning and Infrastructure (a general government agency) to the Public Transport Authority (a public non-financial corporation);
- increased depreciation (up \$10 million) due to higher fixed asset holdings at 31 December 2003 relative to a year earlier; and
- lower interest expenses (down \$17 million), with the transfer of bus and ferry-related debt from the general government sector to the public non-financial corporations sector (upon creation of the Public Transport Authority) reducing general government interest expenses.

Table 1

**SUMMARY OF GENERAL GOVERNMENT FINANCES
SIX MONTHS TO 31 DECEMBER 2003**

Western Australia

	2003-04			2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Estimate ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Actual \$m
Net operating balance	483	674	142	174	316	254
Net worth		39,372	39,402		36,507	38,026
<i>Memorandum items</i>						
Net lending	389	550	-55	150	271	130
Net debt		155	315		667	396
GFS cash surplus	281	70	-83	200	-134	259

(a) Published in the 2003-04 *Government Mid-year Financial Projections Statement*, released 19 December 2003.

Balance Sheet

Net worth of the general government sector has increased by \$1.3 billion in the six months to 31 December 2003 to stand at \$39.4 billion. This is primarily attributable to increases in the value of the sector's equity holdings in public corporations (up \$405 million) and receivables for goods and services (up \$340 million), combined with a \$374 million reduction in liabilities (mainly borrowings).

General government net debt at 31 December 2003 was \$155 million, down significantly from the same time a year earlier (\$667 million). This more favourable net debt outcome mainly reflects the increase in revenue discussed earlier, partly offset by higher capital spending in the first six months of 2003-04 relative to the same period the previous year.

Total Public Sector

Operating Statement

A net operating surplus of \$896 million was recorded by the total public sector for the first six months of 2003-04. This compares with a surplus of \$418 million recorded for the same period the previous year.

This strong result reflects the operating surplus of the general government sector discussed earlier (\$674 million), and smaller surpluses in the public corporations sectors.

For the six months to 31 December 2003, the public financial corporations sector recorded an operating surplus of \$163 million, \$116 million higher than the \$47 million surplus recorded in the same period the previous year. The improved result mainly reflects improvements in the net return on investments by the Insurance Commission of Western Australia.

The public non-financial corporations sector recorded a \$59 million operating surplus for the six months ended 31 December 2003, similar to the surplus of \$56 million for the same period the previous year.

Table 2

SUMMARY OF TOTAL PUBLIC SECTOR FINANCES SIX MONTHS TO 31 DECEMBER 2003

Western Australia

	2003-04			2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Estimate ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Actual \$m
Net operating balance	576	896	406	124	418	373
Net worth		39,372	39,402		36,507	38,026
<i>Memorandum items</i>						
Net lending	330	383	-571	527	60	76
Net debt		4,366	5,415		4,464	4,497
GFS cash surplus	120	160	-857	550	34	30

(a) Published in the 2003-04 *Government Mid-year Financial Projections Statement*, released 19 December 2003.

Balance Sheet

Under GFS standards, the net worth of the general government sector includes the net worth of the public corporations sectors as an equity asset. Therefore, total public sector net worth is identical to that of the general government sector (discussed earlier).

Net debt of the total public sector stood at \$4.4 billion at 31 December 2003, down marginally from a year earlier. Net debt is projected to rise to \$5.4 billion at 30 June 2004, reflecting an expectation of large capital spending in the second half of 2003-04 on the New MetroRail project, roads and other capital works projects.

APPENDIX 1

Government Finance Statistics

The tables in this appendix satisfy Uniform Presentation Framework (UPF) formats for the core statements of the general government and total public sectors, although the UPF does not require presentation of quarterly statistics.

Contents	Page
General Government	
Table 1.1: Operating Statement	10
Table 1.2: Balance Sheet at End of Period	11
Table 1.3: Cash Flow Statement	12
Table 1.4: Taxation Revenue	13
Total Public Sector	
Table 1.5: Operating Statement	14
Table 1.6: Balance Sheet at End of Period	15
Table 1.7: Cash Flow Statement	16

Table 1.1

GENERAL GOVERNMENT
Operating Statement

	2003-04			2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Estimate ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Actual \$m
REVENUE						
Taxation	1,174	2,278	3,828	802	1,781	3,387
Current grants and subsidies	1,442	2,708	5,426	1,353	2,647	5,464
Capital grants	77	137	289	88	157	287
Sales of goods and services	215	484	864	231	476	990
Interest income	33	62	112	29	56	107
Revenue from public corporations						
Dividends	113	214	436	105	195	390
Tax equivalent payments	137	208	241	106	169	239
Royalty income	155	312	631	175	329	685
Other	63	113	223	66	130	222
Total	3,409	6,516	12,049	2,956	5,939	11,771
EXPENSES						
Gross operating expenses						
Salaries	1,193	2,366	4,690	1,109	2,206	4,486
Depreciation and amortisation	147	292	610	149	282	603
Superannuation	123	232	445	101	200	436
Other gross operating expenses	653	1,362	2,851	672	1,354	2,931
Nominal superannuation interest	63	139	283	70	141	277
Other interest	42	81	204	53	98	195
Other property expenses	-	-	-	-	-	-
Current transfers	621	1,183	2,556	538	1,149	2,287
Capital transfers	83	189	268	90	194	303
Total	2,926	5,842	11,908	2,781	5,624	11,518
NET OPERATING BALANCE	483	674	142	174	316	254
NET ACQUISITION OF NON-FINANCIAL ASSETS						
Purchase of non-financial assets	260	462	980	197	363	794
Sales of non-financial assets	-20	-47	-174	-26	-38	-74
less depreciation	147	292	610	149	282	603
plus change in inventories	1	-	-	1	-	7
plus other movements in non-financial assets	-	-	-	4	-	-
Total	94	124	196	24	44	124
NET LENDING/BORROWING	389	550	-55	150	271	130
Reconciliation of GFS net operating balance to operating result obtained in accordance with Australian Accounting Standards (AAS)						
NET OPERATING BALANCE	483	674	142	174	316	254
less provisions for doubtful debts	-	-	-	-	-	-19
plus net gains on assets (including derivatives)	5	9	31	-2.8	-	39
plus capitalised interest	-	-	-	-	-	-
less revaluation of superannuation liabilities	-	-	-	-	-	47
plus all other adjustments	24	51	-	-	-	-
AAS OPERATING RESULT	511	733	172	171	316	265

(a) Estimate published in the 2003-04 Government Mid-year Financial Projections Statement, released 19 December 2003.

Note: Columns may not add due to rounding.

Table 1.2

GENERAL GOVERNMENT
Balance Sheet at End of Period

	2003-04		2002-03	
	31 Dec \$m	Annual Estimate ^(a) \$m	31 Dec \$m	Annual Actual \$m
ASSETS				
<i>Financial assets</i>				
Cash and deposits	337	294	289	301
Advances paid	862	858	871	867
Investments, loans and placements	1,508	1,119	1,181	1,440
Other non-equity assets	1,102	718	1,015	762
Equity	16,738	16,875	16,031	16,333
<i>Total</i>	<i>20,546</i>	<i>19,864</i>	<i>19,387</i>	<i>19,703</i>
<i>Non-Financial assets</i>				
Land and fixed assets	28,570	29,213	26,939	28,463
Other non-financial assets	28	69	3	4
<i>Total</i>	<i>28,598</i>	<i>29,282</i>	<i>26,941</i>	<i>28,467</i>
TOTAL ASSETS	49,144	49,146	46,329	48,170
LIABILITIES				
Deposits held	468	284	361	300
Advances received	576	561	593	581
Borrowings	1,818	1,741	2,053	2,122
Unfunded superannuation liabilities	5,297	5,325	5,241	5,315
Other employee entitlements and provisions	1,199	1,299	1,119	1,225
Non-equity liabilities	415	534	455	602
TOTAL LIABILITIES	9,772	9,744	9,823	10,146
NET WORTH	39,372	39,402	36,506	38,024
<i>Memorandum Item: Net Debt</i>	<i>155</i>	<i>315</i>	<i>667</i>	<i>396</i>
Reconciliation of GFS net worth to net assets result obtained in accordance with Australian Accounting Standards (AAS)				
NET WORTH	39,372	39,402	36,506	38,024
<i>less equity (net worth) of PNFC and PFC sectors</i>	<i>16,426</i>	<i>16,362</i>	<i>15,855</i>	<i>16,045</i>
<i>less all other adjustments</i>	<i>-</i>	<i>-</i>	<i>-3</i>	<i>-</i>
AAS NET ASSETS	22,946	23,041	20,654	21,979

(a) Estimate published in the 2003-04 *Government Mid-year Financial Projections Statement*, released 19 December 2003.

Note: Columns may not add due to rounding.

Table 1.3

GENERAL GOVERNMENT
Cash Flow Statement

	2003-04			2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Estimate ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Actual \$m
RECEIPTS FROM OPERATING ACTIVITIES						
Taxes received	1,192	2,104	3,829	1,032	1,659	3,339
Receipts from sales of goods and services	231	467	888	162	488	999
Grants and subsidies received	1,504	2,838	5,667	1,445	2,810	5,794
Other receipts	562	968	2,097	585	992	2,154
<i>Total</i>	3,489	6,377	12,482	3,224	5,948	12,286
PAYMENTS FOR OPERATING ACTIVITIES						
Payments for goods and services	-2,078	-4,204	-8,140	-1,974	-4,004	-7,925
Grants and subsidies paid	-712	-1,283	-2,718	-646	-1,272	-2,417
Interest paid	-33	-73	-203	-49	-90	-193
Other payments	-144	-332	-698	-183	-391	-772
<i>Total</i>	-2,968	-5,892	-11,758	-2,852	-5,757	-11,308
Net Cash Flow from Operating Activities	521	485	723	372	191	978
INVESTMENT IN NON-FINANCIAL ASSETS						
Purchase of non-financial assets	-260	-462	-980	-197	-363	-794
Sales of non-financial assets	20	47	174	26	38	74
<i>Total</i>	-241	-415	-806	-171	-325	-720
INVESTMENT IN FINANCIAL ASSETS						
Policy purposes	-8	-19	-89	2	-9	-107
Liquidity purposes	18	-89	17	-25	-11	48
<i>Total</i>	10	-108	-72	-22	-20	-59
Net Cash Flow from Investing Activities	-231	-523	-878	-194	-345	-778
FINANCING ACTIVITIES						
Advances received (net)	-5	-5	-8	-	-	-
Borrowings (net)	-46	-46	84	-62	-40	17
Deposits received (net)	-1	12	-	-4	-2	-9
Distributions paid	-	-	-	-	-	-
Other financing	-6	-9	-30	10	4	-65
<i>Total</i>	-59	-47	46	-56	-37	-57
<i>Opening cash balance</i>	738	1,056	1,056	600	913	913
NET INCREASE IN CASH HELD	232	-86	-108	122	-191	143
<i>Closing cash balance</i>	970	970	948	722	722	1,056
<i>Net cash from operating activities, investments in non-financial assets and distributions paid</i>						
	281	70	-83	200	-134	259
<i>less finance leases and similar arrangements</i>						
	-	-	-	-	-	-
Surplus	281	70	-83	200	-134	259

(a) Estimate published in the 2003-04 Government Mid-year Financial Projections Statement, released 19 December 2003.

Note: Columns may not add due to rounding.

Table 1.4

GENERAL GOVERNMENT
Taxation Revenue

	2003-04			2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Estimate ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Actual \$m
TAXES ON EMPLOYERS' PAYROLL AND LABOUR FORCE						
<i>Payroll tax</i>	281	568	1,102	247	492	1,004
TAXES ON PROPERTY						
Land tax	170	271	277	36	260	260
Stamp duties on financial and capital transactions	382	730	1,207	244	451	978
Financial institutions transaction taxes	26	49	96	24	48	97
Other	44	112	128	11	44	49
<i>Total</i>	621	1,162	1,708	314	804	1,384
TAXES ON PROVISION OF GOODS AND SERVICES						
Taxes on gambling	32	65	121	28	60	119
Taxes on insurance	84	174	315	77	154	307
<i>Total</i>	116	239	436	106	214	426
TAXES ON USE OF GOODS AND PERFORMANCE OF ACTIVITIES						
<i>Motor vehicle taxes</i>	156	309	582	136	270	574
TOTAL TAXES	1,174	2,278	3,828	802	1,781	3,387

(a) Estimate published in the 2003-04 *Government Mid-year Financial Projections Statement*, released 19 December 2003.

Note: Columns may not add due to rounding.

Table 1.5

TOTAL PUBLIC SECTOR
Operating Statement

	2003-04			2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Estimate ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Actual \$m
REVENUE						
Taxation	1,134	2,194	3,676	761	1,702	3,225
Current grants and subsidies	1,442	2,708	5,426	1,353	2,647	5,464
Capital grants	77	137	289	89	157	288
Sales of goods and services	1,577	3,136	5,988	1,794	3,211	5,944
Interest income	158	286	498	163	312	539
Royalty income	155	312	631	175	329	685
Other	130	237	309	111	224	425
<i>Total</i>	4,672	9,010	16,817	4,446	8,575	16,570
EXPENSES						
Gross operating expenses						
Salaries	1,314	2,603	5,145	1,216	2,421	4,928
Depreciation and amortisation	300	593	1,244	300	575	1,205
Superannuation	136	257	490	111	226	480
Other gross operating expenses	1,574	2,983	6,199	1,815	3,189	6,278
Nominal superannuation interest	63	139	283	70	141	277
Other interest	215	415	760	219	423	825
Other property expenses	-	-	-	-	-	-
Current transfers	437	986	2,154	467	979	1,939
Capital transfers	58	137	136	125	203	266
<i>Total</i>	4,097	8,113	16,411	4,322	8,157	16,197
NET OPERATING BALANCE	576	896	406	124	418	373
NET ACQUISITION OF NON-FINANCIAL ASSETS						
Purchase of non-financial assets	618	1,103	2,800	496	929	2,094
Sales of non-financial assets	-100	-227	-599	-104	-189	-442
less depreciation	300	593	1,244	299	575	1,204
plus change in inventories	27	230	20	-414	274	-63
plus other movements in non-financial assets	-	-	-	-16	-50	-88
<i>Total</i>	245	513	978	-403	358	296
NET LENDING/BORROWING	330	383	-571	527	60	76
Reconciliation of GFS net operating balance to operating result obtained in accordance with Australian Accounting Standards (AAS)						
NET OPERATING BALANCE	576	896	406	124	418	373
less provisions for doubtful debts	2	4	3	2	3	-12
plus net gains on assets (including derivatives)	24	31	101	-52	-54	160
plus capitalised interest	1	3	-	-	-	6
less revaluation of superannuation liabilities	-	-	-	-	-	48
plus all other adjustments	25	53	-	1	-	-7
AAS OPERATING RESULT	624	979	504	71	361	496

(a) Estimate published in the 2003-04 *Government Mid-year Financial Projections Statement*, released 19 December 2003.

Note: Columns may not add due to rounding.

Table 1.6

TOTAL PUBLIC SECTOR
Balance Sheet at End of Period

	2003-04		2002-03	
	31 Dec \$m	Annual Estimate ^(a) \$m	31 Dec \$m	Annual Actual \$m
ASSETS				
<i>Financial assets</i>				
Cash and deposits	477	410	381	439
Advances paid	1,778	1,884	1,875	1,800
Investments, loans and placements	6,120	6,047	4,991	5,840
Other non-equity assets	1,995	1,480	1,820	1,557
Equity	786	767	601	704
<i>Total</i>	<i>11,155</i>	<i>10,588</i>	<i>9,665</i>	<i>10,341</i>
<i>Non-Financial assets</i>				
Land and fixed assets	51,540	52,962	48,814	50,702
Other non-financial assets	175	243	124	148
<i>Total</i>	<i>51,715</i>	<i>53,205</i>	<i>48,938</i>	<i>50,850</i>
TOTAL ASSETS	62,870	63,794	58,606	61,191
LIABILITIES				
Deposits held	138	124	82	120
Advances received	576	561	593	581
Borrowings	12,026	13,071	11,037	11,875
Unfunded superannuation liabilities	5,576	5,587	5,525	5,591
Other employee entitlements and provisions	1,369	1,469	1,264	1,387
Non-equity liabilities	3,812	3,579	3,596	3,613
TOTAL LIABILITIES	23,498	24,391	22,097	23,167
NET WORTH	39,372	39,402	36,509	38,024
<i>Memorandum Item: Net Debt</i>	<i>4,366</i>	<i>5,415</i>	<i>4,464</i>	<i>4,497</i>
Reconciliation of GFS net worth to net assets result obtained in accordance with Australian Accounting Standards (AAS)				
NET WORTH	39,372	39,402	36,509	38,024
less all other adjustments	-	-	-2	2
AAS NET ASSETS	39,372	39,402	36,507	38,026

(a) Estimate published in the 2003-04 *Government Mid-year Financial Projections Statement*, released 19 December 2003.

Note: Columns may not add due to rounding.

Table 1.7

TOTAL PUBLIC SECTOR
Cash Flow Statement

	2003-04			2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Estimate ^(a) \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Annual Actual \$m
RECEIPTS FROM OPERATING ACTIVITIES						
Taxes received	1,165	2,050	3,648	997	1,599	3,151
Receipts from sales of goods and services	1,512	3,271	5,972	1,635	3,467	6,262
Grants and subsidies received	1,504	2,838	5,667	1,445	2,810	5,794
Other receipts	541	1,115	2,013	591	1,160	2,245
<i>Total</i>	4,722	9,275	17,300	4,669	9,037	17,452
PAYMENTS FOR OPERATING ACTIVITIES						
Payments for goods and services	-3,133	-6,223	-11,949	-2,855	-6,155	-11,750
Grants and subsidies paid	-440	-1,032	-2,166	-466	-1,034	-1,981
Interest paid	-234	-392	-759	-241	-421	-813
Other payments	-275	-589	-1,081	-165	-653	-1,226
<i>Total</i>	-4,082	-8,236	-15,955	-3,727	-8,262	-15,771
Net Cash Flow from Operating Activities	640	1,039	1,345	942	774	1,681
INVESTMENT IN NON-FINANCIAL ASSETS						
Purchase of non-financial assets	-619	-1,106	-2,800	-496	-929	-2,094
Sales of non-financial assets	100	227	599	104	189	442
<i>Total</i>	-519	-878	-2,202	-392	-740	-1,651
INVESTMENT IN FINANCIAL ASSETS						
Policy purposes	4	8	15	4	8	16
Liquidity purposes	124	86	-185	-76	-193	-132
<i>Total</i>	128	94	-170	-72	-185	-117
Net Cash Flow from Investing Activities	-391	-785	-2,372	-464	-925	-1,768
FINANCING ACTIVITIES						
Advances received (net)	-5	-6	-20	-	-	-11
Borrowings (net)	-48	202	854	-297	-196	660
Deposits received (net)	-1	12	-	-4	-2	-9
Distributions paid	-	-	-	-	-	-
Other financing	15	36	26	2	7	25
<i>Total</i>	-39	245	860	-300	-191	665
<i>Opening cash balance</i>	4,810	4,521	4,521	3,422	3,942	3,942
NET INCREASE IN CASH HELD	209	499	-167	178	-342	579
<i>Closing cash balance</i>	5,020	5,020	4,354	3,600	3,600	4,521
<i>Net cash from operating activities, investments in non-financial assets and distributions paid</i>	120	160	-857	550	34	30
<i>less finance leases and similar arrangements</i>	-	-	-	-	-	-
Surplus	120	160	-857	550	34	30

(a) Estimate published in the 2003-04 Government Mid-year Financial Projections Statement, released 19 December 2003.

Note: Columns may not add due to rounding.

APPENDIX 2

General Government Monthly Financial Results December 2003

This appendix provides a summary of the Western Australian general government sector's finances for the month of December 2003. The general government sector is responsible for the delivery of key community services such as health and education and the collection of general revenue such as Commonwealth grants, taxation and mining royalties, and is the focus of the Government's 'headline' budget measure (the net operating balance). Care should be taken in interpreting monthly results, which can vary significantly from month to month due to various seasonal and other timing factors.

A net operating deficit of \$39 million was recorded by the general government sector for the month of December 2003. This compares with a net operating surplus of \$88 million in December 2002.

Revenue for the month of December 2003 totalled \$1,051 million, up \$98 million (or 10.3%) from December 2002. The variation in revenue between the two periods primarily reflects:

- higher monthly taxation revenue (up \$65 million), largely due to a \$38 million increase in stamp duty on property conveyances, a \$12 million increase in payroll tax and an \$8 million increase in stamp duty on shares and marketable securities (reflecting a large business transaction in December 2003); and
- higher revenue from tax equivalent payments (up \$48 million) reflecting increased profitability in the Water Corporation and Western Power.

Expenses for the month of December 2003 totalled \$1,089 million, \$225 million (or 26.0%) higher than December 2002. This increase is primarily due to:

- higher current and capital transfers (up \$93 million), mainly due to the transfer of bus and ferry services (and associated funding) from the general government sector to the Public Transport Authority;
- higher 'other' gross operating expenses (up \$73 million), reflecting higher parameter-driven expenses across a range of general government sector agencies; and
- higher salaries (up \$61 million), mainly in the education and health sectors.

An \$83 million net cash outflow resulted from operating activities in the month of December 2003. Combined with net capital expenditure (i.e. investment in non-financial assets) of \$60 million, this resulted in a GFS cash deficit of \$142 million for December 2003, compared with a deficit of \$94 million in December 2002.

Table 2.1

GENERAL GOVERNMENT
Operating Statement

	2003-04			2002-03	
	Month of Nov \$m	Month of Dec \$m	Annual Estimate ^(a) \$m	Month of Dec \$m	Annual Actual \$m
REVENUE					
Taxation	305	321	3,828	256	3,387
Current grants and subsidies	437	350	5,426	352	5,464
Capital grants	29	26	289	32	287
Sales of goods and services	36	88	864	86	990
Interest income	16	13	112	12	107
Revenue from public corporations					
Dividends	34	44	436	43	390
Tax equivalent payments	19	114	241	66	239
Royalty income	19	80	631	76	685
Other	18	15	223	30	222
<i>Total</i>	<i>914</i>	<i>1,051</i>	<i>12,049</i>	<i>953</i>	<i>11,771</i>
EXPENSES					
Gross operating expenses					
Salaries	370	427	4,690	366	4,486
Depreciation and amortisation	48	50	610	49	603
Superannuation	34	56	445	35	436
Other	163	252	2,851	179	2,931
Nominal superannuation interest	26	6	283	23	277
Other interest	15	13	204	21	195
Other property expenses	-	-	-	-	-
Current transfers	168	229	2,556	159	2,287
Capital transfers	7	55	268	32	303
<i>Total</i>	<i>831</i>	<i>1,089</i>	<i>11,908</i>	<i>864</i>	<i>11,518</i>
NET OPERATING BALANCE	83	-39	142	88	254

(a) Estimate published in the 2003-04 *Government Mid-year Financial Projections Statement*, released 19 December 2003.

Note: Columns may not add due to rounding.

Table 2.2

GENERAL GOVERNMENT
Cash Flow Statement

	2003-04			2002-03	
	Month of Nov \$m	Month of Dec \$m	Annual Estimate ^(a) \$m	Month of Dec \$m	Annual Actual \$m
RECEIPTS FROM OPERATING ACTIVITIES					
Taxes received	421	385	3,829	328	3,339
Receipts from sales of goods and services	70	88	888	19	999
Grants and subsidies received	465	368	5,667	411	5,794
Other receipts	75	227	2,097	221	2,154
<i>Total</i>	<i>1,031</i>	<i>1,068</i>	<i>12,482</i>	<i>979</i>	<i>12,286</i>
PAYMENTS FOR OPERATING ACTIVITIES					
Payments for goods and services	-608	-709	-8,140	-673	-7,925
Grants and subsidies paid	-139	-378	-2,718	-295	-2,417
Interest paid	-5	-7	-203	-10	-193
Other payments	-57	-57	-698	-61	-772
<i>Total</i>	<i>-809</i>	<i>-1,151</i>	<i>-11,758</i>	<i>-1,039</i>	<i>-11,308</i>
Net Cash Flow from Operating Activities	222	-83	723	-60	978
INVESTMENT IN NON-FINANCIAL ASSETS					
Purchase of non-financial assets	-101	-58	-980	-37	-794
Sales of non-financial assets	6	-2	174	3	74
<i>Total</i>	<i>-95</i>	<i>-60</i>	<i>-806</i>	<i>-33</i>	<i>-720</i>
INVESTMENT IN FINANCIAL ASSETS					
Policy purposes	16	-8	-89	-	-107
Liquidity purposes	2	13	17	-10	48
<i>Total</i>	<i>18</i>	<i>5</i>	<i>-72</i>	<i>-10</i>	<i>-59</i>
Net Cash Flow from Investing Activities	-77	-54	-878	-43	-778
FINANCING ACTIVITIES					
Advances received (net)	-5	-	-8	-	-
Borrowings (net)	88	-63	84	-23	17
Deposits received (net)	-4	12	-	3	-9
Distributions paid	-	-	-	-	-
Other financing	-1	-3	-30	-7	-65
<i>Total</i>	<i>77</i>	<i>-55</i>	<i>46</i>	<i>-28</i>	<i>-57</i>
<i>Opening cash balance</i>	<i>940</i>	<i>1,162</i>	<i>1,056</i>	<i>853</i>	<i>913</i>
NET INCREASE IN CASH HELD	222	-192	-108	-131	143
<i>Closing cash balance</i>	<i>1,162</i>	<i>970</i>	<i>948</i>	<i>722</i>	<i>1,056</i>
<i>Net cash from operating activities, investments in non-financial assets and distributions paid</i>					
	<i>128</i>	<i>-142</i>	<i>-83</i>	<i>-94</i>	<i>259</i>
<i>less finance leases and similar arrangements</i>					
	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Surplus	128	-142	-83	-94	259

(a) Estimate published in the 2003-04 Government Mid-year Financial Projections Statement, released 19 December 2003.

Note: Columns may not add due to rounding.

Table 2.3

GENERAL GOVERNMENT
Taxation Revenue

	2003-04			2002-03	
	Month of Nov \$m	Month of Dec \$m	Annual Estimate ^(a) \$m	Month of Dec \$m	Annual Actual \$m
TAXES ON EMPLOYERS' PAYROLL AND LABOUR FORCE					
<i>Payroll tax</i>	99	85	1,102	80	1,004
TAXES ON PROPERTY					
Land tax	7	11	277	9	260
Stamp duties on financial and capital transactions	103	127	1,207	80	978
Financial institutions transaction taxes	9	8	96	8	97
Other	7	1	128	1	49
<i>Total</i>	126	147	1,708	98	1,384
TAXES ON PROVISION OF GOODS AND SERVICES					
Taxes on gambling	12	11	121	11	119
Taxes on insurance	22	24	315	20	307
<i>Total</i>	33	35	436	31	426
TAXES ON USE OF GOODS AND PERFORMANCE OF ACTIVITIES					
<i>Motor vehicle taxes</i>	47	53	582	46	574
TOTAL TAXES	305	321	3,828	256	3,387

(a) Estimated published in the 2003-04 *Government Mid-year Financial Projections Statement*, released 19 December 2003.

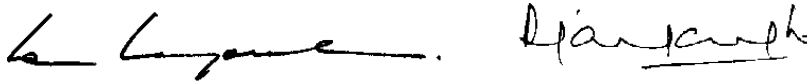
Note: Columns may not add due to rounding.

Interim Consolidated Financial Statements

Statement of Responsibility

The following interim consolidated financial statements and accompanying notes for the Government of Western Australia have been prepared by the Department of Treasury and Finance from information provided by agencies.

In our opinion, the statements fairly present the financial performance and cash flows of the Government for the six months ended 31 December 2003 and the financial position of the Government as at 31 December 2003, in accordance with applicable accounting standards (AAS and AASB), including AASB 1029: *Interim Financial Reporting*, and other mandatory professional requirements.



J L LANGOULANT
UNDER TREASURER

VALERIE JAYASINGHE CA
ASSISTANT DIRECTOR
FINANCIAL REPORTING

29 March 2004

Contents

Table 3.1: Condensed Statement of Financial Performance	23
Table 3.2: Condensed Statement of Financial Position	24
Table 3.3: Condensed Statement of Cash Flows	25
Notes to the Interim Consolidated Financial Statements	26

Table 3.1

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
PERFORMANCE**

For the six months ended 31 December 2003

	2003-04		2002-03			
	Note	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Twelve Months to 30 June \$m
REVENUE FROM ORDINARY ACTIVITIES						
Taxation	2	1,137	2,168	772	1,728	3,287
Territorial revenue		261	527	287	569	1,178
Regulatory fees and fines		98	231	81	175	304
Sale of goods and services	3	1,287	2,526	1,507	2,724	5,528
Grants and subsidies	4	1,451	2,700	1,356	2,628	5,380
Interest revenue		133	242	140	267	447
Other revenue		426	869	314	499	1,447
Total revenues from ordinary activities		4,796	9,262	4,457	8,590	17,571
EXPENSES FROM ORDINARY ACTIVITIES						
Supplies and services		376	743	606	1,002	2,106
Employee benefits		1,346	2,684	1,261	2,504	5,108
Superannuation		199	396	180	366	804
Borrowing costs		214	413	219	424	819
Depreciation and amortisation		300	593	300	575	1,204
Grants and subsidies		534	1,183	539	1,152	2,222
Other expenses	5	1,203	2,273	1,281	2,206	4,812
Total expenses from ordinary activities		4,172	8,283	4,386	8,229	17,075
NET RESULT		624	979	71	361	496
Increase (decrease) in asset revaluation reserve		-94	369	80	140	1,521
Net initial adjustment on adoption of new accounting standards		-	-	-	-	3
Total revenue, expenses and valuation adjustments recognised directly in equity		-94	1,348	80	40	1,524
TOTAL CHANGES IN EQUITY		530	1,348	151	501	2,020

The accompanying notes form part of these financial statements.

Table 3.2

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION**

As at 31 December 2003

	Note	2003-04	2002-03	
		31 Dec \$m	31 Dec \$m	30 June \$m
CURRENT ASSETS				
Cash assets		477	381	440
Other financial assets – Investments	6	5,656	4,472	5,387
Inventories		474	446	426
Receivables	7	1,701	1,560	1,299
Other financial assets – Loans and advances	8	13	17	30
Other assets		134	102	93
<i>Total current assets</i>		8,455	6,978	7,675
NON-CURRENT ASSETS				
Other financial assets – Investments	6	582	483	484
Inventories		250	257	243
Receivables	7	201	161	187
Other financial assets – Loans and advances	8	2,668	2,766	2,674
Land		16,830	15,676	16,635
Buildings		8,600	8,334	8,432
Infrastructure		20,860	20,165	20,643
Plant, equipment and other		4,035	3,458	3,843
Timber		297	278	299
Other assets		24	27	24
<i>Total non-current assets</i>		54,347	51,605	53,464
TOTAL ASSETS		62,802	58,583	61,139
CURRENT LIABILITIES				
Payables		736	609	585
Interest bearing liabilities	9	5,664	4,338	5,873
Provisions – Employee benefits		1,315	1,303	1,406
Other liabilities		1,125	1,113	1,220
<i>Total current liabilities</i>		8,840	7,363	9,084
NON-CURRENT LIABILITIES				
Interest bearing liabilities	9	7,488	7,827	6,974
Provisions – Employee benefits		5,628	5,485	5,577
Other liabilities		1,474	1,401	1,478
<i>Total non-current liabilities</i>		14,590	14,713	14,029
TOTAL LIABILITIES		23,430	22,076	23,113
NET ASSETS		39,372	36,507	38,026
EQUITY				
Accumulated funds		13,938	12,821	12,959
Asset revaluation reserve		25,434	23,686	25,067
TOTAL EQUITY		39,372	36,507	38,026

The accompanying notes form part of these financial statements.

Table 3.3

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 31 December 2003

	2003-04		2002-03			
	Note	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Twelve Months to 30 June \$m
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts						
Taxation		1,166	2,040	862	1,576	3,082
Territorial revenue		250	518	294	576	1,175
Regulatory fees and fines		116	222	68	168	333
Sale of goods and services		1,108	2,549	1,440	2,866	5,582
Grants and subsidies received		1,444	2,700	1,361	2,633	5,424
Interest received		37	66	47	78	134
GST receipts on sales		93	170	81	160	350
GST receipts from taxation authority		113	243	153	296	512
Other receipts		231	442	191	326	736
Payments						
Salaries, wages and other benefits		(1,315)	(2,686)	(1,214)	(2,521)	(4,951)
Superannuation paid		(193)	(398)	(168)	(364)	(734)
Borrowing cost paid		(7)	(15)	(39)	(52)	(81)
Grants and subsidies paid		(517)	(1,160)	(492)	(1,179)	(2,238)
GST payments on purchases		(174)	(351)	(63)	(410)	(759)
GST payments to taxation authority		(31)	(61)	(29)	(57)	(120)
Contract services paid		(389)	(731)	(443)	(764)	(1,318)
Other payments		(1,123)	(2,199)	(1,016)	(2,409)	(4,931)
<i>Net cash flows from operating activities</i>		809	1,349	1,034	923	2,196
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of non-current physical assets						
		70	150	64	126	249
Purchase of non-current physical assets		(601)	(1,079)	(435)	(818)	(2,056)
Proceeds from sale of investments		170	276	66	97	328
Purchase of investments		(96)	(340)	(60)	(127)	(307)
Other receipts		11	20	11	20	40
Other payments		(7)	(15)	(13)	(18)	(35)
<i>Net cash flows used in investing activities</i>		(452)	(988)	(367)	(720)	(1,781)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from borrowings						
		(30)	-	68	550	550
Repayment of borrowings		(6)	(6)	(546)	(546)	(561)
Other proceeds		33	60	26	49	127
Other repayments		(15)	(22)	-	(8)	(51)
<i>Net cash flows from financing activities</i>		(18)	31	(452)	45	65
NET CASH FLOWS/(OUTFLOWS) FROM PUBLIC FINANCIAL CORPORATIONS	10	(129)	107	(36)	(589)	82
<i>NET INCREASE/(DECREASE) IN CASH HELD</i>		209	499	179	(341)	562
CASH ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR		4,517	4,517	3,461	3,955	3,955
CASH ASSETS AT THE END OF THE FINANCIAL PERIOD		4,726	5,016	3,640	3,614	4,517

The accompanying notes form part of these financial statements.

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 31 December 2003

Statement of significant accounting policies

(a) Accounting standards

This general purpose financial report has been prepared in accordance with applicable accounting standards, and other authoritative pronouncements of the Australian Accounting Standards Board and the Urgent Issues Group Consensus Views.

It is intended that this interim financial report be read in conjunction with the *Government of Western Australia Consolidated Financial Statements* for the year ended 30 June 2003 (CFS). In the interest of timeliness and cost considerations, this financial report does not include notes of the type normally included in the CFS.

(b) The reporting entity

The reporting entity is the Government of Western Australia and includes entities controlled by the Government. These entities are referred to as agencies in this financial report.

The Interim Consolidated Financial Statements include the assets, liabilities, equities, revenue, expenses and cash flows of the Government, including those of agencies controlled by the Government.

(c) Basis of accounting

The Interim Consolidated Financial Statements have been prepared to comply with Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board and the Urgent Issues Group Consensus Views.

The statements have been prepared using the full accrual basis of accounting, which recognises the effects of transactions and events when they occur.

The accounting policies used to prepare these financial statements are consistent with those used in the previous year.

(d) Specific accounting policies

The specific accounting policies of the Government of Western Australia were described in Note 1, Statement of Significant Accounting Policies in the CFS for the year ended 30 June 2003. There have been no changes in those specific accounting policies since that date.

(e) Unaudited data

These Interim Consolidated Financial Statements are not subject to audit.

(f) Comparative figures

Comparative figures are for the same period in the previous financial year (which have not been audited) and for the most recent annual reporting period (which have been audited). Where changes in presentation have occurred during the year, the previous year's comparatives have been adjusted to reflect the changes.

NOTE 2. TAXATION REVENUE

	2003-04		2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Twelve Months to 30 June \$m
Stamp duty	514	997	354	670	1,427
Payroll tax	272	550	234	476	969
Motor vehicles' and drivers' licences	83	170	73	151	330
Financial transactions taxes	26	48	24	48	97
Gambling taxes and licences	48	91	43	85	166
Land tax	166	263	29	250	241
Other taxes and licences	28	49	15	49	57
Total	1,137	2,168	772	1,728	3,287

NOTE 3. SALE OF GOODS AND SERVICES

	2003-04		2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Twelve Months to 30 June \$m
Revenue from sale of goods	393	1,295	919	1,575	3,200
Revenue from the provision of services	894	1,231	588	1,149	2,328
Total	1,287	2,526	1,507	2,724	5,528

NOTE 4. GRANTS AND SUBSIDIES

	2003-04		2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Twelve Months to 30 June \$m
Commonwealth grants	1,434	2,668	1,356	2,580	5,330
Other grants and subsidies	17	32	-	48	50
Total	1,451	2,700	1,356	2,628	5,380

NOTE 5. OTHER EXPENSES

	2003-04		2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Twelve Months to 30 June \$m
Betting dividend payouts	223	438	218	412	831
Health sector specific expenses	151	303	158	301	607
Education sector specific expenses	66	140	52	133	290
Insurance claims expenses	83	204	105	186	400
Contract services expense	434	751	345	642	1,260
Carrying amount of non-current assets disposed of	85	133	-	-	217
Other	161	303	403	532	1,207
Total	1,203	2,273	1,281	2,206	4,812

NOTE 6. OTHER FINANCIAL ASSETS - INVESTMENTS

	2003-04	2002-03	
	31 Dec \$m	31 Dec \$m	30 June \$m
Unlisted/Listed shares	778	594	697
Property	308	296	290
Other investments (cash deposits and government securities)	5,149	4,065	4,884
Total	6,235	4,955	5,871

NOTE 7. RECEIVABLES

	2003-04	2002-03	
	31 Dec \$m	31 Dec \$m	30 June \$m
Gross accounts receivable	1,902	1,845	1,592
Provision for doubtful debts	(107)	(124)	(106)
Total	1,795	1,721	1,486

NOTE 8. OTHER FINANCIAL ASSETS – LOANS AND ADVANCES

	2003-04	2002-03	
	31 Dec \$m	31 Dec \$m	30 June \$m
Homebuyers	1,484	1,580	1,500
Non government schools	237	233	218
Terminating building societies	8	12	9
Government Employees Superannuation Board	594	619	602
Others	354	339	345
Total	2,677	2,783	2,674

NOTE 9. INTEREST BEARING LIABILITIES

	2003-04	2002-03	
	31 Dec \$m	31 Dec \$m	30 June \$m
Bank overdrafts	1	1	2
Finance leases	84	99	16
Liability to the Commonwealth Government	576	593	20
Commercial paper and medium term notes	-	320	20
Domestic and foreign borrowings	12,057	10,753	5,813
<i>Borrowings at face value</i>	<i>12,718</i>	<i>11,766</i>	<i>5,871</i>
Unamortised net discounts	434	399	2
Borrowings at historic capital value	13,152	12,165	5,873

NOTE 10. STATEMENT OF CASH FLOWS OF PUBLIC FINANCIAL CORPORATIONS

	2003-04		2002-03		
	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Three Months to 31 Dec \$m	Six Months to 31 Dec \$m	Twelve Months to 30 June \$m
Cash flows from operating activities					
Interest received	78	153	83	159	294
Premiums received	89	182	82	171	345
GST received on sales	9	32	30	30	48
GST received from taxation authority	9	32	6	8	14
Other receipts	32	45	11	77	138
Salaries, wages and other benefits paid	(4)	(9)	(4)	(9)	(18)
Superannuation paid	(1)	(1)	(1)	(1)	(2)
Borrowing costs	(227)	(377)	(202)	(369)	(735)
Claims paid	(84)	(171)	(86)	(178)	(331)
GST paid on purchases	(7)	(25)	(9)	(9)	(23)
GST paid to taxation authority	(9)	(32)	(9)	(29)	(46)
Other payments	(42)	(72)	(45)	(67)	(99)
Net cash flows used in operating activities	(157)	(243)	(144)	(217)	(415)
Cash flows from investing activities					
Purchase of non-current physical assets	(1)	(1)	(2)	(3)	(6)
Proceeds from investments	1,245	1,664	527	985	1,862
Purchase of investments	(1,191)	(1,511)	(584)	(1,150)	(2,023)
Net cash flows used in investing activities	53	151	(59)	(168)	(167)
Cash flows from financing activities					
Proceeds from borrowings	7,382	14,585	5,692	9,549	20,584
Repayments from borrowings	(7,406)	(14,386)	(5,525)	(9,753)	(19,920)
Net cash flows from financing activities	(25)	199	167	(204)	664
Net cash flows from public financial corporations	(129)	107	(36)	(589)	82

In accordance with AAS31, the net cash flows of the public financial corporations sector are disclosed in the *Consolidated Statement of Cash Flows* separately to the other cash flows from operating, investing and financing activities of the general government and public non-financial corporations sectors.

NOTE 11. DETAILS OF AGENCIES CONSOLIDATED

The agencies included in these financial statements were detailed in Note 37, Composition of Sectors in the *Consolidated Financial Statements of the Government of Western Australia* for the year ended 30 June 2003. Changes since that date are:

Effective from 1 July 2003:

- Department of Land Administration has been renamed Department of Land Information;
- the Western Australian Government Railways Commission and Metropolitan (Perth) Passenger Transport Trust were abolished and their functions transferred to the newly created Public Transport Authority of Western Australia; and
- parts of the functions of the Department for Planning and Infrastructure have been transferred to the Public Transport Authority of Western Australia.

Effective from 1 August 2003:

- the Racecourse Development Trust has been abolished and its functions transferred to the newly created Racing and Wagering Western Australia.

NOTE 12. CONTINGENT LIABILITIES

There have been no changes in contingent liabilities since the issue of the *Government of Western Australia Consolidated Financial Statements* for the year ended 30 June 2003.
