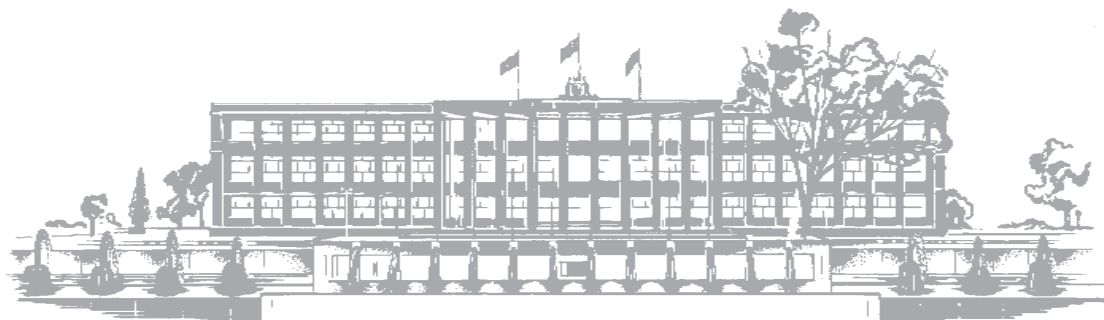




**2003 - 04**

**QUARTERLY FINANCIAL  
RESULTS REPORT**

SEPTEMBER 2003



2003–04 Quarterly Financial Results Report  
© Government of Western Australia 2004

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

An electronic copy of this report may be obtained at <http://www.dtf.wa.gov.au>

ISSN 1444-9110 (print)  
ISSN 1447-9370 (on-line)

2003-04

**QUARTERLY FINANCIAL RESULTS REPORT  
Three Months Ending 30 September 2003**

**TABLE OF CONTENTS**

<b>FOREWORD.....</b>	<b>1</b>
<b>OVERVIEW .....</b>	<b>2</b>
Summary .....	2
General Government Sector .....	2
Total Public Sector .....	6
<b>APPENDIX 1: GOVERNMENT FINANCE STATISTICS .....</b>	<b>7</b>
<b>APPENDIX 2: GENERAL GOVERNMENT MONTHLY FINANCIAL RESULTS – SEPTEMBER 2003 .....</b>	<b>15</b>
<b>APPENDIX 3: INTERIM CONSOLIDATED FINANCIAL STATEMENTS .....</b>	<b>19</b>



# Foreword

This *Quarterly Financial Results Report* (QFRR) provides the Western Australian public sector's financial results for the three months to 30 September 2003, and includes comparative results for the following periods and sectors:

- general government sector operating and cash flow statements for the months of August and September 2003 and September 2002;
- full financial statements for the general government and total public sectors for the three months to 30 September 2003 and to 30 September 2002; and
- full financial statements for the general government and total public sectors for the full year to 30 June 2003 and projections to 30 June 2004;

Care should be exercised in extrapolating the likely outcome for the year based on the quarterly results due to volatility and seasonal factors inherent in the operations of total public sector agencies.

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.

An Australian Accounting Standards (AAS) compliant series of results is also presented. Appendix 3 includes interim financial statements for the total public sector that are 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 document are consistent with the audited CFS for the year ended 30 June 2003, which was released on 11 December 2003, while the revised estimates for 2003-04 are consistent with the 2003-04 *Government Mid-year Financial Projections Statement* released on 19 December 2003.

# Overview

## Summary

The general government and total public sectors recorded net operating surpluses of \$191 million and \$321 million respectively for the three months to 30 September 2003.

For the general government sector, revenue and expenses for the three months to 30 September 2003 are broadly consistent with first quarter outcomes for the same period in the previous year.

The State's financial position also remains in a sound position, with total public sector net worth increasing over the first quarter of 2002-03.

## General Government Sector

The general government sector recorded a \$191 million net operating surplus for the three months to 30 September 2003, up \$50 million from the net operating surplus of \$141 million recorded for same period the previous year.

### Revenue

Revenue in the three months to 30 September 2003 totalled \$3,108 million, representing 26% of the revised estimated annual revenue for 2003-04, published in the 2003-04 *Government Mid-year Financial Projections Statement*. This is \$124 million (or 4%) higher than the same period the previous year.

This increase in revenue, relative to the same quarter in 2002-03, is mainly attributable to:

- higher taxation revenue (up \$126 million or 13%) due to net movements in the following aggregates:
  - higher payroll taxes (up \$42 million or 17%) due mainly to employment and wages growth;
  - higher stamp duties on financial and capital transactions (up \$141 million or 68%), reflecting the continued high level of property market activity on stamp duty revenue (a factor affecting jurisdictions across Australia<sup>1</sup>), movements in conveyance duty rates, to 15% applicable from 1 July 2003, and a number of large one-off commercial property transactions in 2003-04;
  - higher ‘other’ taxes on property (up \$34 million) largely attributable to the commencement of the Emergency Services Levy, which replaced previous fire and emergency services funding arrangements from 1 July 2003;
  - higher motor vehicle taxes (up \$18 million or 13%), with increased collections from stamp duty on motor vehicles as a result of strong growth in motor vehicle sales compared with September 2002; and
  - lower land tax revenue (down \$124 million), due to timing differences associated with the issue of the land tax assessments in 2003-04;
- lower Commonwealth grants (down \$37 million), predominantly due to:
  - a revised payment profile for GST grants in 2003-04 (down \$12 million);
  - receipt of Budget Balancing Assistance in the September quarter 2002, which is not expected to be required in 2003-04 (down \$28 million);
  - reductions in North West Shelf petroleum funding on-passed via the Commonwealth, the lower quarterly result reflecting exchange rate movements and reduced production levels (down \$22 million); and

---

<sup>1</sup> It should be noted that, consistent with experience in other jurisdictions, 2003-04 September quarter revenue from property transactions remained strong, in line with levels of market activity. Recent interest rate changes have seen this level of activity moderate somewhat, although Western Australia, like other States, has revised its annual estimates in the recent mid-year review, to account for the effect of this prolonged level of activity.

- a partially offsetting, higher quarterly receipt of Australian Health Care Agreement grants as a result of indexation changes (up \$25 million);
- an increase in revenue from public corporations (up \$19 million) reflecting movements in profitability in the State's larger utilities; and
- a net increase in all other revenue items of \$15 million, reflecting timing issues across all agencies in the sector.

### **Expenses**

Expenses in the three months to 30 September 2003 totalled \$2,916 million, or 24% of the estimated annual expense for 2003-04. This was \$74 million or 3% higher than the same period in the previous year.

Relative to September 2002-03, this increase reflects:

- higher salaries (up \$76 million), with \$59 million attributable to the education and health sectors as a result of higher pay rates (due to an Industrial Relations Commission ruling relating to nurses), higher nurse numbers and staffing costs for fully implemented early childhood education initiatives;
- higher depreciation costs (up \$11 million), as a result of increasing asset values;
- higher superannuation-related costs (up \$16 million), in line with higher salaries costs and movements in superannuation liabilities;
- higher other gross operating expenses (up \$27 million), due mainly to timing of day-to-day purchasing activity across the public sector;
- lower interest expenses (down \$7 million) as a result of lower levels of interest bearing liabilities; and
- lower current transfers (down \$49 million), with First Home Owners Grant applications lower than in 2002-03, and timing differences in pensioner concession assistance and Community Service Obligation subsidies to public non-financial corporations being the major factors in this movement.



Table 1

**SUMMARY OF GENERAL GOVERNMENT FINANCES  
THREE MONTHS TO 30 SEPTEMBER 2003**

Western Australia

	2003-04		2002-03	
	Three Months to 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
Net operating balance	191	142	141	254
Net worth	38,845	39,402	36,356	38,024
Increase in cash balances	-318	-108	-313	143
<i>Memorandum items</i>				
Net lending	161	-55	121	130
Net debt	388	315	827	396
GFS cash surplus	-211	-83	-334	259

(a) Estimated actual 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 \$821 million in the three months to 30 September 2003 to stand at \$38.8 billion. This increase is primarily attributable to an increase in accounts receivable, reflecting typical seasonal behaviour, and movements in the value of the sector's equity interest in public corporations. This increase in assets was accompanied by a modest \$130 million (1%) decrease in aggregate liabilities.

The net worth of the public financial corporation sector increased by \$380 million in the three months to 30 September 2003 to equal \$578 million, due mainly to increases in financial assets holdings of the Western Australian Treasury Corporation and Riskcover.

Land and other fixed assets holdings declined relative to the 30 June 2003 balance, representing transfer of bus and ferry related assets from the Department for Planning and Infrastructure to the new Public Transport Authority (a public non-financial corporation).

## Total Public Sector

A GFS net operating surplus of \$321 million was recorded by the total public sector for the first three months of 2003-04. This was broadly in line with the surplus of \$294 million recorded for the same period the prior year.

The September quarter 2003-04 result reflects the \$191 million net operating surplus of the general government sector (discussed above), and net operating surpluses in the public non-financial corporations (PNFC) and public financial corporations (PFC) sectors, of \$10 million and \$120 million respectively.

The PFC sector surplus was \$36 million higher than the surplus of \$83 million recorded for the same period the prior year, largely due to Insurance Commission of Western Australia equity returns, partially offset by claims expenses. The PNFC returned a net operating surplus of \$10 million in September 2003, down marginally on the same period the year before.

Table 2

### SUMMARY OF TOTAL PUBLIC SECTOR FINANCES THREE MONTHS TO 30 SEPTEMBER 2003

#### Western Australia

	2003-04		2002-03	
	Three Months to 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
Net operating balance	321	406	294	373
Net worth <sup>(b)</sup>	38,845	39,402	36,358	38,024
Increase in cash balances	290	-167	-520	579
<i>Memorandum items</i>				
Net lending	-11	-571	-467	76
Net debt	4,477	5,415	5,008	4,497
GFS cash surplus	40	-857	-515	30

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

(b) Under GFS standards, the State's total public sector net worth is equivalent to general government net worth, discussed elsewhere above in this publication. Minor consolidation differences may result in small discrepancies between the net worth aggregate calculated for the two sectors.

## 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.

<b>Contents</b>	<b>Page</b>
<b>General Government</b>	
Table 1.1: Operating Statement .....	8
Table 1.2: Balance Sheet at End of Period .....	9
Table 1.3: Cash Flow Statement .....	10
Table 1.4: Taxation Revenue .....	11
<b>Total Public Sector</b>	
Table 1.5: Operating Statement .....	12
Table 1.6: Balance Sheet at End of Period .....	13
Table 1.7: Cash Flow Statement .....	14

Table 1.1

**GENERAL GOVERNMENT**  
**Operating Statement**

	2003-04		2002-03	
	Three Months to 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
<b>REVENUE</b>				
Taxation	1,104	3,828	978	3,387
Current grants and subsidies	1,266	5,426	1,294	5,464
Capital grants	60	289	69	287
Sales of goods and services	269	864	245	990
Interest income	30	112	27	107
Revenue from public corporations				
Dividends	101	436	90	390
Tax equivalent payments	71	241	63	239
Royalty income	157	631	154	685
Other	50	223	65	222
<b>Total</b>	<b>3,108</b>	<b>12,049</b>	<b>2,984</b>	<b>11,771</b>
<b>EXPENSES</b>				
Gross operating expenses				
Salaries	1,173	4,690	1,097	4,486
Depreciation and amortisation	144	610	133	603
Superannuation	110	445	99	436
Other gross operating expenses	709	2,851	682	2,931
Nominal superannuation interest	75	283	70	277
Other interest	39	204	46	195
Other property expenses	-	-	-	-
Current transfers	562	2,556	611	2,287
Capital transfers	105	268	105	303
<b>Total</b>	<b>2,916</b>	<b>11,908</b>	<b>2,842</b>	<b>11,518</b>
<b>NET OPERATING BALANCE</b>	<b>191</b>	<b>142</b>	<b>141</b>	<b>254</b>
<b>NET ACQUISITION OF NON-FINANCIAL ASSETS</b>				
Purchase of non-financial assets	202	980	166	794
Sales of non-financial assets	-27	-174	-13	-74
less depreciation	144	610	133	603
plus change in inventories	-	-	-1	7
plus other movements in non-financial assets				
<b>Total</b>	<b>30</b>	<b>196</b>	<b>20</b>	<b>124</b>
<b>NET LENDING/BORROWING</b>	<b>161</b>	<b>-55</b>	<b>121</b>	<b>130</b>
<b>Reconciliation of GFS net operating balance to operating result obtained in accordance with Australian Accounting Standards (AAS)</b>				
<b>NET OPERATING BALANCE</b>	<b>191</b>	<b>142</b>	<b>141</b>	<b>254</b>
less provisions for doubtful debts	-	-	-	-19
plus net gains on assets (including derivatives)	4	31	3	39
plus capitalised interest	-	-	-	-
less revaluation of superannuation liabilities	-	-	-	47
plus all other adjustments	27	-	-	-
<b>AAS OPERATING RESULT</b>	<b>222</b>	<b>172</b>	<b>144</b>	<b>265</b>

(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	
	Three Months to 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
<b>ASSETS</b>				
<i>Financial assets</i>				
Cash and deposits	325	294	303	301
Advances paid	873	858	872	867
Investments, loans and placements	1,365	1,119	1,063	1,440
Other non-equity assets	1,102	718	1,104	762
Equity	16,804	16,875	16,119	16,333
<b>Total</b>	<b>20,470</b>	<b>19,864</b>	<b>19,461</b>	<b>19,703</b>
<i>Non-Financial assets</i>				
Land and fixed assets	28,391	29,213	26,819	28,463
Other non-financial assets	-	69	14	4
<b>Total</b>	<b>28,391</b>	<b>29,282</b>	<b>26,833</b>	<b>28,467</b>
<b>TOTAL ASSETS</b>	<b>48,861</b>	<b>49,146</b>	<b>46,294</b>	<b>48,170</b>
<b>LIABILITIES</b>				
Deposits held	510	284	355	300
Advances received	581	561	593	581
Borrowings	1,859	1,741	2,117	2,122
Unfunded superannuation liabilities	5,301	5,325	5,228	5,315
Other employee entitlements and provisions	1,189	1,299	1,064	1,225
Non-equity liabilities	575	534	580	602
<b>TOTAL LIABILITIES</b>	<b>10,016</b>	<b>9,744</b>	<b>9,938</b>	<b>10,146</b>
<b>NET WORTH</b>	<b>38,845</b>	<b>39,402</b>	<b>36,356</b>	<b>38,024</b>
<i>Memorandum Item: Net Debt</i>	388	315	827	396
<b>Reconciliation of GFS net worth to net assets result obtained in accordance with Australian Accounting Standards (AAS)</b>				
<b>NET WORTH</b>	<b>38,845</b>	<b>39,402</b>	<b>36,356</b>	<b>38,024</b>
<i>less equity (net worth) of PNFC and PFC sectors</i>	16,394	16,362	15,944	16,045
<i>less all other adjustments</i>	-	-	-1	-
<b>AAS NET ASSETS</b>	<b>22,451</b>	<b>23,041</b>	<b>20,413</b>	<b>21,979</b>

(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 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
<b>RECEIPTS FROM OPERATING ACTIVITIES</b>				
Taxes received	912	3,829	699	3,339
Receipts from sales of goods and services	236	888	254	999
Grants and subsidies received	1,334	5,667	1,364	5,794
Other receipts	405	2,097	407	2,154
<i>Total</i>	<b>2,888</b>	<b>12,482</b>	<b>2,725</b>	<b>12,286</b>
<b>PAYMENTS FOR OPERATING ACTIVITIES</b>				
Payments for goods and services	-2,126	-8,140	-2,030	-7,925
Grants and subsidies paid	-570	-2,718	-626	-2,417
Interest paid	-40	-203	-40	-193
Other payments	-188	-698	-209	-772
<i>Total</i>	<b>-2,924</b>	<b>-11,758</b>	<b>-2,905</b>	<b>-11,308</b>
<b>Net Cash Flow from Operating Activities</b>	<b>-36</b>	<b>723</b>	<b>-181</b>	<b>978</b>
<b>INVESTMENT IN NON-FINANCIAL ASSETS</b>				
Purchase of non-financial assets	-202	-980	-166	-794
Sales of non-financial assets	27	174	13	74
<i>Total</i>	<b>-174</b>	<b>-806</b>	<b>-153</b>	<b>-720</b>
<b>INVESTMENT IN FINANCIAL ASSETS</b>				
Policy purposes	-12	-89	-11	-107
Liquidity purposes	-106	17	13	48
<i>Total</i>	<b>-118</b>	<b>-72</b>	<b>2</b>	<b>-59</b>
<b>Net Cash Flow from Investing Activities</b>	<b>-293</b>	<b>-878</b>	<b>-151</b>	<b>-778</b>
<b>FINANCING ACTIVITIES</b>				
Advances received (net)	-	-8	-	-
Borrowings (net)	-	84	23	17
Deposits received (net)	14	-	2	-9
Distributions paid	-	-	-	-
Other financing	-3	-30	-6	-65
<i>Total</i>	<b>11</b>	<b>46</b>	<b>18</b>	<b>-57</b>
<i>Opening cash balance</i>	1,056	1,056	913	913
<b>NET INCREASE IN CASH HELD</b>	<b>-318</b>	<b>-108</b>	<b>-313</b>	<b>143</b>
<i>Closing cash balance</i>	738	948	600	1,056
<i>Net cash from operating activities, investments in non-financial assets and distributions paid</i>	-211	-83	-334	259
<i>less finance leases and similar arrangements</i>	-	-	-	-
<i>Surplus</i>	-211	-83	-334	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 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
<b>TAXES ON EMPLOYERS' PAYROLL AND LABOUR FORCE</b>				
<i>Payroll tax</i>	288	1,102	246	1,004
<b>TAXES ON PROPERTY</b>				
Land tax	101	277	225	260
Stamp duties on financial and capital transactions	348	1,207	207	978
Financial institutions transaction taxes	23	96	24	97
Other	68	128	34	49
<i>Total</i>	540	1,708	490	1,384
<b>TAXES ON PROVISION OF GOODS AND SERVICES</b>				
Taxes on gambling	33	121	32	119
Taxes on insurance	90	315	77	307
<i>Total</i>	123	436	109	426
<b>TAXES ON USE OF GOODS AND PERFORMANCE OF ACTIVITIES</b>				
<i>Motor vehicle taxes</i>	153	582	135	574
<b>TOTAL TAXES</b>	<b>1,104</b>	<b>3,828</b>	<b>978</b>	<b>3,387</b>

(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 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
<b>REVENUE</b>				
Taxation	1,060	3,676	941	3,225
Current grants and subsidies	1,266	5,426	1,294	5,464
Capital grants	60	289	68	288
Sales of goods and services	1,559	5,988	1,411	5,944
Interest income	128	498	149	539
Royalty income	157	631	154	685
Other	108	309	112	425
<i>Total</i>	<b>4,339</b>	<b>16,817</b>	<b>4,129</b>	<b>16,570</b>
<b>EXPENSES</b>				
Gross operating expenses				
Salaries	1,289	5,145	1,205	4,928
Depreciation and amortisation	293	1,244	275	1,205
Superannuation	121	490	115	480
Other gross operating expenses	1,411	6,199	1,374	6,278
Nominal superannuation interest	75	283	70	277
Other interest	200	760	205	825
Other property expenses	-	-	-	-
Current transfers	549	2,154	513	1,939
Capital transfers	79	136	78	266
<i>Total</i>	<b>4,018</b>	<b>16,411</b>	<b>3,835</b>	<b>16,197</b>
<b>NET OPERATING BALANCE</b>	<b>321</b>	<b>406</b>	<b>294</b>	<b>373</b>
<b>NET ACQUISITION OF NON-FINANCIAL ASSETS</b>				
Purchase of non-financial assets	487	2,800	432	2,094
Sales of non-financial assets	-127	-599	85	-442
less depreciation	293	1,244	275	1,204
plus change in inventories	266	20	689	-63
plus other movements in non-financial assets	-	-	-	-88
<i>Total</i>	<b>332</b>	<b>978</b>	<b>761</b>	<b>296</b>
<b>NET LENDING/BORROWING</b>	<b>-11</b>	<b>-571</b>	<b>-467</b>	<b>76</b>
<b>Reconciliation of GFS net operating balance to operating result obtained in accordance with Australian Accounting Standards (AAS)</b>				
<b>NET OPERATING BALANCE</b>	<b>321</b>	<b>406</b>	<b>294</b>	<b>373</b>
less provisions for doubtful debts	2	3	2	-12
plus net gains on assets (including derivatives)	7	101	-2	160
plus capitalised interest	1	-	-	6
less revaluation of superannuation liabilities	-	-	-	48
plus all other adjustments	28	-	-	-7
<b>AAS OPERATING RESULT</b>	<b>355</b>	<b>504</b>	<b>290</b>	<b>496</b>

(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	
	Three Months to 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
<b>ASSETS</b>				
<i>Financial assets</i>				
Cash and deposits	456	410	395	439
Advances paid	1,801	1,884	1,912	1,800
Investments, loans and placements	6,114	6,047	4,710	5,840
Other non-equity assets	2,056	1,480	1,818	1,557
Equity	744	767	587	704
<b>Total</b>	<b>11,171</b>	<b>10,588</b>	<b>9,422</b>	<b>10,341</b>
<i>Non-Financial assets</i>				
Land and fixed assets	51,086	52,962	48,992	50,702
Other non-financial assets	173	243	141	148
<b>Total</b>	<b>51,259</b>	<b>53,205</b>	<b>49,133</b>	<b>50,850</b>
<b>TOTAL ASSETS</b>	<b>62,430</b>	<b>63,794</b>	<b>58,555</b>	<b>61,191</b>
<b>LIABILITIES</b>				
Deposits held	144	124	81	120
Advances received	581	561	593	581
Borrowings	12,122	13,071	11,351	11,875
Unfunded superannuation liabilities	5,628	5,587	5,518	5,591
Other employee entitlements and provisions	1,357	1,469	1,212	1,387
Non-equity liabilities	3,751	3,579	3,443	3,613
<b>TOTAL LIABILITIES</b>	<b>23,585</b>	<b>24,391</b>	<b>22,198</b>	<b>23,167</b>
<b>NET WORTH</b>	<b>38,845</b>	<b>39,402</b>	<b>36,358</b>	<b>38,024</b>
<i>Memorandum Item: Net Debt</i>	4,477	5,415	5,008	4,497
<b>Reconciliation of GFS net worth to net assets result obtained in accordance with Australian Accounting Standards (AAS)</b>				
<b>NET WORTH</b>	<b>38,845</b>	<b>39,402</b>	<b>36,358</b>	<b>38,024</b>
less all other adjustments	-	-	2	(2)
<b>AAS NET ASSETS</b>	<b>38,845</b>	<b>39,402</b>	<b>36,356</b>	<b>38,026</b>

(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 30 Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Three Months to 30 Sept \$m	Actual \$m
<b>RECEIPTS FROM OPERATING ACTIVITIES</b>				
Taxes received	885	3,648	675	3,151
Receipts from sales of goods and services	1,759	5,972	1,760	6,262
Grants and subsidies received	1,334	5,667	1,364	5,794
Other receipts	574	2,013	569	2,245
<b>Total</b>	<b>4,553</b>	<b>17,300</b>	<b>4,368</b>	<b>17,452</b>
<b>PAYMENTS FOR OPERATING ACTIVITIES</b>				
Payments for goods and services	-3,090	-11,949	-3,300	-11,750
Grants and subsidies paid	-592	-2,166	-568	-1,981
Interest paid	-157	-759	-181	-813
Other payments	-314	-1,081	-487	-1,226
<b>Total</b>	<b>-4,154</b>	<b>-15,955</b>	<b>-4,536</b>	<b>-15,771</b>
<b>Net Cash Flow from Operating Activities</b>	<b>399</b>	<b>1,345</b>	<b>-168</b>	<b>1,681</b>
<b>INVESTMENT IN NON-FINANCIAL ASSETS</b>				
Purchase of non-financial assets	-487	-2,800	-432	-2,094
Sales of non-financial assets	127	599	85	442
<b>Total</b>	<b>-359</b>	<b>-2,202</b>	<b>-348</b>	<b>-1,651</b>
<b>INVESTMENT IN FINANCIAL ASSETS</b>				
Policy purposes	4	15	4	16
Liquidity purposes	-38	-185	-117	-132
<b>Total</b>	<b>-34</b>	<b>-170</b>	<b>-113</b>	<b>-117</b>
<b>Net Cash Flow from Investing Activities</b>	<b>-394</b>	<b>-2,372</b>	<b>-461</b>	<b>-1,768</b>
<b>FINANCING ACTIVITIES</b>				
Advances received (net)	-	-20	-	-11
Borrowings (net)	250	854	101	660
Deposits received (net)	14	-	2	-9
Distributions paid	-	-	-	-
Other financing	21	26	5	25
<b>Total</b>	<b>284</b>	<b>860</b>	<b>109</b>	<b>665</b>
<i>Opening cash balance</i>	4,521	4,521	3,942	3,942
<b>NET INCREASE IN CASH HELD</b>	<b>290</b>	<b>-167</b>	<b>-520</b>	<b>579</b>
<i>Closing cash balance</i>	4,810	4,354	3,422	4,521
<i>Net cash from operating activities, investments in non-financial assets and distributions paid</i>	40	-857	-515	30
<i>less finance leases and similar arrangements</i>	-	-	-	-
<b>Surplus</b>	<b>40</b>	<b>-857</b>	<b>-515</b>	<b>30</b>

(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.

## **General Government Monthly Financial Results – September 2003**

A net operating surplus of \$60 million was recorded by the general government sector for the month of September 2003. This compares with a net operating surplus of \$139 million in September 2002.

Revenue for the month of September 2003 totalled \$996 million, down \$31 million from September 2002. The variation in revenue between the two periods primarily reflects:

- lower monthly taxation revenue (down \$57 million) due mainly to a \$124 million decrease in land tax with assessment notices issued later this year, partially offset by an increase of \$53 million in stamp duties on financial and capital transactions and \$10 million additional payroll tax revenue, due to the factors discussed in the quarterly statement;
- lower Commonwealth grants (down \$24 million), covered in the quarterly statement;
- higher revenue from public corporations (up \$13 million) reflecting accruing dividend and tax equivalents on those sectors' operations; and
- higher net revenue across all other revenue items (up \$37 million) due to timing issues.

Expenses for the month of September 2003 totalled \$935 million, \$47 million higher than September 2002. The major variances are due to:

- higher salaries expenditure (up \$35 million) with increases in the health and education sectors the major sources of variance, discussed in the quarterly statement;
- higher other gross operating expenses (up \$23 million), reflecting timing issues in day-to-day goods and services purchases across a range of general government agencies;

- lower current grant transfers (down \$16 million), discussed in the quarterly statement; and
- a net increase (\$5 million) across all other expense items in the sector.

A \$9 million net cash inflow resulted from operating activities in the month of September 2003. Combined with net capital expenditure (i.e. investment in non-financial assets) of \$12 million, this resulted in a GFS cash deficit of \$3 million for September 2003, compared with a deficit of \$138 million in September 2002. This outcome is generally attributable to the timing of cash receipts and payments.

Table 2.1

**GENERAL GOVERNMENT**  
Operating Statement

	2003-04			2002-03	
	Month of Aug \$m	Month of Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Month of Sept \$m	Actual \$m
<b>REVENUE</b>					
Taxation	357	427	3,828	484	3,387
Current grants and subsidies	380	305	5,426	315	5,464
Capital grants	37	11	289	25	287
Sales of goods and services	87	98	864	61	990
Interest income	10	11	112	10	107
Revenue from public corporations					
Dividends	35	31	436	26	390
Tax equivalent payments	19	33	241	25	239
Royalty income	37	71	631	71	685
Other	23	10	223	8	222
<i>Total</i>	<b>985</b>	<b>996</b>	<b>12,049</b>	<b>1,027</b>	<b>11,771</b>
<b>EXPENSES</b>					
Gross operating expenses					
Salaries	376	393	4,690	358	4,486
Depreciation and amortisation	49	51	610	50	603
Superannuation	38	33	445	37	436
Other	259	247	2,851	224	2,931
Nominal superannuation interest	23	29	283	23	277
Other interest	14	11	204	14	195
Other property expenses	-	-	-	-	-
Current transfers	169	156	2,556	172	2,287
Capital transfers	34	15	268	10	303
<i>Total</i>	<b>962</b>	<b>935</b>	<b>11,908</b>	<b>888</b>	<b>11,518</b>
<b>NET OPERATING BALANCE</b>	<b>23</b>	<b>60</b>	<b>142</b>	<b>139</b>	<b>254</b>

(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 Aug \$m	Month of Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Month of Sept \$m	Actual \$m
<b>RECEIPTS FROM OPERATING ACTIVITIES</b>					
Taxes received	293	325	3,829	225	3,339
Receipts from sales of goods and services	69	84	888	36	999
Grants and subsidies received	409	325	5,667	341	5,794
Other receipts	100	143	2,097	116	2,154
<i>Total</i>	<i>871</i>	<i>876</i>	<i>12,482</i>	<i>719</i>	<i>12,286</i>
<b>PAYMENTS FOR OPERATING ACTIVITIES</b>					
Payments for goods and services	-665	-633	-8,140	-587	-7,925
Grants and subsidies paid	-178	-142	-2,718	-154	-2,417
Interest paid	-4	-10	-203	-5	-193
Other payments	-50	-82	-698	-79	-772
<i>Total</i>	<i>-897</i>	<i>-867</i>	<i>-11,758</i>	<i>-825</i>	<i>-11,308</i>
<b>Net Cash Flow from Operating Activities</b>	<b>-27</b>	<b>9</b>	<b>723</b>	<b>-106</b>	<b>978</b>
<b>INVESTMENT IN NON-FINANCIAL ASSETS</b>					
Purchase of non-financial assets	-72	-25	-980	-35	-794
Sales of non-financial assets	6	13	174	2	74
<i>Total</i>	<i>-66</i>	<i>-12</i>	<i>-806</i>	<i>-33</i>	<i>-720</i>
<b>INVESTMENT IN FINANCIAL ASSETS</b>					
Policy purposes	-16	4	-89	-	-107
Liquidity purposes	-80	-28	17	3	48
<i>Total</i>	<i>-96</i>	<i>-24</i>	<i>-72</i>	<i>3</i>	<i>-59</i>
<b>Net Cash Flow from Investing Activities</b>	<b>-162</b>	<b>-36</b>	<b>-878</b>	<b>-30</b>	<b>-778</b>
<b>FINANCING ACTIVITIES</b>					
Advances received (net)	-	-	-8	-	-
Borrowings (net)	-78	-12	84	41	17
Deposits received (net)	-1	6	-	-8	-9
Distributions paid	-	-	-	-	-
Other financing	-2	1	-30	-6	-65
<i>Total</i>	<i>-81</i>	<i>-5</i>	<i>46</i>	<i>27</i>	<i>-57</i>
<i>Opening cash balance</i>	<i>1,040</i>	<i>771</i>	<i>1,056</i>	<i>708</i>	<i>913</i>
<b>NET INCREASE IN CASH HELD</b>	<b>-269</b>	<b>-33</b>	<b>-108</b>	<b>-108</b>	<b>143</b>
<i>Closing cash balance</i>	<i>771</i>	<i>738</i>	<i>948</i>	<i>600</i>	<i>1,056</i>
<i>Net cash from operating activities, investments in non-financial assets and distributions paid</i>					
	-93	-3	-83	-138	259
<i>less finance leases and similar arrangements</i>					
	-	-	-	-	-
Surplus	-93	-3	-83	-138	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 Aug \$m	Month of Sept \$m	Annual Estimate <sup>(a)</sup> \$m	Month of Sept \$m	Actual \$m
<b>TAXES ON EMPLOYERS' PAYROLL AND LABOUR FORCE</b>					
<i>Payroll tax</i>	101	90	1,102	80	1,004
<b>-TAXES ON PROPERTY</b>					
Land tax	-	101	277	225	260
Stamp duties on financial and capital transactions	128	113	1,207	60	978
Financial institutions transaction taxes	8	6	96	8	97
Other	32	31	128	32	49
<i>Total</i>	168	252	1,708	325	1,384
<b>TAXES ON PROVISION OF GOODS AND SERVICES</b>					
Taxes on gambling	14	10	121	12	119
Taxes on insurance	30	25	315	20	307
<i>Total</i>	44	35	436	32	426
<b>TAXES ON USE OF GOODS AND PERFORMANCE OF ACTIVITIES</b>					
<i>Motor vehicle taxes</i>	45	50	582	48	574
<b>TOTAL TAXES</b>	<b>357</b>	<b>427</b>	<b>3,828</b>	<b>484</b>	<b>3,387</b>

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

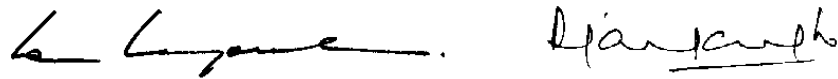
Note: Columns may not add due to rounding.

## 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 three months ended 30 September 2003 and the financial position of the Government as at 30 September 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

10 February 2004

### Contents

Table 3.1: Condensed Statement of Financial Performance .....	20
Table 3.2: Condensed Statement of Financial Position .....	21
Table 3.3: Condensed Statement of Cash Flows .....	22
Notes to the Interim Consolidated Financial Statements .....	23

Table 3.1

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL  
PERFORMANCE**

For the three months ended 30 September 2003

	Note	2003-04	2002-03	
		Three Months to 30 Sept \$m	Three Months to 30 Sept \$m	Twelve Months to 30 June \$m
<b>REVENUE FROM ORDINARY ACTIVITIES</b>				
Taxation	2	1,030	956	3,287
Territorial revenue		266	282	1,178
Regulatory fees and fines		132	94	304
Sale of goods and services	3	1,238	1,217	5,528
Grants and subsidies	4	1,249	1,272	5,380
Interest revenue		108	127	447
Other revenue	6	443	185	1,447
<b>Total revenues from ordinary activities</b>		<b>4,466</b>	<b>4,133</b>	<b>17,571</b>
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>				
Supplies and services		366	396	2,106
Employee benefits		1,338	1,243	5,108
Superannuation		196	186	804
Borrowing costs		199	205	819
Depreciation and amortisation		293	275	1,204
Grants and subsidies		648	613	2,222
Other expenses	5,6	1,070	925	4,812
<b>Total expenses from ordinary activities</b>		<b>4,111</b>	<b>3,843</b>	<b>17,075</b>
<b>NET RESULT</b>		<b>355</b>	<b>290</b>	<b>496</b>
Increase (decrease) in asset revaluation reserve		463	60	1,521
Net initial adjustment on adoption of new accounting standards		-	-	3
<b>Total revenue, expenses and valuation adjustments recognised directly in equity</b>		<b>463</b>	<b>60</b>	<b>1,524</b>
<b>TOTAL CHANGES IN EQUITY</b>		<b>818</b>	<b>350</b>	<b>2,020</b>

The accompanying notes form part of these financial statements.



Table 3.2

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION**

As at 30 September 2003

	2003-04		2002-03	
	Note	30 Sept \$m	30 Sept \$m	30 June \$m
<b>CURRENT ASSETS</b>				
Cash assets		456	395	440
Other financial assets – Investments	7	5,567	4,185	5,387
Inventories		454	838	426
Receivables	8	1,726	1,531	1,299
Other financial assets – Loans and advances	9	23	22	30
Other assets		151	140	93
<i>Total current assets</i>		<i>8,377</i>	<i>7,111</i>	<i>7,675</i>
<b>NON-CURRENT ASSETS</b>				
Other financial assets – Investments	7	585	502	484
Inventories		237	262	243
Receivables	8	201	149	187
Other financial assets – Loans and advances	9	2,704	2,775	2,674
Land		16,723	15,652	16,635
Buildings		8,528	8,347	8,432
Infrastructure		20,621	19,997	20,643
Plant, equipment and other		4,047	3,412	3,843
Timber		317	300	299
Other assets		23	26	24
<i>Total non-current assets</i>		<i>53,986</i>	<i>51,422</i>	<i>53,464</i>
<b>TOTAL ASSETS</b>		<b>62,363</b>	<b>58,533</b>	<b>61,139</b>
<b>CURRENT LIABILITIES</b>				
Payables		878	747	585
Interest bearing liabilities	10	6,096	5,542	5,873
Provisions – Employee benefits		1,282	1,203	1,274
Other liabilities		1,286	1,239	1,352
<i>Total current liabilities</i>		<i>9,542</i>	<i>8,731</i>	<i>9,084</i>
<b>NON-CURRENT LIABILITIES</b>				
Interest bearing liabilities	10	7,131	6,593	6,974
Provisions – Employee benefits		5,623	5,464	5,577
Other liabilities		1,223	1,389	1,478
<i>Total non-current liabilities</i>		<i>13,977</i>	<i>13,446</i>	<i>14,029</i>
<b>TOTAL LIABILITIES</b>		<b>23,519</b>	<b>22,177</b>	<b>23,113</b>
<b>NET ASSETS</b>		<b>38,844</b>	<b>36,316</b>	<b>38,026</b>
<b>EQUITY</b>				
Accumulated funds		13,314	12,750	12,959
Asset revaluation reserve		25,530	23,606	25,067
<b>TOTAL EQUITY</b>		<b>38,844</b>	<b>36,356</b>	<b>38,026</b>

The accompanying notes form part of these financial statements.

Table 3.3

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the three months ended 30 September 2003

	Note	2003-04	2002-03	
		Three Months to 30 Sept \$m	Three Months to 30 Sept \$m	Twelve Months to 30 June \$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts				
Taxation		874	714	3,082
Territorial revenue		268	282	1,175
Regulatory fees and fines		106	100	333
Sale of goods and services		1,440	1,426	5,582
Grants and subsidies received		1,256	1,272	5,424
Interest received		30	31	134
GST receipts on sales		77	79	350
GST receipts from taxation authority		131	143	512
Other receipts		211	135	736
Payments				
Salaries, wages and other benefits		(1,371)	(1,307)	(4,951)
Superannuation paid		(205)	(196)	(734)
Borrowing cost paid		(8)	(13)	(81)
Grants and subsidies paid		(643)	(637)	(2,238)
GST payments on purchases		(177)	(347)	(759)
GST payments to taxation authority		(30)	(28)	(120)
Contract services paid		(342)	(369)	(1,318)
Other payments		(1,074)	(1,393)	(4,931)
<i>Net cash flows from operating activities</i>		<i>540</i>	<i>(108)</i>	<i>2,196</i>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of non-current physical assets				
		80	62	249
Purchase of non-current physical assets		(478)	(383)	(2,056)
Proceeds from sale of investments		106	31	328
Purchase of investments		(244)	(67)	(307)
Other receipts		9	9	40
Other payments		(8)	(5)	(35)
<i>Net cash flows used in investing activities</i>		<i>(535)</i>	<i>(353)</i>	<i>(1,781)</i>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings				
		30	482	550
Repayment of borrowings		-	-	(561)
Other proceeds		27	23	127
Other repayments		(7)	(8)	(51)
<i>Net cash flows from financing activities</i>		<i>49</i>	<i>497</i>	<i>65</i>
<b>NET CASH FLOWS/(OUTFLOWS) FROM PUBLIC FINANCIAL CORPORATIONS</b>	11	<b>236</b>	<b>(553)</b>	<b>82</b>
<i>NET INCREASE/ (DECREASE) IN CASH HELD</i>		<i>290</i>	<i>(517)</i>	<i>562</i>
<b>CASH ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<b>4,517</b>	<b>3,955</b>	<b>3,955</b>
<b>CASH ASSETS AT THE END OF THE FINANCIAL PERIOD</b>		<b>4,807</b>	<b>3,438</b>	<b>4,517</b>

The accompanying notes form part of these financial statements.

## **Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 September 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 the 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 30 Sept \$m	Three Months to 30 Sept \$m	Twelve Months to 30 June \$m
Stamp duty	483	315	1,427
Payroll tax	278	242	969
Motor vehicles' and drivers' licences	86	78	330
Financial transactions taxes	22	24	97
Gambling taxes and licences	43	42	166
Land tax	97	221	241
Other taxes and licences	21	34	57
<b>Total</b>	<b>1,030</b>	<b>956</b>	<b>3,287</b>

---

**NOTE 3. SALE OF GOODS AND SERVICES**

	2003-04	2002-03	
	Three Months to 30 Sept \$m	Three Months to 30 Sept \$m	Twelve Months to 30 June \$m
Revenue from sale of goods	648	656	3,200
Revenue from the provision of services	590	561	2,328
<b>Total</b>	<b>1,238</b>	<b>1,217</b>	<b>5,528</b>

---

---

**NOTE 4. GRANTS AND SUBSIDIES**

	2003-04	2002-03	
	Three Months to 30 Sept \$m	Three Months to 30 Sept \$m	Twelve Months to 30 June \$m
Commonwealth grants	1,239	1,224	5,330
Other grants and subsidies	10	48	50
<b>Total</b>	<b>1,249</b>	<b>1,272</b>	<b>5,380</b>

---

**NOTE 5. OTHER EXPENSES**

	2003-04	2002-03	
	Three Months to 30 Sept \$m	Three Months to 30 Sept \$m	Twelve Months to 30 June \$m
Betting dividend payouts	216	194	831
Health sector specific expenses	151	143	607
Education sector specific expenses	74	81	290
Insurance claims expenses	121	81	400
Contract services expense	277	252	1,260
Carrying amount of non-current assets disposed of	48	-	217
Other	183	426	1,207
<b>Total</b>	<b>1,070</b>	<b>925</b>	<b>4,812</b>

---

---

**NOTE 6. SIGNIFICANT ITEMS**

	2003-04	2002-03	
	Three Months to 30 Sept \$m	Three Months to 30 Sept \$m	Twelve Months to 30 June \$m
Other revenue			
Assets acquired <sup>(a)</sup>	-	-	83
Other Expenses			
HIH Insurance claims provisions <sup>(b)</sup>	-	-	(9)
Infrastructure assets retired/replaced <sup>(c)</sup>	-	-	20
Decommissioned assets <sup>(d)</sup>	-	-	21
Merger of Grain Pool <sup>(e)</sup>	-	-	82
Revaluation decrement <sup>(f)</sup>	-	-	17

## (a) Assets acquired

This relates to transfers of infrastructure assets to Main Roads from local government.

## (b) HIH Insurance claims provision

This relates to the estimated claim payments provided for under the Employers' Indemnity Supplementation Fund as a consequence of HIH Insurance being placed into provisional liquidation. An actuarial assessment at 30 June 2003 has resulted in a \$9 million reduction in the estimated claim payments.

## (c) Infrastructure assets retired/replaced

This relates to infrastructure assets of Main Roads (\$20 million) replaced or retired during the year that have been expensed at their carrying amounts.

## (d) Decommissioned assets

Various assets of the Water Corporation were written off and expensed during the year.

## (e) Merger of Grain Pool

This relates to the value of net assets transferred out as part of the merger of the Grain Pool of Western Australia with Cooperative Bulk Handling to form a new private sector entity.

## (f) Revaluation decrement

This relates to a revaluation decrement recorded for the Peel Hospital building.

---

**NOTE 7. OTHER FINANCIAL ASSETS - INVESTMENTS**

	2003-04	2002-03	
	30 Sept \$m	30 Sept \$m	30 June \$m
Unlisted/Listed shares	744	580	704
Property	293	294	290
Other investments (cash deposits and government securities)	5,115	3,813	4,884
<b>Total</b>	<b>6,152</b>	<b>4,687</b>	<b>5,871</b>

---

---

**NOTE 8. RECEIVABLES**

	2003-04	2002-03	
	30 Sept \$m	30 Sept \$m	30 June \$m
Gross accounts receivable	2,034	1,791	1,592
Provision for doubtful debts	(107)	(111)	(106)
<b>Total</b>	<b>1,927</b>	<b>1,680</b>	<b>1,480</b>

---

**NOTE 9. OTHER FINANCIAL ASSETS – LOANS AND ADVANCES**

	2003-04	2002-03	
	30 Sept \$m	30 Sept \$m	30 June \$m
Homebuyers	1,495	1,616	1,500
Non government schools	247	234	218
Terminating building societies	9	13	9
Government Employees Superannuation Board	598	615	602
Others	379	319	345
<b>Total</b>	<b>2,727</b>	<b>2,797</b>	<b>2,674</b>

---

**NOTE 10. INTEREST BEARING LIABILITIES**

	2003-04	2002-03	
	30 Sept \$m	30 Sept \$m	30 June \$m
Bank overdrafts	27	28	2
Finance leases	87	101	16
Liability to the Commonwealth Government	581	593	20
Commercial paper and medium term notes	-	525	20
Domestic and foreign borrowings	12,134	10,542	5,813
<i>Borrowings at face value</i>	<i>12,829</i>	<i>11,789</i>	<i>5,871</i>
Unamortised net discounts	398	346	2
<b>Borrowings at historic capital value</b>	<b>13,227</b>	<b>12,135</b>	<b>5,873</b>

---

---

**NOTE 11. STATEMENT OF CASH FLOWS OF PUBLIC FINANCIAL CORPORATIONS**

	2003-04	2002-03	
	Three Months to 30 Sept \$m	Three Months to 30 Sept \$m	Twelve Months to 30 June \$m
Cash flows from operating activities			
Interest received	74	76	294
Premiums received	93	89	345
GST received on sales	23	22	48
GST received from taxation authority	23	2	14
Other receipts	13	44	138
Salaries, wages and other benefits paid	(5)	(5)	(18)
Superannuation paid	-	-	(2)
Borrowing costs	(149)	(167)	(735)
Claims paid	(87)	(92)	(331)
GST paid on purchases	(18)	(6)	(23)
GST paid to taxation authority	(24)	(20)	(46)
Other payments	(30)	(16)	(99)
<b>Net cash flows used in operating activities</b>	<b>(87)</b>	<b>(73)</b>	<b>(415)</b>
Cash flows from investing activities			
Purchase of non-current physical assets	-	(1)	(6)
Proceeds from investments	419	458	1,862
Purchase of investments	(320)	(566)	(2,023)
<b>Net cash flows used in investing activities</b>	<b>98</b>	<b>(109)</b>	<b>(167)</b>
Cash flows from financing activities			
Proceeds from borrowings	7,203	3,857	20,584
Repayments from borrowings	(6,979)	(4,228)	(19,920)
<b>Net cash flows from financing activities</b>	<b>224</b>	<b>(371)</b>	<b>664</b>
<b>Net cash flows from public financial corporations</b>	<b>236</b>	<b>(553)</b>	<b>82</b>

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 12. 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 (Administered) was amalgamated into Department for Planning and Infrastructure (Administered); and
- Department of Land Administration title has been changed to Department of Land Information.

Effective from 1 July 2003:

- The Western Australian Government Railways Commission was abolished and its 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 functions of the Racecourse Development Trust and the Western Australian Greyhound Racing Authority have been transferred to The Department of Racing and Wagering Western Australia.

---

## NOTE 13. 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.

---