

Western Australian Electoral Commission
Annual Report 2017 – 2018



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Foreword



The Electoral Commission is an independent statutory body responsible for the conduct of parliamentary, local government and industrial elections under various statutes, as well as elections for private organisations by agreement.

2017–18 proved to be a busy year in all areas. As well as reviewing our conduct of the March 2017 State election, we conducted two parliamentary by-elections, biennial elections for 89 of the state's local councils and a further 23 elections for private organisations, as well as managing the enrolment of 1.6 million Western Australian electors.

During the year the Western Australian Parliament's Community Development and Justice Standing Committee undertook a review of the conduct of the 2017 State election. While noting that the Commission conducted the election professionally, efficiently and impartially, the Committee made a number of recommendations for changes to electoral legislation and processes. The Commission's response to the Committee's recommendations is published elsewhere in this report.

I would be remiss if I did not reflect here and now on one of the Committee's key observations. The Commission was required to conduct the 2017 election with the same budget allocation as for the 2013 election, with no adjustment for CPI increases over that period. The Committee nevertheless noted that even with the funding shortfall the Commission managed to provide 'more services...

to more people'. This was a significant achievement in the circumstances. The stark reality, however, is that at the next State election in 2021 services will need to be reduced unless – as an absolute minimum – election funding is adjusted for inflation.

In the year ahead the Commission will conduct a strategic review of future directions to ensure that we remain at the forefront of electoral innovation, and will eagerly await consideration of new legislation to replace Western Australia's more than 100 year old Electoral Act.

I extend my sincere thanks to all of the Commission's hard-working staff for their support and commitment once again.

I also take this opportunity to acknowledge the contributions of three outstanding and long serving staff members. Sadly Desmond Chenik, the Commission's long term Director of Information Technology, passed away during the year. A separate tribute to Des is published in this report. Two other long serving staff retired during the year, Ian Botterill after 13 years' service with the Commission and a number of years in other public sector agencies, and Wayne Nicholson after 48 years here at the Commission.

David Kerslake
Electoral Commissioner

Highlights 2017 – 18

1 Conducted by-elections for the Legislative Assembly districts of Cottesloe and Darling Range

2 Conducted 95 local government elections

3 Conducted 23 elections for private organisations

4 Record high level of electoral enrolment

5 Electoral education and awareness sessions for some 45,000 participants

The Year in Review

The main electoral event, as set out in the Commissioner's foreword, was the conduct in October 2017 of elections for 89 of the State's local governments. The scale of this event is almost on a par with a parliamentary general election. Taking into account the total number of contested elections and the number of electors eligible to vote in those elections, this was the largest local government electoral event conducted by the Commission since its inception. For example, there was a record number of candidates, 1,146 in all.

The most pleasing aspect overall was the improvement in voter turnout, the State-wide average participation of 34.5% arresting a steady decline in participation at the previous two elections. A less pleasing aspect was the requirement to conduct a fresh election for the City of Fremantle's South Ward where, through an administrative error, a nomination was accepted from an ineligible candidate. To ensure the integrity of the electoral process, the Commission chose to refer this matter to the Court of Disputed Returns itself and undertook to conduct a fresh election at no cost to the City.

Comprehensive reports on the March 2017 State general election and the October 2017 Local government elections were submitted during the reporting period in accordance with legislative requirements. The Electoral Commissioner also presented a number of submissions, written and oral, in response to the Community Development and Justice Standing Committee's review of the conduct of the State election. The Committee made a number of recommendations for changes to electoral legislation and processes, while noting that the Commission conducted the election professionally, efficiently and impartially.

By-elections were successfully conducted for the Legislative Assembly districts of Cottesloe and Darling Range, with participation rates of 66.56% and 78.38% respectively.

During the year the Commission also conducted 23 elections for unions, universities, private companies and community based organisations, varying from workplace agreement polls to complex multiple vacancy ballots involving significant elector numbers, such as the university student guild elections. The Commission also conducted 6 extraordinary local government elections.

As at 30 June 2017 the number of electors registered on the State electoral roll was at its highest ever level, with 95.3% of eligible electors enrolled (exceeding the National Target Rate of 95% for the first time).

The Commission continues to work collaboratively with the Australian Electoral Commission (its joint roll partner) to identify additional reliable data sources to maximise the level of enrolment that can be achieved under new direct enrolment laws.

The Commission's Electoral Education Centre has completed another highly successful year with its various programs resulting in some 45,000 face-to-face interactions with students and members of the wider community. Predominantly these comprised school visits to the Centre, supplemented by outreach activities and assisting with the conduct of student council elections.

The Commission played a lead role in reviewing and refreshing the styling and content of the website of the Electoral Council of Australia and New Zealand. The Electoral Commissioner is also a member of the Reference Group for the current review of the Local Government Act.

Two investigations were conducted during the year in response to allegations of electoral fraud. The first stemmed from an allegation that a candidate or candidates in the City of Swan Local government elections had been offered support for their candidacy if they agreed, if elected, to vote in a particular way on an issue before the council. Following investigation, the allegation was not substantiated.

The second investigation was undertaken in response to concerns about postal votes registered for two Post Office boxes in Port Hedland. At the conclusion of the Commission's enquiries some matters were referred to the WA Police for further investigation.

Last but by no means least, the Commission has continued its strong interest in innovation. In March 2018 the Electoral Commissioner presented at an international symposium on electoral innovation. The Commission's Innovations Committee continued to advocate for and guide change within the Commission, reflecting our desire to be seen as a forward looking, innovative and indeed world class electoral management body.



National and international delegates at the Electoral Innovation Conference.

Looking Ahead

In the year ahead the Commission will continue to explore ways to modernise our electoral processes and improve elector experience. This requires the Commission to remain abreast of public expectations and the latest technology, but is also highly dependent upon legislative change.

When the Electoral Amendment Act was passed in 2016 it authorised the Commission to make available technology-assisted voting, limited in the first instance to people with a disability or incapacity (who until that point had been denied the right to a secret vote if they had to rely on someone else to fill out their ballot paper in accordance with their instructions).

During the passage of the legislation, members on both sides of Parliament expressed an interest in the future expansion of internet voting to accommodate other special categories. Ultimately such decisions require a careful balancing of the risks associated with internet applications against the risks associated with our existing system of voting. For example the decreasing timeliness of postal services, especially in remote areas, poses a threat to the continued viability of postal voting.

With such issues in mind the Electoral Council of Australia and New Zealand has embarked upon a project to develop a secure national internet voting capability with ownership shared among all members. As one of only two Australian electoral bodies with direct experience of internet voting, one of the Commission's key tasks in the year ahead will be to prepare a business case on behalf of the Council to provide the foundation for proceeding with this challenging project. Electoral bodies throughout Australia will engage collaboratively with governments, political parties, academics and other key stakeholders as this project moves forward.

A number of other electoral reforms were mooted in the Commission's previous annual report. The Commission is pleased that the Government has accepted a recommendation from the Community Development and Justice Standing Committee that a new Electoral Act be drafted to replace the current one which dates back to 1907. The Commission's strong preference is for new principles based legislation, rather than the current highly prescriptive and hence unnecessarily inflexible model.

The Commission has also set as a goal for the coming year to complete as much advance planning as it can for the 2021 State general election. Planned initiatives include the training and employment of older school students as paid electoral officials in polling places to engage young people in our democracy as well as develop a pool of younger officials available to work at future elections. We also hope, with the cooperation of political parties, to trial a 'kids' election' in conjunction with the next State election, allowing students in participating schools to conduct their own elections for actual candidates in their district, the results to be announced after the official election is completed.

OVERVIEW OF AGENCY

Who We are and What We Do

The Western Australian Electoral Commission was established in 1987. Its key responsibility is to conduct elections, which it does every four years for Parliament and every two years for local governments, in addition to periodic by-elections and referendums and elections for industrial and private organisations. The process of planning, conducting and reviewing elections is more or less continuous.

In conjunction with those roles we:

- maintain the Western Australian electoral roll and run enrolment campaigns (in collaboration with the Australian Electoral Commission);
- administer the registration of political parties and the financial disclosure requirements that govern parties, candidates and third parties (including the publication of disclosure returns);
- provide advice to the Government and Parliament on electoral reform; and
- exercise important compliance and regulatory functions. This may include the investigation of allegations of electoral fraud or misconduct (two such investigations during the reporting period).

The chief executive of the Commission is the Electoral Commissioner, who is appointed by the Governor in Council and is required to operate independently in all areas of election operations. The Commissioner is assisted by a Deputy Electoral Commissioner and staff spread across four branches.

The number of staff employed by the Commission expands significantly during a State general election with the appointment of

Returning Officers for each district and region and around 7000 people employed on Election Day itself – as an exercise in logistics, arguably the most complex peace-time activity conducted in Western Australia.

While slightly smaller in scale overall, local government elections typically involve more candidates and more individual elections than for a State election.

The Commission works collaboratively on strategic planning and the development of election infrastructure with its Commonwealth and interstate counterparts, facilitated by the Commissioner's membership of the Electoral Council of Australia and New Zealand.

Our Values and Approach

We aspire to be the world's most trusted electoral management body. Above all else this embodies:

- Rock solid impartiality and independence
- A culture of continuous review, improvement and innovation
- A strong commitment to customer service
- Building respected and respectful relationships with stakeholders
- A workplace where staff feel they belong and are valued as individuals
- An approach where we seek to minimise mistakes, learn from ones that do occur, and focus on solutions rather than seeking to apportion blame
- A team approach where everyone pitches in
- Enthusiasm in everything we do.

Strategic Objectives

Strategic objectives

The Commission's strategic goals as set out in the Strategic Plan 2015–2018 are to:

- 1** Conduct elections and polls efficiently and in compliance with applicable legislation, regulations or rules.
- 2** Manage and maintain the integrity of the State electoral roll and improve enrolment participation.
- 3** Increase community awareness of electoral services and promote active participation in elections.
- 4** Build and maintain effective relationships with our customers and other stakeholders.
- 5** Attract and retain competent and committed employees.
- 6** Foster a culture that supports innovation and continuous improvement.

Structure and Governance

The Electoral Commissioner

The current Electoral Commissioner is David Kerslake, whose appointment continues until September 2019. Mr Kerslake has extensive experience in a range of independent statutory positions, as a former Queensland Electoral Commissioner and Health Complaints Commissioner in both Queensland and Western Australia. He also has previous experience as a senior executive with the Australian Electoral Commission.

Organisation Structure

Structurally, the Commission is divided into six core areas: the Executive (strategic planning, risk management, audit, and media liaison); Election Operations (state, local government, industrial and private elections; Business Services; Enrolment; Legislation, Communications and Human Resources (including political party registration and the regulation of campaign finance disclosure); and Information technology. Despite these areas having discrete responsibilities, as a small agency staff are encouraged to see themselves as all part of a single team.



WAEC Executive team.

Corporate Executive

The Commission's senior management team meets regularly to consider high level management issues and to assist the Commissioner in setting strategic direction for the agency. The executive consists of the Electoral Commissioner; Deputy; Directors of Business Services, Information Technology and Enrolment; the Manager of Legislation, Communications and Human Resources; together with the most senior Election Operations Manager. Staff are invited to observe executive meetings if they wish.

Audit and Risk Management Committee

This committee comprises the Corporate Executive, assisted by the Commission's Risk Management officer. It meets separately to assess and monitor risks, implement effective risk prevention and mitigation policies and to oversee compliance with statutory and audit requirements.

Innovations Committee

During the year the Innovations Committee continued to facilitate and promote innovation at the Commission, encouraging and challenging staff to come up with innovative ideas and new ways of doing things. The Commission is committed to an ongoing innovative approach to the conduct of its business. Commission staff are represented on the Committee by an elected staff member. An individual from outside of the organisation brings a fresh perspective. The Committee is chaired by the Electoral Commissioner.

On the recommendation of the Committee a staff working group has been established to consider areas where the Commission's work practices could be made more flexible, to ensure that we remain abreast of modern employment trends and present the organisation as a preferred employer to prospective employees.

The Electoral Roll

Management of the Western Australian electoral roll is undertaken jointly with the AEC under a Joint Roll Arrangement between the State and Commonwealth governments.

Complaints

Complaints are dealt with by the Legislation, Communications and Human Resources branch and primarily stem from concerns by a party or candidate about the activities of opposing candidates in the course of an election.

Staffing

The Commission is comprised of 42 full time equivalent staff. Two positions were abolished during the year under the Government's voluntary redundancy scheme. This has increased the need for training to focus on developing the multiple skills of staff as well as the comprehensive documentation of corporate knowledge.

Stakeholders

The Commission has a diverse range of stakeholders including political parties registered in Western Australia, other government agencies (including other Australian electoral bodies), local councils, the Industrial Registrar and individual industrial organisations, the various private bodies whose elections we run, individual candidates and, of course, individual electors and the wider community. We manage the electoral roll jointly with the Australian Electoral Commission and also include among our stakeholders the many schools and students who participate in our electoral education programs.

Vale Des Chenik



The Commission was saddened during the year by the passing of long term and highly respected colleague and friend Des Chenik.

Des first started working at the Commission as a contractor in 1999, appointed to advise on how postal voting could be implemented for local government elections. He developed our first computerised postal voting system.

As head of the Commission's Information Technology Branch from 2001 onwards, Des was instrumental in modernising our IT infrastructure, moving to a Windows based operating environment, developing Disaster Recovery and election management systems (which remain at the core of all election operations); a computerised vote counting system capable of handling multiple different vote counting methods; and electronic mark-off of the electoral roll, to list just some of his achievements – collectively, placing the Commission at the cutting edge in the use of modern election technology.

Most recently Des provided steady but passionate leadership in the implementation of internet voting at the 2017 State general election, allowing many electors with disability to vote in secret for the first time.

As a manager Des earned the trust of all his staff by treating them with integrity and transparency, which in turn enabled him to build a strong and committed team of IT professionals.

Des passed away while on leave in September 2017. With his passing the Commission has lost a highly respected mentor, friend, leader and father figure who is sadly missed.

We extend our sincere condolences to his wife Jo-Ann and children Jenny and David.

Summary of Achievements

What We Set Out To Do

- Achieve a high level of satisfaction and trust in the competent and impartial conduct of all elections for which the Commission is responsible.
- Maintain an accurate and up to date State electoral roll and provide a variety of quality roll products.
- Increase community awareness of and engagement in electoral processes through effective education and public information programs.
- Effectively maintained our internet and social media presence to keep stakeholders informed about different electoral events and to enable them to undertake various tasks online. Successfully delivered education and awareness programs to some 45,000 school students and adults who participated in an Electoral Education Centre program.

What We Achieved

- Successfully conducted two State by-elections in the districts of Cottesloe and Darling Range; 89 biennial ordinary elections for local governments across the State; six extraordinary local government elections; and 23 elections and polls for unions, universities and other clients.
- Worked collaboratively with our joint roll partner the AEC on managing enrolment and roll update activities; successfully undertook roll closures for two State by-elections and a total of 151 individual local government elections. Also provided the Sheriff with jury lists for each of the 16 jury districts and various roll products to Members of Parliament and other eligible clients.

OUTPUT 1:

ELECTION MANAGEMENT

The Commission conducted elections across all its jurisdictions throughout the year.

State by-elections

As a result of resignations, by-elections were conducted in the Legislative Assembly districts of Cottesloe and Darling Range in March and June 2018 respectively.

Cottesloe, being a compact inner metropolitan electorate was serviced by one centrally located early voting centre and nine polling places on Election Day. Elector participation at this event was a disappointing 66.56%, whereas the informality rate was very pleasing at just 1.97%.

Darling Range being a much larger semi-rural district was serviced by two early voting centres (at Roleystone and Byford) and 16 polling places on Election Day. The election was keenly contested with eleven candidates and 78.38% participation by electors, the one disappointing feature being the informality rate of 4.41%. The difference between the Cottesloe and Darling Range figures points to the many variables that can influence elector participation.

OUTPUT 2:

ELECTORAL ROLL MANAGEMENT

At 30 June 2018 there were 1,615,822 electors on the electoral roll (excluding provisional enrolments), an increase of almost 1% over the preceding 12 months. The increase derived primarily from the public interest in the Australian Marriage Law Postal Survey in August 2017 and local government elections in October 2017.

Electoral rolls were produced for two State by-elections during the reporting period. The roll for the District of Cottesloe contained 27,831 electors, an increase of 424 electors (1.56%) from the 2017 State General Election. The roll for the District of Darling Range contained 32,571 electors, an increase of 1,429 electors (4.59%) from the 2017 State General Election.

The Commission also produced 137 electoral rolls for local government elections in October 2017 and a further 14 electoral rolls for extraordinary elections in the first half of 2018.

Non-voter activity resulting from the by-elections and the 2017 State General Election has been used as an opportunity to engage with electors to improve the accuracy of the electoral roll through encouraging them to update their details or clarify changes in their entitlement, such as if they've moved interstate or overseas. Contacting electors by email as well as post improved the response rate and allowed the Commission to offer electors more convenient options to respond to non-voter notices or to 'click-through' to update their details rather than having to complete and post a paper-based form.

OUTPUT 3:

ELECTORAL AWARENESS AND ENGAGEMENT

The Commission is pleased and proud to be able to conduct education and awareness activities through its Electoral Education Centre, which is one of only two such centres in Australia. As with the national education centre in the Old Parliament House in Canberra, the proximity of our education centre to the WA Parliament is an absolute boon, with participants able to engage in education activities at the centre then transition to the Parliament to see live democracy in action. This is reflected in the number of schools which organise excursions to the centre.

The total number of interactions increased by 4.63%, with a total of 45,393 individuals taking part in activities during the year. Feedback from teachers was overwhelmingly positive with 100% of participating teachers rating the Centre programs as extremely effective or very effective.

In addition to school visits, the Centre's staff helped to coordinate 102 school council elections involving 23,178 students, yet another means of engaging young people in democracy. Presentations were also given to TAFE and adult migrant education students.

Helping to fulfil the increased focus on Civics education in the school curriculum, presentations were given to student teachers from Edith Cowan, UWA and Notre Dame Universities.

During the year the Electoral Council of Australia and New Zealand formed an Electoral Participation Working Group to focus on improving electoral engagement with indigenous electors at all levels of government. The Western Australian Electoral Commission was an active participant. The aim is to work collaboratively to enhance information sharing between electoral authorities on the most effective service delivery strategies for indigenous electors, as well as act as a vehicle for gathering and assessing feedback.



45,393 individuals took part in activities during the year run by the Electoral Education Centre.



Students can walk from the Electoral Education Centre to Parliament to see live democracy in action.

KEY RESULT AREA 1

OUR CLIENTS

Overview

In addition to the conduct of various elections and public education and awareness activities through our Electoral Education Centre, other services included support for enrolment activity at citizenship ceremonies; working collaboratively with the AEC's Indigenous Electoral Participation Program; and our ongoing internship program which provides opportunities for university students to obtain work experience in the electoral field. (In the year ahead interns will be working on programs to engage with youth at the next State election).

Commission staff were available to assist political parties and candidates with nominations and other requirements for the Cottesloe and Darling Range by-elections.

Compared to 2016–2017, the Commission experienced a quieter year in regard to party registration activity. One political party voluntarily de-registered and another political party successfully applied to amend their registered party name and party abbreviation.

The Commission also lists electoral commissions in other parts of Australia among its clients, working collaboratively on shared electoral projects and taking early votes for general elections held in other jurisdictions. Several Commission staff were seconded to work with the South Australian Electoral Commission during its state election.

KEY RESULT AREA 2

OUR PEOPLE

Overview

The Commission's workforce is a small committed team, currently consisting of 42 permanent staff and 7 casual/contractual staff. 565 additional casuals were engaged and paid by the Commission to conduct the Local Government Elections. Further, 28 electoral casuals were temporarily employed to support Non-Parliamentary Elections.

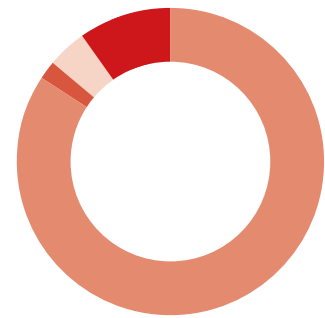
Following the Government Voluntary Targeted Separation Scheme the Commission approved redundancy for two staff.

The Commission continues to be an employer of choice by providing a family friendly and flexible workplace, relevant and interesting training opportunities and recognition of achievements through hard work.

Count of Employee

Classification	Female	Male	Total
CEO		1	1
L1	1	1	2
L2	4	1	5
L3	8	5	13
L4	6	4	10
L5	3	5	8
L6	1	2	3
L7		3	3
L8		3	3
L9		1	1
Grand total			49

Breakdown Perm/Temp/Casual



- 42 Permanent staff
- 7 Casual & contractual staff
- 565 LGE Election casuals
- 28 NPE Election casuals



26

Male employees



23

Female employees

KEY RESULT AREA 3

OUR ORGANISATION

Key governance principles

The Commission's overall governance follows the following key principles:

- adherence to corporate and public sector codes of conduct
- ensuring effective internal checks and controls and the implementation of recommendations from internal and external auditors
- continual monitoring and review of risk management strategies
- regular monitoring of financial and operational performance
- clear links between operational plans and the Strategic Plan
- open and transparent communication, knowledge sharing and mentoring
- succession planning.

Risk Management

The Commission's risk management framework meets the requirements of the Treasurer's Instruction 825 Risk Management and Security and the Public Sector Commissioner's Circular 2015-3 Risk Management and Business Planning.

Risks are regularly assessed, updated and reported to the Commission's Risk Management and Audit Committee. Risk reviews were conducted for the 2017 Local Government Ordinary Elections and 2018 Cottesloe and Darling Range by-elections.

Financial Management

The Commission has an ongoing operational budget of around \$7.8 million. The Commission balanced its budget in 2017/2018. In addition, the Commission received an additional \$5.6 million for conducting the October 2017 Local Government Elections. These costs were in turn recovered from local governments.

The Commission also received additional funding for conducting elections for private organisations on a fee for service basis.

Information Systems & Technology

During the year security enhancements were made to the Commission's Election Management and Roll Management systems. Other progress included the evaluation and documentation of the IT Service Recovery Plan.

Key Information and communications technology (ICT) projects supported the successful management of the 2017 Local Government Ordinary Elections, as well as the Cottesloe and Darling Range by-elections. Maintenance requirements are growing in parallel to ICT infrastructure growth, and ensure continued strong focus on security and reliability.

Inquiry into the Administration and Management of the 2017 State General Election

In June 2017 Parliament's Community Development and Justice Standing Committee embarked upon a review of the conduct of the 2017 State general election, noting that it was at least 10 years since a similar such review had been conducted.

The Committee's 2018 report can be accessed in the Committee's section of the WA Parliament website. The Commission's formal response to the recommendations was as follows:

I note at the outset the Committee's conclusion that the 2017 WA state election was conducted "professionally, efficiently and impartially" and that no issues were identified that call into question the electoral process or validity of the results. This reflects an electoral event which, overall, was competently conducted.

I also note the observation in the Executive Summary to the report that the Commission "must develop a culture of continuous improvement" and in the foreword that "subjected to insufficient resourcing and outdated legislation, the Western Australian Electoral Commission appears to have fallen back on a 'same old same old' approach". I wish to place on record my own view that the successful conduct of the election - including the provision of "more services ...to more people with less funding" as noted by the Committee itself - would simply not have been possible without a culture of continuous improvement.

The Commission has been assiduous over successive elections in constantly improving its performance. Indeed, it is highly regarded among its peers as a progressive and forward thinking electoral body and a leader in the development and adoption of innovative systems and technology including electronic roll mark off and roll scanning; drive in polling places and internet voting and for people with disability; our leading role in promoting the development of a national internet voting capacity; and the Commission's support for the introduction of direct enrolment; to name but a few. Such initiatives do not reflect an organisation without an eye to innovation and improvement.

My previously expressed views on the inadequacy of past resourcing and outdated legislation do not need to be repeated here. I acknowledge nevertheless that, like any other organisation, we can always do better and I welcome the feedback provided through submissions to the Committee.

RESPONSE TO SPECIFIC RECOMMENDATIONS

Recommendation 2

That prior to the next state general election the Western Australian Electoral Commission establishes community reference groups to develop action plans that guide the Commission's electoral services to their respective communities. The following four reference groups should be established as a priority:

- *Aboriginal reference group*
- *Culturally and linguistically diverse reference group*
- *Disability reference group*
- *Young people reference group*

Response:

The Commission will seek to expand upon existing strategies and channels of communication by engaging with relevant bodies in all four areas in the lead up to the next state election.

Recommendation 3

That prior to the next state general election the Western Australian Electoral Commission and disability reference group conducts research into, and implements, effective advertising methods to increase awareness of internet voting amongst people with disability.

Response:

Agreed, with the following additional observations.

In the lead up to the 2017 election the Commission took a deliberate and well considered decision to work through the established and reliable networks of peak disability bodies in order to communicate with their members. Indeed, the submission to the Committee from one of those organisations, Blind Citizens Australia, observes that all of their members who provided feedback on the iVote system indicated that they were well informed about its availability.

The 2288 people with disability who ultimately voted via the internet not only exceeded our expectations but also exceeded the number of people with disability (only 668) who used the iVote system the first time it was deployed in New South Wales. Where people with disability still voted at conventional polling places, many are likely to have done so not because of a lack of awareness of the internet option, but because they accompanied another elector who had to attend the polling place in any event.

Recommendation 4

That the Western Australian Electoral Commission reviews its processes for the recruitment of casual staff for state general elections, with a view to increasing diversity.

Response:

Agreed

Recommendation 5

That the Western Australian Electoral Commission begins collecting, collating, and reporting demographic data relating to its casual employees. The ethnicity or cultural background, gender and age of casual staff, as well as languages spoken, should be recorded.

Response:

The Commission already collects data about the age of casual staff, 20% being under the age of 30 years at the 2017 election. We will endeavour to collect more data about the ethnic or cultural backgrounds of casual staff, noting however that there are sensitivities to be considered in requesting information on ethnic or cultural background and gender in light of the reluctance of some applicants to disclose such information.

Recommendation 6

That the Western Australian Electoral Commission provides at least one early voting centre per electoral district for the next state general election.

Response:

Not supported

The Commission acknowledges that some early voting centres had accessibility issues and, with the benefit of hindsight, would have opened additional centres. Having a separate centre in each and every district would, however, lead to unnecessary duplication and a significant increase in costs, without a concomitant benefit to electors.

Comparing the availability and distribution of early voting centres with New South Wales can be misleading. Electoral districts in that state have on average more than twice as many electors as in Western Australia and it is much more difficult to travel around Sydney than Perth. Clearly there are parts of Perth where a centre strategically located on a major thoroughfare or within a popular

shopping precinct can readily be accessed by electors in adjoining districts, obviating the need for an early voting centre in every single district.

A further consideration for the Commission, made abundantly clear in our evidence to the inquiry, is that we only need to hire centres for one three-week period every four years. Building owners are obviously keen to let their premises for a much longer period and we can therefore only hope to choose from premises that are 'on the market' in the period immediately before early voting commences. Many of the courthouses which the Commission was able to use at no cost as early voting centres at past elections are not geared to cope with the now greatly increased demand.

Members of the Committee will also be aware that while political parties often lease campaign headquarters some six months out before an election, they commonly use them for campaigning from then on. It would be fiscally irresponsible for the Commission to take out leases of such duration on premises we only intend to use for 3 weeks.

We will nevertheless strive to increase the number and improve the distribution of early voting centres within the limits of both our funding and the availability of suitable premises.

Recommendation 7

That the Western Australian Electoral Commission attempts to reach an agreement with political parties to ensure consistency of campaigning across all early voting centres.

Response:

Not supported

This could give rise to a perception that the Commission is involved in political campaigning activities and thus jeopardise its perceived neutrality. It should also be noted that elections are not contested solely by political parties. Independent candidates also feature prominently.

Recommendation 8

That the Western Australian Electoral Commission issues clear guidelines prior to the next state general election implementing a consistent process by which how-to-vote cards will be made available at early voting centres.

Response:

Agreed

Recommendation 9

That the Western Australian Electoral Commission extends the opening hours of early voting centres to provide electors with opportunities to vote after business hours and on weekends.

Response:

Agreed

The Commission successfully trialled more flexible opening hours at the recent Cottesloe and Darling Range by-elections and intends to build on this at the next State general election.

Recommendation 10

That the Western Australian Electoral Commission reduces the period for early voting in person to two weeks.

Response:

Not supported

The Commission acknowledges the challenges faced by political parties in organising volunteers to attend polling places throughout the election period but in the interests of maximising participation, feels that priority should be given to maximising voting opportunities for electors.

Recommendation 11

That the Western Australian Electoral Commission reviews its planning processes for the distribution of ballot papers to early voting centres and polling places with a view to eliminating ballot paper shortages.

Response:

Agreed

Recommendation 12

That the Western Australian Electoral Commission identifies opportunities for improving the external scrutiny of the iVote system, including the presence of external scrutineers during the setup of iVote systems.

Response:

Agreed

With a greater lead time the Commission would have involved external scrutineers and expert advisers to a much greater extent for the 2017 election, but unfortunately the enabling legislation was not enacted until 7 months out, leaving insufficient time.

Recommendation 13

That the Western Australian Electoral Commission releases data on the performance of the iVote system to facilitate external scrutiny, including vote data and the outcomes of the telephone verification service.

Response:

Agreed. It should not be assumed, however, that voting patterns among a particular demographic group will necessarily conform to the pattern of voting among electors overall.

Recommendation 14

That the Western Australian Electoral Commission considers additional independent auditing of the security of the iVote system.

Response:

Agreed

Recommendation 15

That the Western Australian Electoral Commission reviews the accuracy of their public communications regarding the security risks associated with the iVote system.

Response:

This particular recommendation stemmed from a single sentence on the Commission's website, which could have been better expressed.

In various public statements the Commission has consistently acknowledged that there are risks associated with internet applications but that, (as the Committee itself stated in its report) such security concerns must be weighed against other relevant factors (such as the right to vote in secret, the number of votes considered likely to be cast online, and risks inherent in paper-based systems).

Recommendation 16

That the Western Australian Electoral Commission reviews and improves security procedures for the iVote decryption ceremony.

Response:

Agreed

Recommendation 17

That the Western Australian Electoral Commission establishes an advisory body of independent experts to conduct a full review of the iVote internet and telephone voting system and to consider security, auditing, and scrutineering issues well before the next state election. This advisory body should:

- Contain members with expertise in internet voting, privacy, security, and cybercrime.
- Release a report prior to the next election detailing its consideration of the security, auditing, and scrutiny of iVote.

Response:

Agreed, noting that the Commission would have established such a body prior to the 2017 election had the passage of the enabling legislation and therefore time permitted.

Recommendation 19

That the Western Australian Electoral Commission ensures the source code of any future internet voting system is publicly available.

Response:

Not supported

Different experts have different views about making available the source code for internet-based systems. The Commission's view, on balance, is that releasing the source code publicly would give rise to an unwarranted security risk, but in future we hope to make access to the source code available on a limited basis to qualified academics who are prepared to sign and adhere to confidentiality and security protocols. I also note that release of the source code for the 2017 election was precluded by legal arrangements between the New South Wales Electoral Commission (whose system we used) and one of its contracting partners.

Recommendation 20

That the Western Australian Electoral Commission provides political parties with training and detailed procedure documents to support their scrutiny of the iVote system.

Response:

Agreed

Recommendation 22

That the Western Australian Electoral Commission develop, publish, and report against performance indicators that relate to enrolment processing quality and timelines, and the accuracy and completeness of the electoral roll.

Response:

Agreed

Recommendation 23

That the Western Australian Electoral Commission conduct a comprehensive review of its processes for gaining feedback from political parties and responding to their concerns.

Response:

Agreed

While a review will be conducted, the Commission wishes to emphasise that it already has an officer with specific responsibility for conducting post-election 'de-briefs' with political parties and that parties have expressed satisfaction with the performance of that role.

The review will take account of the needs and aspirations not only of political parties, but of all candidates whether endorsed by a political party or not.

Recommendation 24

That the Western Australian Electoral Commission conduct rigorous evaluations of all future electoral programs to demonstrate outcomes before they are further implemented.

Response:

Agreed

Recommendation 25

That following each electoral event the Western Australian Electoral Commission and, once established, the four community reference groups review the provision of electoral services to their respective communities.

Response:

The Commission will review the provision of services to different groups as part of the engagement activity referred to in the response to Recommendation 2.

DISCLOSURE

Compliance with Relevant Legislation

Administrative

Criminal Code
Disability Discrimination Act 1992 (Cth)
Disability Services Act 1993
Equal Opportunity Act 1984
Electronic Transactions Act 2011
Evidence Act 1906
Financial Management Act 2006
Freedom of Information Act 1992
Industrial Relations Act 1979
Occupational Safety and Health Act 1984
Parliamentary Commissioner Act 1971
Public and Bank Holidays Act 1972
Public Sector Management Act 1994
Public Interest Disclosure Act 2003
Salaries and Allowances Act 1975
State Records Act 2000
State Superannuation Act 2000
State Superannuation (Transitional and Consequential Provisions) Act 2000
Workers Compensation and Injury Management Act 1981

Operational

Constitution Act 1889
Constitution Acts Amendments Act 1899
Election of Senators Act 1903
Electoral Act 1907
Electoral (Ballot Paper Forms) Regulations 1990
Electoral (Political Finance) Regulations 1996
Electoral Regulations 1996
Fines, Penalties and Infringement Notices Enforcement Acts 1994
Guardianship and Administration Act 1990
Industrial Arbitration (Unions Elections) Regulations 1980
Juries Act 1957
Local Government Act 1995
Local Government (Elections) Regulations 1997
Referendums Acts 1983
Referendums Regulations 1984
Working with Children (Criminal Record Checking Act 2004

Section 31(1) of the Public Sector Management Act 1994

The Commission is committed to the continuous improvement of corporate governance. Existing controls and checks are considered sufficient to comply with State public sector ethical codes and human resource standards.

Public Sector Standards and Ethical Codes

All Commission staff are expected to adhere to the Public Sector Commission Code of Ethics, with core values being personal integrity, accountability and maintaining respectful relationships that recognise the interests, safety and welfare of all clients and stakeholders.

These standards are reinforced in our Code of Conduct which forms part of our staff induction program and is regularly reinforced, including in the lead up to key electoral events. Access to Public Sector Commission ethical codes is available on the staff intranet.

Internal procedures also govern the use of IT and financial resources, human resource matters and risk management.

Record Keeping Plan

The Commission is required to ensure records are created, maintained and disposed of in accordance with standards set by the State Records Commission. The Record Keeping Plan has been approved until August 2022 and the Retention and Disposal Schedule has been reviewed and approved until October 2021.

As part of their induction program, new staff receive training on records management and record keeping obligations. Records management documents are available electronically through the Commission's Intranet and document management system.

Section 175ZE of the Electoral Act 1907

In compliance with Section 175ZE of the Electoral Act the Commission is required to report on expenditure incurred during the financial year in relation to advertising, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

Total expenditure was \$ 2,165,425.72.

	Amount	Expenditure	Amount
Advertising agencies	\$ 2,760.80	Promo Select	\$ 1,240.80
		Advanced Press (2013) Pty Ltd	\$ 1,520.00
Market research organisations		Nil	
Polling organisations		Nil	
Direct Mail Organisations	\$ 2,033,702.38	Australia Post	\$ 1,942,224.67
		Quickmail	\$ 29,575.53
		T & C Couriers	\$ 3,932.00
		Toll Ipec Pty Ltd	\$ 53,925.48
		Toll Priority	\$ 4,021.68
		Toll Fast	\$ 23.02
Media advertising organisations	\$ 128,962.54	Adcorp Australia Limited	\$ 91,487.96
		West Australian Newspapers Ltd	\$ 24,743.01
		State Law Publisher	\$ 2,427.57
		Fairfax Media Publications	\$ 3,008.00
		News Ltd	\$ 7,296.00

Occupational Safety and Health

The Commission is committed to providing and maintaining a safe and healthy workplace as stipulated in the Occupational Safety and Health Act and Regulations, the Public Sector Code of Practice: Occupational Safety and Health in the Western Australian Public Sector and the Workers' Compensation and Injury Management Act and Code of Practice.

The Commission's Occupational Safety and Health Committee, including the employee representatives, form the key to occupational safety and health consultation within the Commission. The Committee members' appointment, location and details are communicated to all employees. The members are accessible and effectively utilised by both management and employees in the discussion and resolution of occupational safety and health issues. The Occupational Safety and Health Committee meets quarterly to discuss and resolve occupational safety and health issues, review hazard and incident reports, and review progress against the Occupational Safety and Health Business Plan.

Key activities that took place in 2017–18 included:

- Ergonomic assessments for 17 Commission staff.
- Flu vaccinations made available to all staff at Commission expense.
- Stand-up desks available for use in two Commission workstations.
- Installations of office safety improvement equipment.
- Review of the Commission's Injury Management and Return to Work policies.
- An ongoing eyesight screening reimbursement program.

Injury Management

The Commission complies with the Injury Management requirements of the Workers' Compensation and Injury Management Act. Employees are required to report any accidents and injuries immediately and staff are regularly updated on changes to procedures and representatives.

Period	2015–2016	2016–2017	2017–2018	Government target
Fatalities	0	0	0	0
Lost time injury and/or disease incidence rate	0	1	0	0 or 10% reduction
Lost time injury and/or disease severity rate	0	0	0	0 or 10% reduction

Code of Conduct

All staff are expected to be aware of and abide by the Commission's *Code of Conduct*, which provides practical guidance on a range of ethical issues and reinforces the Commission's commitment to transparency, accountability, professionalism, respect, customer focus and collaboration. Internal procedures also govern the use of IT and financial resources, human resource matters and risk management.

Disability Access & Inclusion Plan Outcomes

During the reporting year the Commission continued its work in enhancing access, inclusion and participation for people with disability through progressing strategies within the Disability Access and Inclusion Plan.

The Commission contributed to disability related reports including the WA National Disability Strategy Implementation Plan and the Australian Report on the Rights of Persons with Disabilities. The Commission also worked in collaboration with other Australian electoral commissions through the Disability Advisory Group and will take a leading role in developing a national, secure internet voting system which will continue to assist electors cast a secret vote.

Outcome 1:

People with disability have the same opportunities as other people to access our services and events.

- As part of its services to electors at the Cottesloe by-election the Commission arranged mobile polling of 6 special institutions and aged care centres to assist electors who may find it difficult to access a polling place.
- At the Darling Range by-election the Commission arranged for postal votes to be sent to electors in aged care institutions, as was their preference.
- The Commission continues to explore options for polling place accessibility and reviewed all polling places for accessibility at the two by-elections.
- Ongoing review and reporting on the Commission's iVote system used at the last State general election. This system was introduced after extensive consultation with people with disabilities, explicitly for electors with a disability.

Outcome 2:

- The Commission's central office in a modern building is accessible with lift and ramp access available and concierge to direct visitors.
- Detailed public transport and parking information is on the Commission's website.
- In the recent by-elections accessible early voting locations and polling places were identified and advertised in election advertising.

Outcome 3:

People with disability receive information from us in a format that will enable them to access the information as readily as other people.

- During the recent by-elections a range of assistive tools including hard of hearing cards, hearing loops, magnifying sheets, triangular pencils and tablets with voting information were sent to early vote locations and polling places.
- Brochures continue to be reviewed to ensure they are easy to understand and relevant.
- Ensuring that the Commission's website is compliant and user friendly is a priority for the Commission.

Outcome 4:

People with disability receive the same level and quality of service from our employees as other people receive.

- Electoral officials were reminded in training sessions and through the application of the Commission's Code of Conduct of the requirement to treat all electors with respect and courtesy.
- The Commission was proactive during the by-elections in interacting with electors. Polling place staff were trained to ensure polling places were accessible and were supplied with brightly coloured vests so they could be easily identified in polling places to electors who may need assistance.
- The Commission is committed to ongoing reporting of our DAIP.
- The Commission's Writing Accessible Documents Guide is on the Commission's Intranet. Commission employees are directed to keep forms, brochures and other publications succinct and clear.

Outcome 5:

People with disability have the same opportunities as other people to make complaints to us.

- The Commission's website contains information on how to lodge a complaint (in a variety of ways), the process, timeframes and taking further action. Assistance is available to any person who wishes to make a complaint.
- A dedicated Complaints team responded to over 90% of complaints within 2 working days at the 2018 by-elections. These officers are trained in disability awareness matters. The Commission has staff dedicated to monitoring issues related to FOI, PID, DAIP, Grievance, OSH and others who can address issues or complaints.

Outcome 6:

People with disability have the same opportunities as other people to participate in any public consultation

- During the previous reporting year and with the introduction of the Commission's internet voting system for people with disabilities, the Commission undertook wide scale consultation with people with disability, carers and representative organisations. Continued consultation will occur for any future developments.
- Sufficient notice of meetings and suitable accessible locations are provided to stakeholders engaging with Commission business. The Commission's consultation processes are open to all members of the public.

Outcome 7:

People with disability have the same opportunities as other people to obtain and maintain employment with the Commission

- The Commission collects information from its permanent workforce on disability. This information is used to provide support where required.
- During elections the Commission's workforce increases with casual staff. The Commission is reviewing means of providing suitable work opportunities for those with a disability at the next state election in 2021.

Governance & Other Financial Disclosures

Ministerial Directives

No Ministerial directives were received during the financial year.

Freedom of Information

The Commission received one Freedom of Information application during the 2017–18 period, which was managed within the required timeframe.

Contracts with Senior Officers

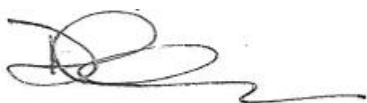
At the date of reporting, other than normal contracts of employment of service, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interest had any interests in existing or proposed contracts with the Commission and senior officers.

Pricing Policies of Services Provided

The Commission charges for its conduct of non-parliamentary elections, on a full cost recovery basis. Fees and charges were determined in accordance with 'Costing and Pricing Government Services' published by the Department of Treasury.

Certification of Key Performance Indicators

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Western Australian Electoral Commission's performance, and fairly represent the performance of the Western Australian Electoral Commission for the financial year ended 30 June 2018.



David Kerslake
ELECTORAL COMMISSIONER
30 July 2018

Key Performance Indicators

Government Goal

Sustainable Finances:

Responsible financial management and better service delivery.

Service

Provision of independent, impartial and efficient electoral services to electors of Parliament and other electoral clients.

Desired Outcome

Western Australian electors participate in independent and impartial elections or referenda conducted by the Commission as part of democratic processes.

Detailed information in support of key performance indicators

Key Effectiveness Indicators		2014–15 Actual	2015–16 Actual	2016–17 Actual	2017–18 Actual	2017–18 Target	Variation
The number of relevant breaches of "Declaration by Officer" (Form 1) upheld by a Court of Disputed Returns		Nil	Nil	Nil	1	Nil	1 ^(a)
Percentage eligible electors on the State Electoral Roll		87.49%	88.60%	92.72%	95.26%	93.00%	2.26% ^(b)
Percentage of enrolled electors voting in State Elections (or by-elections) or referenda	State General Election	n/a	n/a	86.60%	n/a	n/a	n/a ^(c)
	By-election	82.58%	n/a	n/a	72.93%	n/a	72.93% ^(c)
	Referenda	n/a	n/a	n/a	n/a	n/a	n/a ^(c)
Average percentage of enrolled electors voting in local government ordinary postal election or referenda conducted by the Commission		43.70%	27.30%	30.69%	34.30%	27.30%	7.00% ^(d)

- (a) The number of relevant breaches of "Declaration by Officer" form is an indicator which reflects the Commission's objective of conducting independent elections. One dispute has occurred during the local government election in October 2017 within the Fremantle district.
- (b) The percentage of eligible electors on the state electoral roll is an indicator that provides a link to the Commission's objective of enabling electors to participate in the electoral process. There were 1,615,822 enrolled electors out of an estimated eligible population of 1,696,301 people as at 30 June 2018.
- (c) The indicator reflects actual percentage participated in State by-elections. Out of a total enrolled population of 60,402 both for Cottesloe By-Election and Darling-Range By-Election, there were 44,049 electors voted. The previous by-election (Vasse) was held in FY 14-15. The percentage of enrolled electors voting in the Vasse by-election was 82.58%. The reduction in the voting percentage is due to many political influences.
- (d) The indicator reflects actual percentage participated in local government elections. In local government ordinary elections 540,399 electors voted out of an actual enrolled population of 1,572,510 and in extra-ordinary elections 10,666 electors voted out of a total enrolled population of 34,210. This was used as a target for FY 17-18. Higher participation percentage from previous ordinary election year or targeted figure is due to the commission's effectiveness in enabling electors to participate in the local government electoral process.

Key Efficiency Indicators		2014–15 Actual	2015–16 Actual	2016–17 Actual	2017–18 Actual	2017–18 Target	Variation
Average Cost per Elector of Providing Electoral Services (Enrolment and Election Management)		\$5.23	\$5.32	\$5.76	\$4.66	\$4.66	\$0.00 ^(a)
Average Cost per Elector of Conducting State General Elections (or By-elections) or Referenda Events	State Election	n/a	n/a	\$11.01	n/a	n/a	n/a ^(b)
	By-election	\$13.23	n/a	n/a	\$7.71	n/a	\$7.71 ^(b)
	Referenda	n/a	n/a	n/a	n/a	n/a	n/a ^(b)
Average Cost per Elector of Conducting Local Government Ordinary (or/and Extraordinary) Elections Conducted by the Commission		\$1.89	\$2.51	\$3.82	\$2.99	\$2.46	\$0.53 ^(c)

- Note: (a) The indicator reflects the fixed cost of maintaining readiness for any state elections and providing for any local government elections. Lower cost as compare to previous financial year is due to savings from various corrective measures (saving initiatives), such as, reduction in casuals employee and voluntary targeted separation scheme.
- (b) The indicator reflects total expenditure incurred while conducting Cottesloe and Darling-Range state by-elections in FY 17/18. An estimated total cost of \$466,844, in conducting both by-elections for a total number of 60,551 electors. The average cost per elector for the previous by election (Vasse) was \$13.23. The lower cost is due to more effective use of permanent staff and reducing the number of casuals.
- (c) The indicator reflects actual expenditure incurred while conducting Local Government ordinary and extra ordinary elections. The actual is in excess in comparison to the previous years, due to unavoidable increases in expenditure. The increase in postal expenditure was \$1,121,199.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

WESTERN AUSTRALIAN ELECTORAL COMMISSION

Report on the Financial Statements

Opinion

I have audited the financial statements of the Western Australian Electoral Commission which comprise the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information, including Administered transactions and balances.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Western Australian Electoral Commission for the year ended 30 June 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Commission in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Electoral Commissioner for the Financial Statements

The Electoral Commissioner is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Electoral Commissioner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Electoral Commissioner is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Electoral Commissioner.
- Conclude on the appropriateness of the Electoral Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Electoral Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Western Australian Electoral Commission. The controls exercised by the Commission are those policies and procedures established by the Electoral Commissioner to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Western Australian Electoral Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2018.

The Electoral Commissioner's Responsibilities

The Electoral Commissioner is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Western Australian Electoral Commission for the year ended 30 June 2018. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Western Australian Electoral Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2018.

The Electoral Commissioner's Responsibility for the Key Performance Indicators

The Electoral Commissioner is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Electoral Commissioner determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Electoral Commissioner is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Western Australian Electoral Commission for the year ended 30 June 2018 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



CAROLINE SPENCER
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
31 July 2018

Western Australian Electoral Commission 30 June 2018

Disclosures and legal compliance

Financial statements

Certification of financial statements

For the reporting period ended 30 June 2018

The accompanying financial statements of the Western Australian Electoral Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2018 and the financial position as at 30 June 2018.

At the date of signing we are not aware of any circumstances which would render the particulars included within the financial statements misleading or inaccurate.



Peter Shimmings
Chief Finance Officer
30 July 2018



David Kerslake
Electoral Commissioner
30 July 2018

PRIMARY FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Statement of comprehensive income
For the year ended 30 June 2018

	Notes	2018 (\$000)	2017 (\$000)
COST OF SERVICES			
Expenses			
Employee benefits expense	3.1	6,413	15,493
Supplies and services	3.3	5,008	8,247
Depreciation and amortisation expense	5.1, 5.2	260	265
Accommodation expenses	3.3	1,804	2,111
Grants and subsidies	3.2	266	4,277
Other expenses	3.3	572	429
Total cost of services		14,323	30,822
Income			
<i>Revenue</i>			
Other revenue	4.2	5,968	346
Total revenue		5,968	346
Total income other than income from State Government		5,968	346
NET COST OF SERVICES		8,355	30,476
Income from State Government			
Service appropriation	4.1	7,865	31,148
Services received free of charge	4.1	160	69
Total income from State Government		8,025	31,217
SURPLUS/(DEFICIT) FOR THE PERIOD		(330)	741
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(330)	741

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

PRIMARY FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Statement of financial position

As at 30 June 2018

	Notes	2018 (\$000)	2017 (\$000)
ASSETS			
Current Assets			
Cash and cash equivalents	7.1	2,093	2,237
Receivables	6.1	235	368
Amounts receivable for services	6.2	117	117
Prepayments	6.3	244	174
Total Current Assets		2,689	2,896
Non-Current Assets			
Restricted cash and cash equivalents	7.1	28	13
Amounts receivable for services	6.2	491	491
Prepayments	6.3	4	6
Plant and equipment	5.1	98	144
Intangible assets	5.2	1,644	1,576
Total Non-Current Assets		2,265	2,230
TOTAL ASSETS		4,954	5,126
LIABILITIES			
Current Liabilities			
Payables	6.4	330	203
Employee related provisions	3.1	962	944
Total Current Liabilities		1,292	1,147
Non-Current Liabilities			
Employee related provisions	3.1	173	160
Total Non-Current Liabilities		173	160
TOTAL LIABILITIES		1,465	1,307
NET ASSETS		3,489	3,819
EQUITY			
Contributed equity	9.9	1,026	1,026
Accumulated surplus/(deficit)		2,463	2,793
TOTAL EQUITY		3,489	3,819

The Statement of Financial Position should be read in conjunction with the accompanying notes.

PRIMARY FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Statement of changes in equity
For the year ended 30 June 2018

	Notes	Contributed equity (\$000)	Accumulated surplus/(deficit) (\$000)	Total equity (\$000)
Balance at 1 July 2016	9.9	1,026	2,052	3,078
Surplus/(deficit)		-	741	741
Total comprehensive income for the period		-	741	741
Balance at 30 June 2017		1,026	2,793	3,819
Balance at 1 July 2017		1,026	2,793	3,819
Surplus/(deficit)	9.9		(330)	(330)
Total comprehensive income for the period		-	(330)	(330)
Balance at 30 June 2018		1,026	2,463	3,489

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

PRIMARY FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Statement of cash flows
For the year ended 30 June 2018

Notes	2018 (\$000)	2017 (\$000)
CASH FLOWS FROM STATE GOVERNMENT		
Service appropriation	7,748	31,031
Holding account drawdown	117	117
Net cash provided by State Government	7,865	31,148
Utilised as follows:		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Employee benefits	(6,382)	(15,386)
Supplies and services	(4,683)	(8,140)
Accommodation	(1,891)	(2,178)
Grants and subsidies	(266)	(4,277)
GST payments on purchases	(711)	(1,397)
Other payments	(586)	(464)
Receipts		
Receipts from services	5,911	366
GST receipts on sales	599	34
GST receipts from taxation authority	297	1,129
Net cash provided by/(used in) operating activities	7.1 (7,712)	(30,313)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments		
Purchase of non-current assets	(282)	(26)
Net cash provided by/(used in) investing activities	(282)	(26)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided by/(used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(129)	809
Cash and cash equivalents at the beginning of the period	2,250	1,441
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.1 2,121	2,250

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

PRIMARY FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Summary of consolidated account appropriations and income estimates
For the year ended 30 June 2018

	2018 Estimate (\$000)	2018 Actual (\$000)	Variance (\$000)	2018 Actual (\$000)	2017 Actual (\$000)	Variance (\$000)
<u>Delivery of Services</u>						
Item 79 Net amount appropriated to deliver services	7,127	7,320	193	7,320	25,803	(18,483)
Amount Authorised by Other Statutes						
- <i>Electoral Act 1907</i>	200	-	(200)	-	4,800	(4,800)
- <i>Industrial Relation Act 1979</i>	116	116	-	116	116	-
- <i>Salaries and Allowances Act 1975</i>	429	429	-	429	429	-
Total appropriations provided to deliver services	7,872	7,865	(7)	7,865	31,148	(23,283)
GRAND TOTAL	7,872	7,865	(7)	7,865	31,148	(23,283)
<u>Details of Expenses by Service</u>						
Electoral Services	11,881	14,323	2,442	14,323	30,822	(16,499)
Total Cost of Services	11,881	14,323	2,442	14,323	30,822	(16,499)
Less Total income	(2,500)	(5,968)	(3,468)	(5,968)	(346)	(5,622)
Net Cost of Services	9,381	8,355	(1,026)	8,355	30,476	(22,121)
Adjustments	(1,509)	(490)	1,019	(490)	672	(1,162)
Total appropriations provided to deliver services	7,872	7,865	(7)	7,865	31,148	(23,283)
<u>Capital Expenditure</u>						
Purchase of non-current physical assets	117	282	165	282	26	256
Adjustments for other funding sources	(117)	(282)	(165)	(282)	(26)	(256)
Capital appropriations	-	-	-	-	-	-
<u>Details of Income Estimates</u>						
Income disclosed as Administered Income	-	751	751	751	573	178
	-	751	751	751	573	178

Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.

Note 10.1 'Disclosure of administered income and expenses by service' and Note 10.2 'Explanatory statement for Administered Items' provide details of any significant variations between estimates and actual results for 2018 and between the actual results for 2018 and 2017.

Notes to the financial statements

1. Basis of preparation

The Western Australian Electoral Commission is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Western Australian Electoral Commission is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Western Australian Electoral Commissions on 1 September 2018.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- 1) The *Financial Management Act 2006* (**FMA**)
- 2) The Treasurer's Instructions (**the Instructions or TI**)
- 3) Australian Accounting Standards (**AAS**) including applicable interpretations
- 4) Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (the Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

2. Commission outputs

How the Commission operates

This section includes information regarding the nature of funding the agency receives and how this funding is utilised to achieve the agency's objectives. This note also provides the distinction between controlled funding and administered funding:

	Note
Commission objectives	2.1
Schedule of Income and Expenses by Service	2.2
Schedule of Assets and Liabilities by Service	2.3

2.1 Commission objectives

Mission

The Commission's mission is to provide all Western Australians with accessible, efficient and high quality electoral and enrolment services.

Services

Service provided by the Commission: Provision of impartial and efficient electoral services.

2.2 Schedule of income and expenses by service

Our Commission is only responsible for delivering one service as set out above. All income, expenditure, assets and liabilities are in relation to the delivery of this service.

2.3 Schedule of assets and liabilities by service

Our Commission is only responsible for delivering one service as set out above. All income, expenditure, assets and liabilities are in relation to the delivery of this service.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

3. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Commission's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Commission in achieving its objectives and the relevant notes are:

	Notes	2018 (\$000)	2017 (\$000)
Employee benefit expenses	3.1(a)	6,413	15,493
Employee benefit provisions	3.1(b)	1,135	1,104
Grants and subsidies	3.2	266	4,277
Other expenses	3.3	7,384	10,787

3.1(a) Employee benefits expenses

	2018 (\$000)	2017 (\$000)
Wages and salaries	5,625	14,510
Termination benefits	232	-
Superannuation - defined contribution plans ^(a)	556	983
Total employee benefits expenses	6,413	15,493

(a) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Schemes (GESBs) and other eligible funds.

Wages and salaries: Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax and leave entitlements.

Termination benefits: Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Commission is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (GESB) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for the Commission purposes because the concurrent contributions (defined contributions) made by the Commission to GESB extinguishes the Commission's obligations to the related superannuation liability.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

The Commission does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The Liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Commission to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

3.1(b) Employee related provisions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are *delivered*.

	2018	2017
	(\$000)	(\$000)
Current		
<u>Employee benefits provisions</u>		
Annual leave ^(a)	336	300
Long service leave ^(b)	613	631
	949	931
 <u>Other provisions</u>		
Employment on-costs ^(c)	13	13
	13	13
Total current employee related provisions	962	944
 Non-current		
<u>Employee benefits provisions</u>		
Long service leave ^(b)	171	158
 <u>Other provisions</u>		
Employment on-costs ^(c)	2	2
Total non-current employee related provisions	173	160
Total employee related provisions	1,135	1,104

(a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018	2017
	(\$000)	(\$000)
Within 12 months of the end of the reporting period	296	266
More than 12 months after the end of the reporting period	40	34
	336	300

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

- (b) **Long service leave liabilities:** Unconditional long service leave provisions are classified as **current** liabilities as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as **non-current** liabilities because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018	2017
	(\$000)	(\$000)
Within 12 months of the end of the reporting period	276	252
More than 12 months after the end of the reporting period	508	537
	784	789

The provision for long service leave liabilities are calculated at present value as the Commission does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

- (c) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses, Note 3.3 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Commission's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'

	2018	2017
	(\$000)	(\$000)
<u>Employment on-cost provision</u>		
Carrying amount at start of period	15	14
Additional/(reversals of) provisions recognised	-	1
Carrying amount at end of period	15	15

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Several estimates and assumptions are used in calculating the Commission's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

3.2 Grants and subsidies

Recurrent

Grants (section 175LC of the Electoral Act 1907) ^(a)

2018 (\$000)	2017 (\$000)
266	4,277
266	4,277

(a) As per section 175LC of the Electoral Act 1907 being grants paid to Political Parties and candidates who achieve more than 4% of the eligible preference votes recorded at the State General Election 2017.

Transactions in which the Commission provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants payments made to political parties and candidates who achieve more than 4% of the eligible preference votes recorded at the State General Election.

3.3 Other expenditure

Supplies and services

Communications
Consultants and contractors
Consumables
Travel
Other
Total supplies and services expenses

2018 (\$000)	2017 (\$000)
2,792	3,796
1,709	3,043
230	909
101	249
176	250
5,008	8,247

NOTES TO THE FINANCIAL STATEMENTS

Accommodation expenses

Lease rentals	
Repairs and maintenance	
Total accommodation expenses	

1,782	2,042
22	69
1,804	2,111

Other

Audit fees ^(a)	
Repairs and maintenance - computing	
Other expenses	
Refund of Political Funding	
Employment on-cost	
Total other expenses	
Total other expenditure	

47	50
139	120
84	258
302	-
-	1
572	429
7,384	10,787

(a) Includes external audit fees incurred for this year. This amount might differ to the amounts recognised in note 9.8 'Remuneration of auditor'.

Supplies and services:

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Accommodation expenses:

Operating lease payments are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. [AASB 117.33]

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

Other expenditures:

Other expenditures generally represent the day-to-day running costs incurred in normal operations.

Repairs and maintenance:

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

Employee on-cost includes workers' compensation insurance and other employment on-costs. The on costs liability associated with the recognition of annual and long service leave liabilities is included at Note 3.1(b) Employee benefit provision. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

4. Our funding sources

How we obtain our funding

This section provides additional information about how the Commission obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Commission and the relevant notes are:

	Notes	2018 (\$000)	2017 (\$000)
Income from State Government	4.1	8,025	31,217
Other revenue	4.2	5,968	346

4.1 Income from State Government

	2018 (\$000)	2017 (\$000)
Appropriation received during the period:		
Service appropriation ^(a)	7,865	31,148
	7,865	31,148
Services received free of charge from other State government agencies during the period:		
Department of Finance - Building Management Works	25	19
Department of the Attorney General - Corporate Services	119	34
Landgate	16	16
Total services received	160	69
Total income from State Government	8,025	31,217

(a) **Service Appropriations** are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Service appropriations fund the net cost of services delivered (as set out in note 2.2). Appropriation revenue comprises the following:

- Cash component; and
- A receivable (asset).

The receivable (holding account – note 6.2) comprises the following:

- The budgeted depreciation expense for the year; and
- Any agreed increase in leave liabilities during the year.

4.2 Other revenue

	2018 (\$000)	2017 (\$000)
Local Government Elections	5,672	-
Other Elections	279	326
Sale of Roll Products/General Revenue	17	20
	5,968	346

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

NOTES TO THE FINANCIAL STATEMENTS

Sale of roll products

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Net Appropriation Determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Commission. In accordance with the most recent determination, as quantified in the 2017-18 Budget Statements, the Commission retained \$6,805,000 in 2018 (\$1,529,000 in 2017) from the following:

- Sale of roll products; and
- Other departmental revenue (predominantly from the conduct of fee-for-service local government elections).

5. Key assets

Assets the Commission utilises for economic benefit or service potential

This section includes information regarding the key assets the Commission utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2018 (\$000)	2017 (\$000)
Plant and equipment	5.1	98	144
Intangibles	5.2	1,644	1,576

5.1 Plant and equipment

Year ended 30 June 2017	Equipment (\$000)	Computer Hardware (\$000)	Total (\$000)
1 July 2016			
Gross carrying amount	250	448	698
Accumulated depreciation	(157)	(323)	(480)
Accumulated impairment losses			
Carrying amount at start of period	93	125	218
Additions	15	11	26
Other disposals			-
Depreciation	(33)	(67)	(100)
Carrying amount at 30 June 2017	75	69	144

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Year ended 30 June 2018	Equipment (\$000)	Computer Hardware (\$000)	Total (\$000)
1 July 2017			
Gross carrying amount	258	432	690
Accumulated depreciation	(183)	(363)	(546)
Accumulated impairment losses			
Carrying amount at start of period	75	69	144
Additions	21	12	33
Other disposals	-	-	-
Depreciation	(31)	(48)	(79)
Carrying amount at 30 June 2018	65	33	98
Gross carrying amount	279	444	723
Accumulated depreciation	(214)	(411)	(625)

Initial recognition

Items of plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Subsequent measurement

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

5.1.1 Depreciation and impairment

Charge for the period

	2018 (\$000)	2017 (\$000)
<u>Depreciation</u>		
Equipment	31	33
Computer hardware	48	67
Total depreciation for the period	79	100

As at 30 June 2018 there were no indications of impairment to property, plant and equipment.

Please refer to note 5.2 for guidance in relation to the impairment assessment that has been performed for intangible assets.

Finite useful lives

All plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include items under operating leases, assets held for sale, land and investment properties.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Plant and equipment	5 to 10 years
Computer equipment	3 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the Commission is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

5.2 Intangible assets

Year ended 30 June 2017	Computer Software (\$000)	Total (\$000)
1 July 2016		
Gross carrying amount	2,469	2,469
Accumulated depreciation	(728)	(728)
Accumulated impairment losses		
Carrying amount at start of period	1,741	1,741
Additions		-
Other disposals		-
Depreciation	(165)	(165)
Carrying amount at 30 June 2017	1,576	1,576

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Year ended 30 June 2018	Computer Software (\$000)	Total (\$000)
1 July 2017		
Gross carrying amount	2,469	2,469
Accumulated depreciation	(893)	(893)
Accumulated impairment losses		
Carrying amount at start of period	1,576	1,576
Additions	249	249
Other disposals		-
Depreciation	(181)	(181)
Carrying amount at 30 June 2018	1,644	1,644

Initial recognition

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted below), are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- An intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- The intangible asset will generate probable future economic benefit;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

5.2.1 Amortisation and impairment

Charge for the period

	2018 (\$000)	2017 (\$000)
Intangible assets	181	165
Total amortisation for the period	181	165

As at 30 June 2018 there were no indications of impairment to intangible assets.

The Commission held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Commission have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Software (a)	up to 10 years
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(a) Software that is not integral to the operation of any related hardware.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 5.1.1.

6. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Commission's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2018 (\$000)	2017 (\$000)
Receivables	6.1	235	368
Amounts receivable for services	6.2	608	608
Other assets	6.3	248	180
Payables	6.4	330	203

6.1 Receivables

	2018 (\$000)	2017 (\$000)
<u>Current</u>		
Receivables	59	-
Accrued revenue	16	18
GST receivable	160	350
Total current	235	368
Total receivables	235	368

The Commission does not hold any collateral or other credit enhancements as security for receivables. Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Commission will not be able to collect the debts.

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6.2 Amount receivable for services (Holding Account)

	2018 (\$000)	2017 (\$000)
Current	117	117
Non-Current	491	491
Balance at end of period	608	608

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

The Commission receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable). The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

6.3 Other assets

	2018 (\$000)	2017 (\$000)
Current		
Prepayments	244	174
Total current	244	174
Non-current		
Prepayments	4	6
Total non-current	4	6
Balance at end of period	248	180

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6.4 Payables

	2018 (\$000)	2017 (\$000)
Current		
Accrued salaries	15	15
Accrued expenses	270	178
Trade payables	38	3
Other payables	7	7
Total current	330	203
Balance at end of period	330	203

Payables are recognised at the amounts payable when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value.

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The accrued salaries suspense account (See Note 7.1.1 'Restricted cash and cash equivalents') consists of amounts paid annually, from Commission appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

7. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the Commission.

	Notes
Cash and cash equivalents	7.1
Reconciliation of cash	7.1.1
Reconciliation of operating activities	7.1.2
Commitments	7.2
Non-cancellable operating lease commitments	7.2.1

7.1 Cash and cash equivalents

7.1.1 Reconciliation of cash

	Notes	2018 (\$000)	2017 (\$000)
Cash and cash equivalents		2,093	2,237
Restricted cash and cash equivalents	8.1		
- Accrued salaries suspense account ^(a)		28	13
Balance at end of period		2,121	2,250

(a) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non-current for 10 out of 11 years.

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand.

7.1.2 Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	Notes	2018 (\$000)	2017 (\$000)
Net cost of services		(8,355)	(30,476)
Non-cash items			
Depreciation and amortisation expense	5.1, 5.2	260	265
Services received free of charge	4.1	160	69
(Increase)/decrease in assets			
Current receivables ^(a)		(57)	20
Other current receivables			
Current prepayments		(70)	(174)
Non-current prepayments		2	(6)

NOTES TO THE FINANCIAL STATEMENTS

Increase/(decrease) in liabilities		
Current payables ^(a)	127	152
Current provisions	18	75
Non-current provisions	13	9
Net GST receipts/(payments) ^(b)	190	(248)
Change in GST in receivables/payables ^(c)	-	1
Net cash provided by/(used in) operating activities	(7,712)	(30,313)

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e cash transactions.

(c) This reverses out the GST in receivables and payables.

The mandatory application of AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107* imposed disclosure impacts only. The Commission is not exposed to changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

7.2 Commitments

The commitments below are GST inclusive.

7.2.1 Non-cancellable operating lease commitments

The Commission is an occupier of premises in Perth. The lessee for accommodation is The Honourable Minister for Works with the Department of Finance responsible for payment of all leases and associated costs to the lessors. The Commission reimburses the Department of Finance for lease payments and the cost of outgoings.

	2018 (\$000)	2017 (\$000)
Commitments for minimum lease payments are payable as follows:		
Motor vehicles		
Within 1 year	30	21
Later than 1 year and not later than 5 years	24	22
	54	43
	2018 (\$000)	2017 (\$000)
Accommodation		
Within 1 year	708	1,142
Later than 1 year and not later than 5 years	172	571
	880	1,713

Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

The Commission had entered into a property lease which is a non-cancellable lease with five-year term, with rent payable monthly in advance. The current lease arrangement starts from 1 December 2014 to 31 December 2018. An option exists to renew the lease at the end of the five year term for an additional term of five years.

Judgements made by management in applying accounting policies – operating lease commitments

The Commission has entered into a number of leases for buildings for branch office accommodation. Some of these leases relate to buildings of a temporary nature and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, these leases have been classified as operating leases.

8. Risks and Contingencies

This note sets out the key risk management policies and measurement techniques of the Commission.

	Notes
Financial risk management	8.1
Contingent assets	8.2.1
Contingent liabilities	8.2.2
Fair value measurement	8.3

8.1 Financial risk management

Financial instruments held by the Commission are cash and cash equivalents, restricted cash and cash equivalents, receivables and payables. The Commission has limited exposure to financial risks. The Commission's overall risk management program focuses on managing the risks identified below.

(a) Summary of risks and risk management**Credit risk**

Credit risk arises when there is the possibility of the Commission's receivables defaulting on their contractual obligations resulting in financial loss to the Commission.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at Note 8.1(c) 'Financial instruments disclosures' and Note 6.1 'Receivables'.

Credit risk associated with the Commission's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than Government, the Commission trades only with recognised, creditworthy third parties. The Commission has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Commission's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due.

The Commission is exposed to liquidity risk through its trading in the normal course of business.

The Commission has appropriate procedures to manage cash flows including drawdown of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

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Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Commission's income or the value of its holdings of financial instruments. The Commission does not trade in foreign currency and is not materially exposed to other price risks [for example, equity securities or commodity prices changes].

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2018 (\$000)	2017 (\$000)
<u>Financial assets</u>		
Cash and cash equivalents	2,093	2,237
Restricted cash and cash equivalents	28	13
Receivables ^(a)	683	626
Total financial assets	2,804	2,876
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost	330	203
Total financial liability	330	203

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Ageing analysis of financial assets

	Carrying Amount (\$000)	Not past due and not impaired (\$000)	Past due but not impaired					Impaired financial assets (\$000)
			Up to 1 month (\$000)	1 - 3 months (\$000)	3 months to 1 year (\$000)	1-5 years (\$000)	More than 5 years (\$000)	
2018								
Cash and cash equivalents	2,093	2,093	-	-	-	-	-	-
Restricted cash and cash equivalents	28	28	-	-	-	-	-	-
Receivables ^(a)	75	75	-	-	-	-	-	-
Amounts receivable for services	608	608	-	-	-	-	-	-
	2,804	2,804	-	-	-	-	-	-
2017								
Cash and cash equivalents	2,237	2,237	-	-	-	-	-	-
Restricted cash and cash equivalents	13	13	-	-	-	-	-	-
Receivables ^(a)	18	18	-	-	-	-	-	-
Amounts receivable for services	608	608	-	-	-	-	-	-
	2,876	2,876	-	-	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

(d) Liquidity Risk and Interest Rate Exposure

The following table details the Commission's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Interest rate exposure				Nominal Amount (\$000)	Maturity dates				
		Carrying Amount (\$000)	Fixed Interest rate (\$000)	Variable Interest (\$000)	Non- Interest Bearing (\$000)		Up to 1 month (\$000)	1 - 3 months (\$000)	3 months to 1 year (\$000)	1 - 5 years (\$000)	More than 5 years (\$000)
2018											
<u>Financial assets</u>											
Cash and cash equivalents	-	2,093	-	-	2,093	2,093	2,093	-	-	-	-
Restricted cash and cash equivalents	-	28	-	-	28	28	28	-	-	-	-
Receivables ^(a)	-	75	-	-	75	75	75	-	-	-	-
Amounts receivable for services	-	608	-	-	608	608	608	-	-	-	-
	-	2,804	-	-	2,804	2,804	2,804	-	-	-	-
<u>Financial liabilities</u>											
Payables	-	330	-	-	330	330	330	-	-	-	-
	-	330	-	-	330	330	330	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

(d) Liquidity Risk and Interest Rate Exposure (cont.)

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Interest rate exposure				Maturity Dates			
		Carrying Amount (\$000)	Fixed Interest rate (\$000)	Variable Interest rate (\$000)	Non-Bearing Interest (\$000)	Nominal Amount (\$000)	Up to 1 month (\$000)	1 - 3 months to 1 year (\$000)	More than 5 years (\$000)
2017									
<u>Financial Assets</u>									
Cash and cash equivalents	-	2,237	-	-	2,237	2,237	2,237	-	-
Restricted cash and cash equivalents	-	13	-	-	13	13	13	-	-
Receivables ^(a)	-	18	-	-	18	18	18	-	-
Amounts receivable for services	-	608	-	-	608	608	608	-	-
	-	2,876	-	-	2,876	2,876	2,876	-	-
<u>Financial Liabilities</u>									
Payables	-	203	-	-	203	203	203	-	-
	-	203	-	-	203	203	203	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

(e) Interest rate sensitivity analysis

None of the Commission's financial assets and financial liabilities at the end of the reporting period are sensitive to movements in interest rates, hence movements in interest rates have no bottom line impact on the Commission's surplus or equity.

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8.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

8.2.1 Contingent assets

There were no contingent assets as at 30 June 2018.

8.2.2 Contingent liabilities

There were no contingent liabilities as at 30 June 2018.

8.3 Fair value measurements

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Valuation processes

There were no changes in valuation techniques during the period.

9. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	9.1
Future impact of Australian standards issued not yet operative	9.2
Key management personnel	9.3
Related party transactions	9.4
Related bodies	9.5
Affiliated bodies	9.6
Special purpose accounts	9.7
Remuneration of auditors	9.8
Equity	9.9
Supplementary financial information	9.10
Explanatory statement	9.11

9.1 Event occurring after the end of the reporting period

There were no events occurring after the end of the reporting date that impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
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9.2 Future impact of Australian Accounting Standards not yet operative

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101. Consequently, the Commission has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Commission. Where applicable, the Commission plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 9	<p><i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9 and AASB 2014-1 <i>Amendments to Australian Accounting Standards</i>.</p> <p>The Commission has assessed that recognition of expected credit losses will increase the amount of impairment losses recognised as Other expenses in the Statement of Comprehensive Income by \$0, and thus have an adverse impact on the Commission's Surplus/(Deficit) for the period.</p>	1 Jan 2018
AASB 15	<p><i>Revenue from Contracts with Customers</i></p> <p>This Standard establishes the principles that the Commission shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The mandatory application date of this Standard is currently 1 January 2019 after being amended by AASB 2016-7.</p> <p><i>[The Commission's income is principally derived from appropriations which will be measured under AASB 1058 and will be unaffected by this change. However, the Commission has not yet determined the potential impact of the Standard on 'User charges and fees' and 'Sales' revenues. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the Commission has discharged its performance obligations.]</i></p>	1 Jan 2019
AASB 16	<p><i>Leases</i></p> <p>This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.</p> <p><i>[Whilst the impact of AASB 16 has not yet been quantified, the Commission currently has commitments for \$984,000 worth of non-cancellable operating leases which will mostly be brought onto the statement of financial position. Interest and amortisation expense will increase and rental expense will decrease.]</i></p>	1 Jan 2019

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AASB 1058	<i>Income of Not-for-Profit Entities</i>	1 Jan 2019
	<p>This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an agency. <i>[The agency anticipates that the application will not materially impact appropriation or untied grant revenues.]</i></p>	
AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i>	1 Jan 2018
	<p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. [Other than the exposures to AASB 9 noted above, the Commission is only insignificantly impacted by the application of the Standard.]</p>	
AASB 2014-1	<i>Amendments to Australian Accounting Standards</i>	1 Jan 2018
	<p>Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. [These changes have no impact as Appendix E has been superseded and the Commission was not permitted to early adopt AASB 9].</p>	
AASB 2014-5	<i>Amendments to Australian Accounting Standards arising from AASB 15</i>	1 Jan 2018
	<p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. <i>[The Commission has not yet determined the application or the potential impact of the Standard.]</i></p>	
AASB 2014-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i>	1 Jan 2018
	<p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). <i>[The Commission has not yet determined the application or the potential impact of the Standard.]</i></p>	

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- AASB 2015-8** *Amendments to Australian Accounting Standards – Effective Date of AASB 15* 1-Jan-18
- This Standard amends the mandatory application date of AASB 15 to 1 January 2018 (instead of 1 January 2017). It also defers the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this Standard.
- AASB 2016-3** *Amendments to Australian Accounting Standards – Clarifications to AASB 15* 1 Jan 2018
- This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. *[The Commission has not yet determined the application or the potential impact when the deferred AASB 15 becomes effective from 1 January 2019].*
- AASB 2016-7** *Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities* 1 Jan 2018
- This Standard defers, for not-for-profit entities, the mandatory application date of AASB 15 to 1 January 2019, and the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this standard.
- AASB 2016-8** *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities* 1 Jan 2019
- This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.

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9.3 Key Management Personnel

The Commission has determined key management personnel to include cabinet minister and senior officers of the Commission. The Commission does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Commission for the reporting period are presented within the following bands:

Compensation band (\$)	2018	2017
320,001 - 330,000	1	1
230,001 - 240,000	1	1
170,001 - 180,000		2
160,001 - 170,000	1	
150,001 - 160,000	2	2
120,001 - 130,000(*)	2	
60,001 - 70,000 (**)	1	

	2018 (\$000)	2017 (\$000)
Short-term employee benefits	1,239	1,099
Post-employment benefits	105	96
Other long-term benefits	18	31
Termination benefits	-	-
Total compensation of senior officers	1,362	1,226

Total compensation includes the superannuation expense incurred by the Commission in respect of senior officers.

(*) Two (2) additional officers are recognised as Key Management Personnel. (FY 17-18: \$122,258 and \$127,592)

(**) One (1) officer was recognised in the first few months of the financial year (FY 17-18: \$65,392).

No seniors officers are members of the Pension Scheme.

9.4 Related party transactions

The Commission is a wholly owned public sector entity that is controlled by of the State of Western Australia.

Related parties of the Commission include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and statutory authorities, including related bodies that are included in the whole of government consolidated financial statements (i.e wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

NOTES TO THE FINANCIAL STATEMENTS
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Significant Transactions with Government-related entities

In conducting its activities, the Commission is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- Service appropriation (Note 4.1);
- Service received free of charge from the State Solicitor Office, Landgate and Department of Finance (Note 4.1);
- Superannuation payments to GESB (Note 3.1 GESB payment of \$863,292.83);
- Audit fee payment to Office of Auditor General (Note 3.3);
- Lease rentals payments to Department of Finance (Note 3.3);
- Grants - expenditure reimbursement to Political Parties (Note 3.2); and
- Joint rolls agreement payment to Australian Electoral Commission (Note 3.3 - Consultant and Contractors of \$1,264,611);
- Insurance Commission of Western Australia (Note 3.3 - Other (supplies and services) of \$92,292);

Material transactions with other related parties

Outside of normal citizen type transactions with the Commission, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

The Commission had no material related party transaction with Minister/senior officers or their close family members or their controlled (or jointly controlled) entities for disclosure.

9.5 Related bodies

The Commission had no related bodies during the financial year.

9.6 Affiliated bodies

The Commission had no affiliated bodies during the financial year.

9.7 Special Purpose Account

Nomination Fees ^(a)

The purpose of the account is to hold monies received by returning officers of the Western Australian Electoral Commission pursuant to section 81(1)(b) of the *Electoral Act 1907*.

The Commission is responsible for collection of election candidate nomination fees. These fees are paid directly to the Consolidated Account or refunded to candidates.

	2018 (\$000)	2017 (\$000)
Balance at the start of the period	-	-
Receipts	5	179
Payments	(2)	(179)
Balance at the end of the year	3	-

(a) Established under section 16(1)(d) of FMA

NOTES TO THE FINANCIAL STATEMENTS
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9.8 Remuneration of auditor

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2018 (\$000)	2017 (\$000)
Auditing the accounts, financial statements, controls and key performance indicators	45	50
	45	50

9.9 Equity

The Western Australian Government holds the equity interest in the Commission on behalf of the community. Equity represents the residual interest in the net assets of the Commission.

	2018 (\$000)	2017 (\$000)
Contributed equity		
Balance at start of period	1,026	1,026
Balance at end of period	1,026	1,026

9.10 Supplementary financial information

(a) Write-offs

During the year there were no write-offs.

(b) Losses through theft, defaults and other causes

During the year there were no thefts or defaults.

(c) Gifts of public property

During the year there were no gifts of public property.

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9.11 Explanatory statement (Controlled Operations)

All variances between estimates (original budget) and actual results for 2018, and between the actual results for 2018 and 2017 are shown below. Narratives are provided for selected major variances, which are generally greater than:

- 5% and \$237,620 for the Statements of Comprehensive Income and Cash Flows; and
- 5% and \$88,000 for the Statements of Financial Position.

9.11.1 Statement of Comprehensive Income Variances

	Variance Note (\$000)	Estimate 2018 (\$000)	Actual 2018 (\$000)	Actual 2017 (\$000)	Variance between estimate and actual (\$000)	Variance between actual results for 2018 and 2017 (\$000)
<u>Expenses</u>						
Employee benefits expense	1, A	4,455	6,413	15,493	1,958	(9,080)
Supplies and services	1, A	4,013	5,008	8,247	995	(3,239)
Accommodation expense	2, A	2,045	1,804	2,111	(241)	(307)
Depreciation and amortisation expense		117	260	265	143	(5)
Grants and subsidies	3, B	523	266	4,277	(257)	(4,011)
Other expense		728	572	429	(156)	143
Total cost of services		11,881	14,323	30,822	2,442	(16,499)
<u>Income</u>						
<u>Revenue</u>						
Other revenue	4, C	2,500	5,968	346	3,468	5,622
Total Revenue		2,500	5,968	346	3,468	5,622
Total income other than income from State Government		2,500	5,968	346	3,468	5,622
NET COST OF SERVICES		9,381	8,355	30,476	(1,026)	(22,121)
<u>Income from State Government</u>						
Service appropriations	D	7,872	7,865	31,148	(7)	(23,283)
Services received free of charge		34	160	69	126	91
Total income from State Government		7,906	8,025	31,217	119	(23,192)
SURPLUS/(DEFICIT) FOR THE PERIOD		(1,475)	(330)	741	1,145	(1,071)

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Major Estimate and Actual (2018) Variance Narratives

- 1) Employee benefit expense budget and supplies and services budget variations of approximately \$1.9 million and \$0.8 million subsequently are due to the continuity of the State General Election's project (multi-voter and non-voter project), the Local Government Biennial Election held in October 2017, Cottesloe By-Election held in March 2018 and Darling Range By-Election held in June 2018.
- 2) The accommodation budget variations of approximately \$0.2 million is due to the over estimation on the number of local government councils engaged with the Commission in conducting the Biennial election in October 2017.
- 3) The estimates budget of \$0.5 million is the residual of the political funding related to State General Election 2017. The total reimbursement paid for the State General Election 2017 and Cottesloe By-Election 2018 of \$0.2 million which can only be paid to the parties which have achieved the 4% preferential vote. This has resulted in \$0.3 million variance, which has now been refunded to Consolidated Account.
- 4) Other revenue exceeded the budget by \$3.4 million as a result of the recoupable amounts generated during 2017 Biennial Local Government Ordinary Election and the number of the non-parliamentary election that engaged the Commission to conduct their election.

Major Actual (2018) and Comparative (2017) Variance Narratives

- A) Employee benefits expense, supplies and services expense and accommodation expense have decreased quite significantly in comparison to FY 2016-17 was contributed by the State General Election 2017.
- B) The decrease in grants and subsidies by \$4 million is mainly due to the majority of the political reimbursement related to State General Election 2017 paid in the previous year.
- C) The increase in other revenue by \$5.5 million is primarily due to the recoup of the cost associated with the conduct of Local Government Biennial Election held in October 2017.
- D) The decrease in appropriation of \$23.5 million is mainly due to the funding for the State Government Election 2017 which occurred in FY 2016-17.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

9.11.2 Statement of
Financial Position
Variances

	Variance Note (\$000)	Estimate 2018 (\$000)	Actual 2018 (\$000)	Actual 2017 (\$000)	Variance between estimate and actual (\$000)	Variance between actual results for 2018 and 2017 (\$000)
ASSETS						
<u>Current Assets</u>						
Cash and cash equivalent	5, E	1,423	2,093	2,237	670	(144)
Receivables		440	235	368	(205)	(133)
Amounts receivable for services		117	117	117	-	-
Other - Prepayments	6	20	244	174	224	70
Total Current Assets		2,000	2,689	2,896	689	(207)
<u>Non-Current Assets</u>						
Restricted cash and cash equivalents		18	28	13	10	15
Amounts receivable for service		458	491	491	33	-
Other - Prepayments		15	4	6	(11)	(2)
Plant and equipment	7	302	98	144	(204)	(46)
Intangible assets		1,607	1,644	1,576	37	68
Total Non-Current Assets		2,400	2,265	2,230	(135)	35
TOTAL ASSETS		4,400	4,954	5,126	554	(172)
LIABILITIES						
<u>Current Liabilities</u>						
Payables		233	330	203	97	127
Provisions	8	739	962	944	223	18
Other		65	-	-	(65)	-
Total Current Liabilities		1,037	1,292	1,147	255	145
<u>Non-Current Liabilities</u>						
Provisions		182	173	160	(9)	13
Other		2	-	-	(2)	-
Total Non-Current Liabilities		184	173	160	(11)	13
TOTAL LIABILITIES		1,221	1,465	1,307	244	158
NET ASSETS		3,179	3,489	3,819	310	(330)
<u>EQUITY</u>						
Contributed equity		876	1,026	1,026	150	-
Accumulated surplus/(deficit)		2,303	2,463	2,793	160	(330)
TOTAL EQUITY		3,179	3,489	3,819	310	(330)

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Major Estimate and Actual (2018) Variance Narratives

- 5) The actuals have exceeded the estimates due to the recoup of Local Government Election held in October 2017.
- 6) The estimates is understated by \$0.2 million is due to a conservative measurement on the prepayment transactions during the year.
- 7) The estimates have exceeded the actual by \$0.2 million due to less assets purchased during the year. In addition to that, the actual depreciation cost is higher than the estimated depreciation cost.
- 8) The actual has exceeded the estimate of \$0.2 millions due to less leave being taken both in FY 2016-17 and FY 2017-18 due to elections commitment in both years

Major Actual (2018) and Comparative (2017) Variance Narratives

- E) The decrease in cash and cash equivalent is due the recent Cottesloe By-Election and Darling Range By-Election expenditure which is yet to be recouped from the Department of Treasury.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

9.11.3 Statement of Cash
Flow Variances

	Variance Note (\$000)	Estimate 2018 (\$000)	Actual 2018 (\$000)	Actual 2017 (\$000)	Variance between estimate and actual (\$000)	Variance between actual results for 2018 and 2017 (\$000)
CASH FLOWS FROM STATE						
GOVERNMENT						
Service appropriation	F	7,755	7,748	31,031	(7)	(23,283)
Holding account drawdown		117	117	117	-	-
Net cash provided by State Government		7,872	7,865	31,148	(7)	(23,283)
CASH FLOW FROM						
OPERATING ACTIVITIES						
Payments						
Employee benefits	9, F	(4,469)	(6,382)	(15,386)	(1,913)	9,004
Supplies and services	9, F	(4,081)	(4,683)	(8,140)	(602)	3,457
Accommodation	F	(2,075)	(1,891)	(2,178)	184	287
Grants and subsidies	10, G	(523)	(266)	(4,277)	257	4,011
GST Payment on purchases	11, H	-	(711)	(1,397)	(711)	686
Other payments	9	(1,314)	(586)	(464)	728	(122)
Receipts						
Sale of goods and services	12, I	2,500	5,911	366	3,411	5,545
GST receipts on sales	I	615	599	34	(16)	565
GST receipts from taxation authority	13, J	-	297	1,129	297	(832)
Net cash provided by/(used in) operating activities		(9,347)	(7,712)	(30,313)	1,635	22,601
CASH FLOW FROM						
INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets		(117)	(282)	(26)	(165)	(256)
Net cash provided by/(used in) investing activities		(117)	(282)	(26)	(165)	(256)
Net increase/(decrease) in cash and cash equivalent		(1,592)	(129)	809	1,463	(938)
Cash and cash equivalent at the beginning of the period		3,033	2,250	1,441	(783)	809
CASH AND CASH EQUIVALENT AT THE END		1,441	2,121	2,250	680	(129)

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

Major Estimate and Actual (2018) Variance Narratives

- 9) Employee benefits, supplies and services and other payments budget variations of approximately \$1.9 million downwards, \$0.6 million downwards and \$0.7 million upwards subsequently, is due to the completion of State General Election 2017 project (multi-voters and non-voters project), the Local Government Biennial Election held in October 2017, Cottesloe By-Election held in March 2017 and Darling Range By-Election held in June 2018.
- 10) The estimates budget of \$0.5 million is the residual of the political funding related to State General Election 2017. The total reimbursement paid for the State General Election 2017 and Cottesloe By-Election 2018 of \$0.2 million which can only be paid to the parties which have achieved the 4% preferential vote. This has resulted in \$0.3 million variance, which has now been refunded to Consolidated Account.
- 11) There is no allocation for GST payment on purchases in the budget.
- 12) Other revenue exceeded the budget by \$3.4 million as a result of the recoupable amounts generated during 2017 Biennial Local Government Ordinary Election and the number of the non-parliamentary election that engaged the Commission to conduct their election.
- 13) There is no allocation for GST receipts from taxation in the budget.

Major Actual (2018) and Comparative (2017) Variance Narratives

- F) Service appropriation, payments for employee benefits, supplies and services and accommodation have decreased significantly in comparison to FY 2016-17 due to the State General Election 2017.
- G) The decrease in grants and subsidies by \$4 million is mainly due to the majority of the political reimbursement related to State General Election 2017 paid in the previous year.
- H) The decrease in GST payment on purchases by \$0.6 million is due to the significant decrease in purchases volume in preparation and management of the Local Government Biennial Election in October 2017, Cottesloe By-Election in March 2018 and Darling Range By-Election in June 2018 in comparison to the State General Election 2017.
- I) The increase in sale of goods and services receipt and the GST receipts on sales by \$5.5 million and \$0.5 million is primarily due to the recoup of the cost associated with the conduct of Local Government Biennial Election held in October 2017.
- J) The decrease in GST receipts from the taxation authority of \$0.8 million due to the a much lower GST receivable as a result of the conduct of the Local Government Biennial Election 2017, Cottesloe By-Election and Darling Range By-Election in comparison to the State General Election 2017 which was completed in FY 2016-17.

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

10. Administered disclosures

This section sets out all of the statutory disclosures regarding the financial performance of the Commission.

	Notes
Disclosure of administered income and expenses by service	10.1
Explanatory statement for administered items	10.2
Administered assets and liabilities	10.3

10.1 Disclosure of administered income and expenses by service

	Electoral Services		Total	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
INCOME FROM ADMINISTERED ITEMS				
<u>Income</u>				
For transfer:				
Regulatory fees and other charges	751	573	751	573
Total administered income	751	573	751	573
<u>Expenses</u>				
Transfer payments ^(a)	748	573	748	573
Total administered expenses	748	573	748	573

^(a) Transfer payments represent the transfer of non-retainable regulatory fees to the Consolidated Account. These fees relates to State General Election 2017 and Cottesloe By-Election non-voters fines (FY 2017-18: \$702,288 and FY 2016-17 \$573,760) and Cottesloe By-Election 2017 non-voters fine (FY 17-18: \$ 47,240).

NOTES TO THE FINANCIAL STATEMENTS
Western Australian Electoral Commission - 30 June 2018

10.2 Explanatory statement for administered items

All variances between estimates (original budget) and actual results for 2018, and between the actual results for 2018 and 2017 are shown below. Narratives are provided for key major variances, which are generally greater than 5% and \$40,000.

		Variance	Estimate	Actual	Actual	Variance	Variance
	Note	(\$000)	2018	2018	2017	between estimate and actual	between actual results for 2018 and 2017
			(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
INCOME FROM ADMINISTERED ITEMS							
<u>Income</u>							
For transfer:							
Regulatory fees and other charges	1, A	-	-	751	573	751	178
Total administered income		-	-	751	573	751	178
<u>Expenses</u>							
Transfer payments	1, A	-	-	748	573	748	175
Total administered expense		-	-	748	573	748	175

Major Estimate and Actual (2018) Variance Narratives

- 1) There has been no estimates prepared for the administered items for non-voters fines budget because the non-voters fines were previously recognised as part of the Commission's operations.

Major Actual (2018) and Comparative (2017) Variance Narratives

- A) The administered income has increased by \$0.1 million due to the majority of the State General Election 2017 multi-voters and non-voters fines were received in FY 2017-18 and also non-voters fines related to Cottesloe By-Election were also received in FY 17-18.

10.3 Administered assets and liabilities

	2018 (\$000)	2017 (\$000)
<u>Current assets</u>		
Accrued Revenue - non voters fines	3	-
Total administered current assets	3	-
TOTAL ADMINISTERED ASSETS	3	-

The cover was designed to highlight the word 'VOTE' written in many languages to endorse the Commission's dedication to our Culturally and Linguistically Diverse Communities.

Produced and published by

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Print version – ISSN 1325-5307

Online version – ISSN 2206-9747