



WESTERN AUSTRALIAN
Electoral Commission

Annual Report 2019 – 2020

Western Australian Electoral Commission





WESTERN AUSTRALIAN
Electoral Commission

Produced and published by
Western Australian Electoral Commission

Level 2, 111 St Georges Terrace
Perth WA 6000
GPO Box F316
Perth WA 6841

PHONE (08) 9214 0400 or 13 63 06
EMAIL waec@waec.wa.gov.au
WEBSITE www.elections.wa.gov.au
FAX (08) 9226 0577

Translating & Interpreting Service (TIS)
13 14 50 and the ask for (08) 9214 0400

National Relay Service (NRS)
Speak & Listen number 1300 555 727
SMS Relay number 0423 677 767© 2019

Western Australian Electoral Commission. All rights reserved.

This material may be reproduced in whole or in part provided the source is acknowledged.

Print version – ISSN 1325-5307
Online version – ISSN 2206-9747

ABOUT THIS REPORT

The aim of this report is to inform our stakeholders about the strategic priorities, operations, performance and governance of the Western Australian Electoral Commission for the 2019–20 financial year.

The report should be read in the context that the desired outcome of the Western Australian Electoral Commission is that Western Australian electors are able to participate in independent and impartial elections or polls as part of the State’s democratic processes.

Letter of Transmittal

The Hon. Stephen Dawson MLC
Minister for Electoral Affairs
Level 12, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Minister

Western Australian Electoral Commission Annual Report 2019 – 2020.

In accordance with the Western Australian Public Sector Annual Reporting guidelines for the 2019 – 2020 reporting year and the provisions of the *Financial Management Act 2006*, I submit for presentation to Parliament, the Annual Report of the Western Australian Electoral Commission for the year ended 30 June 2020. The report includes the Auditor General’s opinion on the Commission’s financial statements and performance indicators.

Yours sincerely



Robert Kennedy
ELECTORAL COMMISSIONER

October 2020

CONTENTS

FOREWORD	6
THE YEAR IN REVIEW & LOOKING TO THE FUTURE	7
2019 – 20 Highlights	7
2019 – 20 in Review	8
Looking Ahead to 2020 – 2021	9
WHO WE ARE & WHAT WE DO	10
Who we are	10
Our purpose	10
What we do	10
Our values	11
Strategic Objectives 2016 – 2020	12
STRUCTURE & GOVERNANCE	13
The Electoral Commissioner	13
Corporate Executive	13
Organisational Structure	14
Committees – Internal	16
External Committees & Working groups	17
AGENCY PERFORMANCE	18
Summary of Key Results & Achievements	18
Outputs and Results	19
Output 1– Election Management	19
Output 2 – Electoral Roll Management	20
Output 3 – Electoral Awareness & Engagement	21
Key Results Area 1 – Our Clients	22
Key Results Area 2 – Our People	23
Key Results Area 3 – The Organisation	24
DISCLOSURE & LEGAL COMPLIANCE	26
Compliance with Relevant Legislation	26
Disability Access & Inclusion Plan Outcomes	31
Governance & Other Financial Disclosures	34
FINANCIAL STATEMENTS	35
Certification of Key Performance Indicators	35
Key Performance Indicators	36
Report on the Financial Statements	38
Financial Statements	42

FOREWORD



Like many people in our community my reflection of the past year will be of the impact of COVID-19 on our lives. I joined the Commission in March 2020 just as the COVID-19 pandemic was commencing and consequently it has dominated my early days in the role.

Having successfully delivered the October 2019 local government elections, the Commission was commencing its detailed planning stages for the State general election in March 2021 when the pandemic started.

I was very impressed with how quickly and efficiently the Commission staff responded to the pandemic situation.

Importantly our preparations and planning for the State election and local government elections in 2021 were not disrupted, despite the uncertainty and changing circumstances during the initial response to the pandemic.

My thanks go to all Commission staff for their professional and mature response to these challenging times. In particular I wish to thank Chris Avent who as Acting Electoral Commissioner from September 2019 was the responsible CEO for half of the reporting period.

While we adapted to working remotely for a time the Commission has continued to deliver election services for non-parliamentary organisations and a larger than usual number of extraordinary local government elections.

Our electoral education and awareness services successfully transitioned to online delivery for school and community groups. School and community visits have now resumed and this important role for the Commission is a continuing success.

The coming year will see the Commission turn its focus to the State general election. The COVID-19 environment is an ever present challenge but our commitment is to provide our usual high standard of service to the community of Western Australia when they participate in this important democratic event. I am confident our planning and preparations will allow us to meet the challenge.

Robert Kennedy

ELECTORAL COMMISSIONER

THE YEAR IN REVIEW & LOOKING TO THE FUTURE

2019 – 2020 Highlights



We conducted **90** Local Government ordinary elections in October 2019, the highest number ever.

- **86** postal elections
- **4** in person elections

We managed an unprecedented **11** extraordinary Local Government elections



We conducted **23** elections or polls for private organisations.

We coordinated **109** school council elections involving **25,557** students.



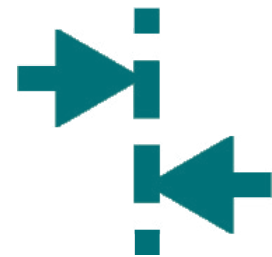
We had the **highest** ever number of electors enrolled in the State's history at 30 June 2020.



We achieved **100%** positive feedback rating (extremely effective/very effective) on the Commission's Electoral Education Centre programs by participating Western Australian teachers.



We delivered electoral education and awareness sessions to **37,045** participants.



We supported the Office of the Electoral Distribution Commissioners in the conduct of the distribution process with final boundaries taking effect at the March 2021 State election published November 2019.

2019 – 2020 in Review

2019 – 20 has been a year dominated by local government elections, preparations for the next State general election, the publication of new State electoral boundaries and two significant retirements.

The largest and most significant electoral event during the year was the October 2019 biennial local government ordinary elections. The Commission was requested to run elections for 90 of the State's 139 local governments. This was the largest ever number of local government clients handled by the Commission. Of these, 86 were conducted as full postal elections giving some 96% of the State's eligible electors access to the postal voting method.

In addition to the local government ordinary elections, the Commission was also asked to conduct an unprecedented number of local government extraordinary and other elections, as well as a number of 'first time' elections for various private or community based organisations.

The work of the Electoral Distribution Commissioners largely concluded in late November with the publication of the electoral boundaries and district maps that will apply at the March 2021 State election. The review of Western Australia's electoral boundaries is a significant exercise involving several consultative phases. The Commissioners are actively supported by Commission personnel and resources.

During the year the Commission established two consultative forums which are making an invaluable contribution to our election planning and preparations. The Disability Reference Panel has been active in providing guidance and feedback across a number of projects and initiatives aimed at better understanding and improving service delivery to that sector. Likewise, the Technology Assisted Voting Expert Advisory

Panel has enabled the Commission to tap in to the latest thinking in areas such as online voting and cyber security.

As at 30 June 2020 the number of electors registered on the State electoral roll was at its highest ever level at 1,683,424. In partnership with our joint roll partners, the Australian Electoral Commission, automatic enrolment updating and data matching activities are proving to be effective across most elector cohorts.

Planning for the March 2021 State election has progressed across many fronts over the course of the year, with a particular focus on the numerous procurements and service contracts required to conduct an event as large as a general election. This year the COVID-19 pandemic has created additional complexities to our election preparations, necessitating the establishment of contingency plans depending on the status of the pandemic in March next year.

Despite the challenges posed by COVID-19 related restrictions, the Electoral Education Centre completed another successful year with its various programs resulting in over 37,000 face to face interactions with students and members of the wider community. Conducting student council elections within schools has continued to grow in popularity and provides an excellent opportunity to educate students on correct voting procedures.

Finally, the year saw the retirement of two high profile members of staff. David Kerslake retired as Electoral Commissioner in September 2019 after a long and successful career in public administration. And after many years as a passionate electoral educator, Nigel Bushby retired in May 2020. Both have left their mark on the electoral landscape.

Looking Ahead to 2020 – 21

The Commission's current strategic plan ceases at the end of this reporting period. A new plan is being developed with both external and internal goals. Recognising the evolving nature of electoral systems, the Commission seeks to provide for a modern electoral system for Western Australia in the future. While not all of this will be achieved in the next 12 months it is expected a substantial foundation can be set in achieving this goal.

From an internal perspective there is work to be done in building the Commission's workforce and workplace to prepare it for the coming challenges. We have commenced on a journey to make our workplace more collaborative and connected with modern public sector approaches. While always praised for its professional approach to elections, the Commission must constantly ensure our workforce is well trained and equipped with the right skills for elections in the 21st century and this will be a focus in the coming year.

The major event for 2020 – 21 will be the State general election, with polling day scheduled for 13 March 2021. At the time of writing the pandemic situation in Western Australia is positive however events elsewhere have proven the Commission must plan for a worst case scenario and that is certainly happening. Initial strategies are aimed at spreading voter turnout over the preceding weeks before polling day and demonstrating alternative ways in which voters can cast their ballot. It is likely that social distancing requirements will result in traditional polling being slower and the counting of votes may also take longer.

The Commission's focus will be on ensuring the safety of staff, voters and others while delivering an impartial, timely and accurate election result for the community of Western Australia.

WHO WE ARE & WHAT WE DO

Who we are

Established in 1987, the Western Australian Electoral Commission is committed to ensuring that Western Australia’s electoral system meets the highest standards of independence, impartiality and reliability.

The Chief Executive Officer 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.

Our purpose

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

What we do

The Commission is responsible for the conduct of parliamentary, local government and industrial elections and referenda under various statutes. The Commission also conducts a wide range of elections and polls for community organisations, universities and private companies by agreement.

In conjunction with the management of electoral events, the Commission also:

- ▶ maintains the Western Australian electoral roll and provides a range of roll related products;
- ▶ administers the registration of political parties and the financial disclosure requirements that govern parties, candidates and third parties;
- ▶ delivers student and community focused electoral education and awareness programs;
- ▶ provides advice to the Government and Parliament on electoral reform; and
- ▶ performs important compliance and regulatory functions.

Our Values

INDEPENDENCE



We act at all times with integrity, independence, impartiality and transparency

PROFESSIONALISM



We work to the highest standards by being ethical, accurate, reliable and efficient

RESPECTFUL



We focus on being courteous, honest and fair in all our dealings

CUSTOMER FOCUSED



We strive to understand customers' needs, honour our commitments and build effective relationships

CONTINUOUS IMPROVEMENT



We continually review our systems and practices and seek to remain progressive and innovative

TEAM WORK



We build a positive work environment and successful relationships through teamwork and cooperation

Strategic Objectives 2016 – 2020

The Commission's strategic goals as set out in our Strategic Plan 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, improve enrolment participation and provide quality roll products.
- 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 & GOVERNANCE

The Electoral Commissioner

The Electoral Commissioner's functions are prescribed in section 5F of the *Electoral Act 1907*. The Commissioner and the Deputy Electoral Commissioner serve a fixed term in office and are appointed by the Governor.

Robert Kennedy is the current Electoral Commissioner, appointed March 2020 following the retirement of former Electoral Commissioner David Kerslake in September 2019. Chris Avent was Acting Electoral Commissioner from September 2019 to March 2020. The Commission acknowledges with appreciation the service and significant contribution of David Kerslake as Electoral Commissioner from 2014 until his September 2019 retirement.

The Corporate Executive

The Commission's senior management team meets regularly to consider high level management issues and to assist the Electoral Commissioner in setting strategic direction for the agency. The executive consists of the Electoral Commissioner; Deputy Electoral Commissioner; Director of Enrolment and Community Education; Director of Business Services; Director of Information Technology; Manager of Legislation, Communications and Human Resources; and Manager Funding, Advice, Disclosure and Registration.



Executive team

Organisational Structure

The Commission is divided into the following core areas. Commission staff are encouraged to see themselves as part of a single team although branches have discrete areas of responsibility.

Election Management Branch

The Elections Management Branch undertakes the planning, conduct and review of all elections managed by the Commission. This includes State general elections, by-elections and referenda, local government ordinary elections, extraordinary elections and polls, and a wide range of industrial, university, and private sector elections.

Business Services Branch

Business Services Branch manages key funding, financial records and the financial management reporting of the Commission. The Commission has an ongoing operational budget of \$7.4 million. It has further revenue of \$5.4 million on a cost recovery basis, from local governments to conduct the biennial local government election. The next local government election will be held in October 2021.

Legislation, Communications & Human Resources Branch

The Legislation, Communications and Human Resources Branch is responsible for legislative reform, policy development, corporate communications and human resources functions. During the year, the branch was also responsible for compliance with the funding and disclosure provisions set out in the Electoral Act until the formation of the Funding, Advice, Disclosure and Registration Branch.

Funding, Advice, Disclosure & Registration Branch

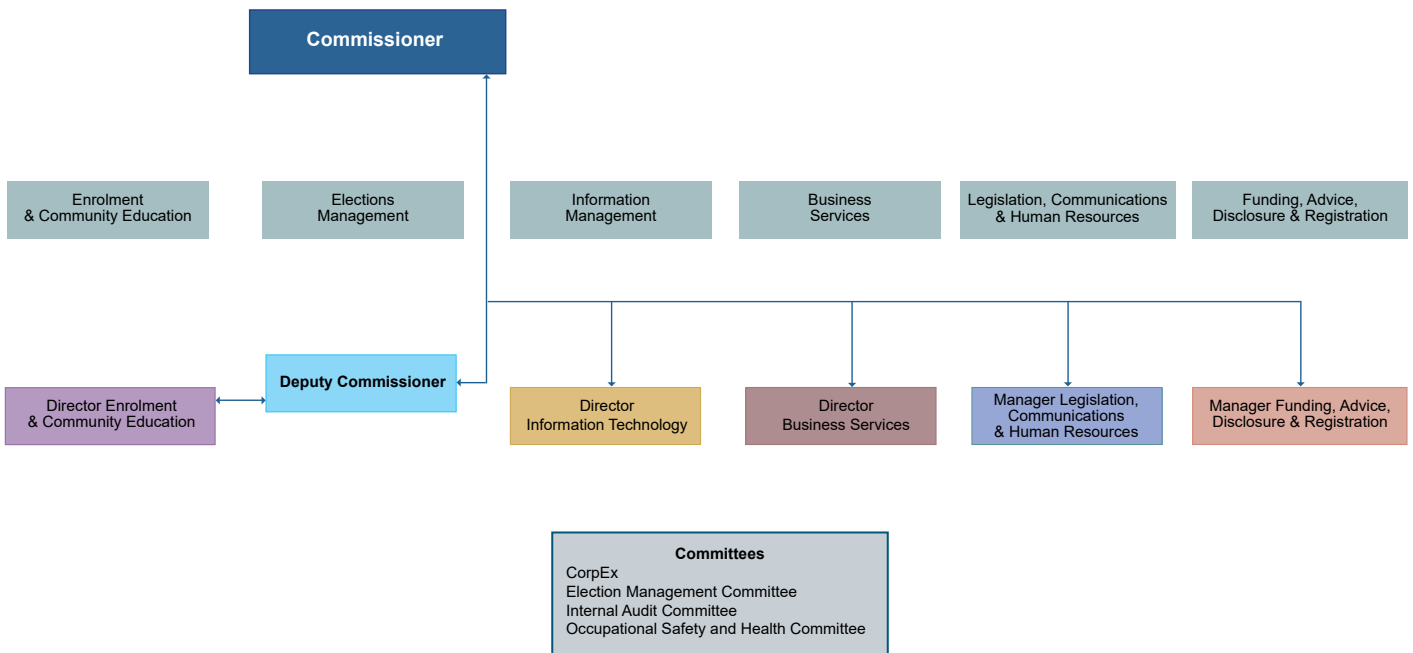
The branch was formed in late June 2020 to more overtly address the key aspects of political party registration, financial disclosure and compliance as set out in the *Electoral Act 1907*.

Enrolment & Community Education Branch

The Enrolment and Community Education Branch is responsible for maintaining elector enrolment information and producing electoral rolls for State and local government elections. The branch also delivers community education services, which include school incursions and presentations delivered at the Commission’s Electoral Education Centre, externally to school and community groups, and for teacher professional development.

Information Technology Branch

The Information Technology branch maintains and supports the Commission’s IT infrastructure with a focus on cyber security. The branch also develops systems to digitise election processes used for managing parliamentary and non-parliamentary elections.



Committees – Internal

Internal Audit Committee

The Commission’s Internal Audit Committee was established on 27 May 2020, replacing the Risk Management and Audit Committee.

Previously, the Commission’s Risk Management and Audit Committee comprising all members of the Corporate Executive assisted by the Commission’s Planning and Evaluation Officer met regularly to assess and monitor risks, implement effective risk prevention and mitigation policies and to oversee compliance with statutory and audit requirements.

The Internal Audit Committee comprises:

- Chairperson – Western Australian Industrial Relations Commission (WAIRC) Chief Financial Officer
- Committee member – Deputy Commissioner WAEC
- Committee member – Executive Director – Governance and Strategy WAIRC

The Committee meets separately to monitor and assess risks, examine risk prevention and mitigation policies and to oversee compliance with statutory and audit requirements.

Elections Management Committee

The Elections Management Committee reconvenes ahead of each major election event. The Committee was active during the lead up to the October 2019 Local Government election and in planning for the 2021 State general election. Headed by the Commissioner, it comprises the members of the Corporate Executive, Managers – Election Events and Planning & Evaluation Officer.

Technology Assisted Voting Expert Advisory Panel

The Commission’s Technology Assisted Voting Expert Advisory Panel provides external and independent feedback and advice on aspects of the Commission’s Technology Assisted Voting including security, auditing, verifiability and usability. The Advisory Panel is comprised of independent technical experts with expertise in internet service delivery, privacy, security, cybercrime, strategy, public policy and technology socialisation.

Disability Reference Panel

The Commission’s Disability Reference Panel provides external and independent feedback and comment on a range of existing electoral services or planned initiatives in respect of electors with a disability and/or incapacity. This has included feedback and advice on the delivery of voting services in general to electors with disability, including technology assisted voting options, employment of people with a disability and disability awareness training.

The Panel is comprised of individuals representing a range of disability peak bodies and community groups.



Disability Reference Panel members

Occupational Safety & Health Committee

The Commission’s Occupational Safety and Health Committee meets regularly to resolve any occupational health and safety issues and monitor workplace safety.

External Committees & Working Groups

Collaboration with Interstate & Federal Electoral Bodies

The Commission works collaboratively on strategic planning and the development of election infrastructure with its Commonwealth and interstate counterparts, facilitated by the Electoral Commissioner's membership of the Electoral Council of Australia and New Zealand (ECANZ) which meets at regular intervals throughout the year.

The Commission is active in various national ECANZ working groups including: the Indigenous Electoral Participation Working Group, the National Enrolment Forum, the Election Staffing Working Group, and the National Disability Advisory Committee.

The Commission is a joint electoral roll partner with the Australian Electoral Commission (AEC), meeting at Senior Executive level throughout the year. These meetings focus on ensuring enrolment policies and procedures are as effective as possible, sharing electoral information and best practice, and enabling various joint initiatives. This means the Western Australian electoral roll is a joint product of enrolments obtained by the WAEC and the AEC via direct enrolment means such as third party government data.

Office of the Electoral Distribution Commissioners

The *Electoral Act 1907* provides that the boundaries of Western Australia's electoral districts and regions must be reviewed every four years, in time for the next State election.

This 2019 Distribution was undertaken by three independent Commissioners: Hon. Eric Heenan QC, retired Judge of the Supreme Court of Western Australia (Chairperson), Mr Tom Joseph, Government Statistician and the then Western Australian Electoral Commissioner Mr David Kerslake

until his retirement in September 2019, thereafter replaced by the then Acting Electoral Commissioner Mr Chris Avent.

During 2019 the Office of the Electoral Distribution Commissioners, comprised of Commission staff, provided administrative, executive and technical support to the three independent Electoral Distribution Commissioners during the distribution of electoral boundaries process. The Office of the Electoral Distribution Commissioners is established as a temporary office to manage the electoral division process.

The Western Australian State electoral district and region boundaries determined by the Electoral Distribution Commissioners were published in November 2019 and will apply for the March 2021 State general election.

The Western Australian Electoral Commission will inform the public about the new electoral boundaries in the lead up to the State election.

Internship Program

The Commission continued its internship program for university students during the reporting year. Two interns completed their Commission internships in October 2019. Commission interns are allocated an election based research project which they report on at the conclusion of 80 supervised internship hours. The research projects produced by Commission interns are channelled into electoral events planning. Commission internships assist tertiary students in meeting course requirements as well as providing valuable work experience.



2019 Internship presentations

AGENCY PERFORMANCE

Summary of Key Results & Achievements

Our key services

The Commission is responsible for the provision of services to its customers in the following areas:

- ✓ maintaining the State Electoral Roll
- ✓ conducting State Parliamentary elections and referenda, local government elections and other statutory and non-statutory elections
- ✓ promoting community awareness of the electoral process.

What we set out to do

- ✓ Maintain an accurate and up to date State electoral roll and provide a variety of quality and timely roll products.
- ✓ Achieve a high level of satisfaction and trust in the competent and impartial conduct of all elections for which the Commission is responsible.
- ✓ Increase community awareness of and engagement in electoral processes through effective education and public information programs.

What we achieved

- ✓ Effectively conducted elections for 90 local government clients at the October ordinary elections, which involved successfully taking the nominations of 1066 candidates and mailing out over 1.5 million postal election packages. All results were declared on election night and there were no invalidity complaints lodged.
- ✓ Successfully conducted 23 elections or polls for unions, universities and various private sector or community based organisations, with high levels of customer satisfaction.

- ✓ Worked collaboratively with our joint roll partner the Australian Electoral Commission on managing enrolment and roll update activities accurately and on time.
- ✓ Successfully undertook roll closures for 150 separate local government elections (including for a number of in-person elections not conducted by the Commission).
- ✓ Provided the Sheriff with accurate and timely jury lists for each of the 16 jury districts and various roll products to Members of Parliament and other eligible clients.
- ✓ 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 37,045 school students and adults who participated in an Electoral Education Centre program.
- ✓ Delivered effective and well regarded prospective candidate briefing sessions for 52 local government clients in the lead up to the October ordinary elections.



Delivering local government elections for the Shire of Menzies.

Outputs & Results

Output 1 : Election Management

2019 – 2020 was a particularly busy year for elections across the local government sector, as well as the industrial, university and community sectors.

In addition to managing elections for 90 local government clients at the October ordinary elections (86 postal and 4 in person), the Commission was requested to conduct 11 extraordinary elections during the year – seven in the country and four in the Perth metropolitan area. Extraordinary elections occur when councillors leave office before the end of their term, unless the relevant council elects to defer the vacancy until the next biennial local government elections.

In the industrial, university and community sectors, elections were managed and successfully conducted for a total of 23 clients. Many of these involved multiple elections for a range of positions within the organisation concerned. A number were for a diverse mix of new clients, ranging from the Hellenic Club and the Carnarvon Growers Association through to the Civil Contractors Federation (WA) and a poll for Chevron staff. The majority of these were conducted as fee for service elections.

The other primary focus for election management personnel during the year was progressing the myriad projects and initiatives associated with the forthcoming State general election. This included establishing the numerous service contracts and venue leases or bookings required for an event the scale of a State election; developing training, communication, advertising and community engagement strategies; developing new or enhancing existing information technology systems and their associated procedures; and planning the logistics and resources required at each phase of the election timetable.

A complicating element to all election planning this year has been the COVID-19 pandemic. Commission staff have been actively researching and developing contingency plans around how to best address social distancing requirements and other health and safety issues associated with conducting an election under the cloud of COVID-19.

Output 2 : Election Roll Management

The Western Australian electoral roll is managed according to an agreement between the State and Commonwealth governments. This agreement allows for a single enrolment procedure for electors whereby they only need to provide their details to one authority to be enrolled for State, Federal and local government elections. In many cases, existing details are updated automatically at the Commonwealth level by accessing other government data sources.

The Western Australian Electoral Commission updates the State electoral roll on a weekly basis from a transactions file from the AEC. Additional updates are obtained when enrolments close for electoral events during a given week. State level processing includes local government and jury district coding, applying State-only enrolment provisions and undertaking auditing functions. Further processing occurs in the production of rolls for State and local government electoral events and statistical information for electoral boundary reviews.

While the number of electors enrolled on the State electoral roll was at a historical high of 1,683,424, population increases in the past year mean the Commission will be working hard to increase enrolment participation figures in time for the 2021 State General Election.

In October 2019 local government ordinary elections took place and the Commission produced 134 electoral rolls for that event and a further 16 rolls for extraordinary elections in the first half of 2020.

Western Australia continues to have the highest level of electronic contact details for electors in the country. On average, 75% of new electors supplied electronic details such as a mobile telephone or email address with their enrolment. This demonstrates an increasingly technology literate voter base that allows the Commission to refine its communication with electors for the next State general election in March 2021.

Preparations are underway for the update of the electoral roll to the districts determined during the 2019 Electoral Distribution. The updates are due to be applied in late September 2020 in preparation for the 2021 State general election. The boundaries come into effect at the March 2021 State election.

Output 3 : Electoral Awareness and Engagement

The Commission's Electoral Education Centre is located in the Democracy Precinct in West Perth, delivering civics education to the Western Australian community with precinct partners, the Constitutional Centre and Parliamentary Education Office.

COVID-19 effectively prevented in-person contact with students for most of the latter part of the reporting period due to students working from home, external visits being cancelled and Centre staff not being permitted on school grounds during the restrictions. This necessarily reduced comparative annual figures but interactions outside the restricted access period remained strong. The total number of interactions for the 12-month period had 37,045 individuals taking part in activities during the year.

While direct access was limited, this enabled the Electoral Education Centre to explore and develop alternative methods of delivery into classrooms and community group events using tools including Microsoft Teams and Zoom.

The Centre's staff co-ordinated 109 school council elections allowing students to participate actively in a voting process similar to what they could expect to experience when they're eligible to vote in parliamentary elections. Elections this year involved 25,557 students. While comparative numbers were again lower due to the pandemic, the rate of decrease was much lower for elections as most were able to be conducted outside the lockdown period.

Feedback from teachers continues to be overwhelmingly positive, with 100% of participating teachers rating the Centre's programmes as extremely effective or very effective.

Presentations explaining the electoral process were also given to a range of culturally and linguistically diverse adult groups, in-person and online. The events were organised by Auspire WA and presented in conjunction with the Constitutional Centre of Western Australia.

Professional development seminars for pre-service teachers were extended to Curtin University students, expanding on the existing relationships with Edith Cowan University, University of Western Australia and the University of Notre Dame. Engaging with teachers before they're placed in schools provides a great opportunity to embed electoral education as part of civics education teaching in schools.

Key Result Area 1 – Our Clients

Specialist Elector Services

The Commission's client base is both large and diverse, spanning as it does nearly 1.7 million eligible State electors; members of parliament, political parties and their members; local government councillors, CEOs, staff, candidates and electors; students from all three educational levels; other public sector agencies; plus leaders and employees or members of a diverse mix of private and community organisations for which the Commission conducts elections.

Importantly, the 1.7 million eligible electors at State and local government elections include an incredibly heterogeneous mix of people and groups, often with varying needs and expectations. The Commission devotes considerable time liaising with election clients to determine and then cater for their particular requirements. The various electoral, enrolment and education services provided are fine tuned to strike a balance between statutory compliance obligations and specific customer requirements.

For example, as part of our planning for the next State election, the Commission established a Disability Reference Panel with broad based membership and sector representation. The Panel has been very proactive in providing advice and feedback on matters including the delivery of voting services in general as well as technology assisted voting options; employment of people with a disability; staff awareness training and videos; raising sector awareness, and communications.

To help facilitate youth engagement in the democratic process at the 2021 State election, the Commission is piloting a program to employ 16 and 17 year olds as electoral officials at polling places.

Our clients also include the recipients of our roll products such as electoral rolls and roll data. By law the Commission is required to provide certain individuals and organisations such as members of parliament or political parties with electoral roll details. These must be used only for the purposes specified.

The provision of electoral education services and awareness programs results in significant numbers of face to face interactions with primary and secondary school students from across the State, as well as tertiary students and community groups. The Commission is the only State or Territory electoral authority that has established a dedicated Electoral Education Centre that provides such a comprehensive range of interactive programs.

During the year the Commission has continued to maintain the register of political parties, as well as administer disclosure requirements from fifteen political parties and five associated entities. The Commission's efforts to build awareness and understanding of the disclosure regime in Western Australia will intensify leading up to the 2021 State General Election to ensure all electoral participants are aware of their obligations under the Act.

The Commission endeavours to tailor its services to meet the needs of diverse communities within the wider Australian community and will look to expand or refine these services for future election events. One challenge faced by the Commission is finding a space to engage with sections of the community who are also being pursued for consultation by other private and public organisations. In many cases it is also not simple to identify a single group or individual who might represent a specific cohort in the community. Engaging all Western Australians to participate as fully as possible in the electoral process remains a key goal for the Commission.

The Western Australian Electoral Commission's primary reason for existence is to facilitate widespread and effective participation in a wide variety of elections as a means of promoting active engagement in our democratic processes. Thus, encouraging active civic and political participation by all members of society is a fundamental objective of the Commission. The Commission is developing its Multicultural Plan which will be finalised in 2021.

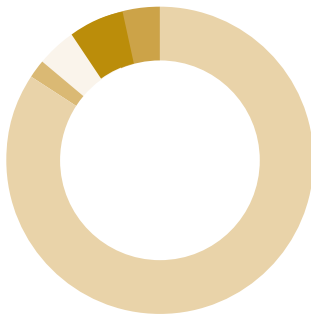
Key Result Area 2 – Our People

The Commission's Workforce

Staff Profile

The Commission's workforce is a small committed team, which as at 30 June 2020 consisted of 39 permanent staff and 18 casual/contractual staff. Further, 572 electoral casuals were temporarily employed to support the Local Government election in 2019 and 18 electoral casuals were temporarily employed to support industrial and private elections.

Total Employees for 2019 – 20



- 39 Permanent Full-time Employees
 - 18 Casual & Contract Employees
 - 572 LGE Election Officials (short term event related)
 - 18 NPE Elections Officials (short term event related)
- 647**

Staff Head Count by Level 2019 – 20

Classification	Female	Male	Total
L1	3	1	4
L2	3	–	3
L3	10	7	17
L4	6	4	10
L5	6	5	11
L6	1	2	3
L7	–	4	4
L8	–	3	3
NCEO		1	1
CEO		1	1
Grand total			57

The Commission provides a family friendly and flexible workplace, opportunities to travel within the State or interstate (for electoral events), relevant and interesting training opportunities and is currently developing a workforce plan to include succession together with reward and recognition elements.

Local Government & other elections casual staffing

Local Government Election (LGE)	572
Non-Parliament Election (NPE)	18
Grand total	590

Breakdown Perm/Temp/Casual

Count of Employees	
Contract fixed term	4
Casual contract	14
Permanent full time	34
Permanent part time	5
Grand total	57

Commission – Permanent Employee	39
Casual & Contract Employees	18
Total	57

Key Result Area 3 – Our Organisation

In managing the Commission our objective is to be professional, innovative, cost-effective and efficient in all projects and programs, applying best practice to all we do. Strategies in place to achieve this include maintaining the highest of standards in corporate governance; continuously improving our systems, methodologies and processes; valuing ideas and knowledge sharing; and aligning tasks with Commission objectives.

The Commission’s reputation as an organisation that can be trusted and relied upon to deliver accurate, timely and cost effective election outcomes, is very much dependent on the thoroughness of our planning, the quality and training of our staff, the efficacy of our systems and processes, and the application of the highest standards of impartiality, fairness and probity. Our managerial and decision-making practices are reflective of these organisational considerations.

Best practice in corporate governance is a key objective of the small team that comprises the Commission’s Corporate Executive and entails the consideration and approval of the Commission policies, setting strategic direction and resource allocation, as well as monitoring Commission performance, progress against targets and resource use.

Key Governance Principles

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

- Adherence to corporate and public sector codes of conduct
- Statutory compliance with applicable legislation and regulation
- 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

WAEC Risk Management and Audit Committee met three times over the year before the establishment of the WAEC Internal Audit Committee to oversee the WAEC risk and audit functions. This development followed changes for public sector entities arising from Treasurer’s Instructions. The first meeting of the Internal Audit Committee was conducted in May 2020.

Membership of the WAEC Internal Audit Committee consists of Western Australian Industrial Relations Commission (WAIRC) Chief Financial Officer as the Chair, WAIRC Corporate Executive member, WAEC Deputy Electoral Commissioner and the WAEC Planning and Evaluation Officer providing executive support. The WAEC Chief Financial Officer, WAEC Director IT, and WAEC Commissioner may also attend the meetings.

Financial Management

The Commission has an ongoing operational budget of around \$7.4 million. The Commission balanced its budget in 2019/2020. The Commission received additional funding for conducting ordinary and extraordinary elections for the Local Government sector and for industrial elections.

Funding over a three year period was also received to conduct the four yearly redistribution of electoral boundaries by the Office of the Distribution Commissioners. The total funding for redistribution of electoral boundaries was \$2,400,000.

Information Systems & Technology

The function of the Information Technology branch is to facilitate and enable the Commission to perform elections effectively. The branch designs and maintains the information and communications technology (ICT) infrastructure, protects information assets and project manages systems development underpinning all election systems. The branch provides design thinking for digitising processes to deliver elections with prudence and probity.

During the reporting year web applications were built and enhanced for managing elections. These applications assist the Commission in turning paper based election events into efficient and timely election results as well as providing an enhanced level of accuracy in planning and conducting elections.

Throughout the year there has been continued focus on securing the ICT environment through technology and good governance to defend from cyber interference. Protecting the valuable community data and election systems from cyber interference or disruption is a key priority and has involved the cooperation and collaboration of other State and Commonwealth agencies.

Other key technology assisted voting instruments are in development to help electors to vote who are blind, low vision or otherwise incapacitated. As the information technology landscape is ever evolving, the IT team are empowered to be at the forefront of technology to attain continuous fit-for-purpose improvements that benefit the Commission and the electors' voting experience.

Complaints Management

Complaints to the Commission are managed by the Legislation, Communications and Human Resources Branch. Most complaints received stem from concerns by a party or candidate about the activities of opposing candidates in the course of an election event.

During the 2019 October local government elections, the Commission received a total of 304 complaints. The majority of the complaints were in relation to:

- Printing and publication of unauthorised election material by candidates and other persons
- Allegations of misleading and false statements made by candidates and other persons
- Alleged non-disclosure of gifts
- Election procedural matters.

All of the complaints were assessed to determine if a breach of the *Local Government Act 1907* had occurred and whether further action was warranted. All but two of the complaints received were finalised in a timely manner. Two complaints were referred to the State Solicitor's Office for consideration and potential prosecution action.

DISCLOSURES & LEGAL COMPLIANCE

Compliance with Relevant Legislation

The Commission complied with the following legislation in the performance of its function:

Administrative	Operational
<i>Criminal Code</i>	<i>Constitution Act 1889</i>
<i>Disability Discrimination Act 1992 (Cth)</i>	<i>Constitution Acts Amendments Act 1899</i>
<i>Disability Services Act 1993</i>	<i>Election of Senators Act 1903</i>
<i>Equal Opportunity Act 1984</i>	<i>Electoral Act 1907</i>
<i>Electronic Transactions Act 2011</i>	<i>Electoral (Ballot Paper Forms) Regulations 1990</i>
<i>Evidence Act 1906</i>	<i>Electoral (Political Finance) Regulations 1996</i>
<i>Financial Management Act 2006</i>	<i>Electoral Regulations 1996</i>
<i>Freedom of Information Act 1992</i>	<i>Fines, Penalties and Infringement Notices Enforcement Act 1994</i>
<i>Industrial Relations Act 1979</i>	<i>Guardianship and Administration Act 1990</i>
<i>Occupational Safety and Health Act 1984</i>	<i>Industrial Arbitration (Unions Elections) Regulations 1980</i>
<i>Parliamentary Commissioner Act 1971</i>	<i>Juries Act 1957</i>
<i>Procurement Act 2020</i>	<i>Local Government Act 1995</i>
<i>Public and Bank Holidays Act 1972</i>	<i>Local Government (Elections) Regulations 1997</i>
<i>Public Sector Management Act 1994</i>	<i>Local Government (Administration) Regulations 1996</i>
<i>Public Interest Disclosure Act 2003</i>	<i>Referendums Act 1983</i>
<i>Salaries and Allowances Act 1975</i>	<i>Referendums Regulations 1984</i>
<i>State Records Act 2000</i>	<i>Working with Children (Criminal Record Checking) Act 2004</i>
<i>State Superannuation Act 2000</i>	
<i>State Superannuation (Transitional and Consequential Provisions) Act 2000</i>	
<i>Workers' Compensation and Injury Management Act 1981</i>	

Compliance with Public Sector standards & ethical codes Section 31(1) of the *Public Sector Management Act 1994*

All Commission staff are expected to adhere to the Public Sector Commissioner's Instruction 7 – 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 Commission policies and practices, particularly in the Code of Conduct, which forms part of the staff induction program. They are regularly reinforced to staff, and in the lead up to key electoral events. Access to Public Sector Commission ethical codes is available on the staff intranet.

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. Staff are provided with a copy of the Code of Conduct at induction and are required to review and sign it annually.

During the reporting year the new Electoral Commissioner reviewed and updated the Code of Conduct strengthening the position that the Commission is committed to providing a highly professional and quality service to the public and treating all stakeholders with the utmost courtesy. Staff are expected to act with absolute integrity at all times and be scrupulous in the use of official information, equipment and facilities.

Online training modules were introduced for all staff covering:

Occupational Safety and Health, cyber and information security compliance, bullying/harassment/sexual harassment awareness, equity and diversity, and internal governance.

Section 175ZE of the *Electoral Act 1907*

In compliance with *Section 175ZE of the Electoral Act 1907* 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.

The total expenditure was \$1,968,480.79 and included a significant amount for the cost of mailing ballot papers out to voters for the biennial local government elections. Details are as follows:

Advertising	Amount	Expenditure	Amount
Advertising agencies	\$1,565.00	Calder Design	\$1,565.00
Market research organisations	Nil		
Polling organisations	Nil		
Direct mail organisations	\$1,809,500.90	Australia Post	\$1,792,682.90
		T&C Courier	\$2,407.99
		Toll Transport Pty Ltd	\$14,410.01
Media advertising organisations	\$157,414.89	The Brand Agency	\$24,419.22
		West Australian Newspapers Ltd	\$8,699.52
		Initiative Meda Australia Pty Ltd	\$121,816.25
		State Law Publisher	\$2,479.90

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 Office of Western Australia. 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 and permanent staff must complete an online refresher course on those obligations. Records management documents are available electronically through the Commission's intranet and document management system.

Occupational Safety & Health Management

The Commission is committed to providing and maintaining a safe and healthy workplace in accordance with the Occupational Safety and Health Act and *Occupational Safety and Health Regulations 1984*, the Code of Practice: Occupational Safety and Health in Western Australian Public Sector, and the *Workers' Compensation and Injury Management Act 1981*.

The Commission's Occupational Safety and Health Committee, with employee and management representation, meets regularly to discuss and resolve any occupational health and safety issues. Staff are regularly updated on changes to occupational health and safety policy and procedure.

The Commission has provided access to the following preventative health benefits to employees across the year:

- ▶ Eyesight Screening
- ▶ First Aid Training
- ▶ Flu Vaccinations
- ▶ Employee Assistance Program
- ▶ Ergonomic Assessment
- ▶ Availability of standing desks
- ▶ Injury Management Compliance
- ▶ OSH officer
- ▶ Training of new first aid officers
- ▶ Development of a First Aid Policy
- ▶ Conducted a review of Occupational Safety and Health Policy
- ▶ Return to work process
- ▶ COVID-19 protective initiatives

Injury Management

The Commission complies with the Injury Management requirements of the *Workers' Compensation and Injury Management Act 1981*. Employees are required to report any accidents and injuries immediately and staff are regularly updated on changes to procedure and representatives.

Occupational Safety, Health & Injury Management

Period	Fatalities	Lost Time Injury or Disease	Severe Claims	Lost Time Injury Severity Rate
01/07/2016 to 30/06/2017	0	1	0	0
01/07/2017 to 30/06/2018	0	0	0	0
01/07/2018 to 30/06/2019	0	0	0	0
01/07/2019 to 30/06/2020	0	0	0	0

COVID-19

The Commission followed advice from the Western Australian Department of Health and Public Sector Commission in setting an action plan to respond to the COVID -19 pandemic. Initiatives included:



- ▶ Activation of the Commission's business continuity plan and crisis management team
- ▶ Regular staff updates
- ▶ Hygiene guide for staff and visitors
- ▶ HR notification of staff travel plans
- ▶ Flexible working arrangements
- ▶ Social distancing practices
- ▶ Perspex protective screening for the reception counter
- ▶ Purchase / installation of PPE equipment

COVID-19 – State Election 2021

In line with preparations for the March 2021 State election, the Commission is monitoring and reviewing safety initiatives being employed by various electoral management bodies in conducting face to face elections in other jurisdictions. This information will help inform the Commission's overall approach to the State election with protecting staff and voters from further spread of the pandemic being one of the key aims.

Candidate Deposits Trust Statement

WESTERN AUSTRALIAN ELECTORAL COMMISSION	
TRUST STATEMENT	
CANDIDATE DEPOSITS	
Name	An account titled Candidate Deposits shall be maintained as an agency special purpose account pursuant to the provisions of section 16(1)(c) of the <i>Financial Management Act 2006</i> , by the Western Australian Electoral Commission.
Purpose	To hold deposits received by Returning Officers of the Western Australian Electoral Commission pursuant to section 81(1)(b) of the <i>Electoral Act 1907</i> .
Receipts	Such monies as are received by the Western Australian Electoral Commission being deposits lodged as required by section 81(1)(b) of the <i>Electoral Act 1907</i> shall be paid into and placed to the credit of the account.
Payments	Moneys standing to the credit of the account shall be dealt with in accordance with section 84 of the <i>Electoral Act 1907</i> .
Administration	The account shall be administered by the Electoral Commissioner in accordance with the <i>Financial Management Act 2006</i> , <i>Financial Management Regulations 2007</i> and the Treasurer's Instructions.
Accounting Records	There shall be maintained a detailed record of transactions processed through the account, together with such other accounting records and procedures as are prescribed in the Western Australian Electoral Commission's financial management manual.
Financial statements	There shall be prepared financial statements together with other supplementary information, in accordance with the requirements of the <i>Financial Management Act 2006</i> , <i>Financial Management Regulations 2007</i> and the Treasurer's Instructions.
Disposal of Funds on Cessation	Any balance standing to the credit of the account after election shall be refunded to candidates, or forfeited to the Crown.

<p>I have examined and agree to the provisions of this trust statement</p>  <p>Chris Avent A/Electoral Commissioner Western Australian Electoral Commission</p> <p>Date: 8 January 2020</p>	<p>Approved (under delegated authority from the Treasurer)</p>  <p>Date: 26th January 2020</p>
--	--

Credit Cards – Authorised use

There was no personal expenditure as specified in Treasurer's Instruction TI 321.

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 (DAIP).

The Commission continued to work in collaboration with other Australian electoral commissions through the National Disability Group, in identifying best practice. The Commission has also done significant work in increasing its consultative practices with people with disability in the Western Australian community as outlined in the strategies developed and progressed in the outcomes below.

Outcome 1:

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

- ▶ The Commission is actively working on the development of options for accessible voting at the March 2021 State general election for electors with a disability, including telephone assisted voting and a specific attendance voting system designed for vision and print disability electors.
- ▶ Enrolment and early voting options for electors with a disability continue to be promoted to the wider community as well as specific groups and organisations.
- ▶ The Commission is continuing to explore options for increasing polling place accessibility for the State general election due in March 2021. It is planned that the Commission will operate as many wheelchair accessible polling places as possible, with a minimum of one in every electoral district. Appropriate parking and signage will be provided at these venues.

Outcome 2:

People with disability have the same opportunities as other people to access the buildings and other facilities of a public authority.

- ▶ The Commission's head office and Electoral Education Centre continue to meet legislated accessibility requirements. The Commission has now installed fully accessible toilets for staff and visitors to use. Signage to the Commission's head office is clear and easy to understand and a concierge is able to direct visitors to the Commission's reception area. Signage during COVID-19 pandemic has been clear and appropriate.
- ▶ A review of the Commission's polling place accessibility form that is used by Returning Officers to assess and categorise polling places across Western Australia was conducted. This form was assessed in conjunction with the Commission's Disability Reference Panel and amended based on feedback received. (See Outcome 3).
- ▶ Detailed public transport and parking information for visitors to the Commission's head office is on the Commission's website including accessibility options.

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 reporting year the Commission established a Disability Reference Panel. This panel included key staff from across the Commission and representative groups from the disability community

including Blind Citizens WA, Council of the Ageing, Developmental Disability WA, National Disability Services, People with Disabilities WA, VisABILITY and the Youth Disability Advocacy Network

This group meets regularly and provides independent feedback to the Commission on a range of electoral services and planned initiatives in respect of electors with a disability.

- ▶ Complementary to its work with the Disability Reference Panel the Commission has agreed to partner with National Disability Services (NDS) which is pioneering a pilot project to increase the number of people with a disability working in the WA public service.
- ▶ During the reporting year the Commission reviewed its Writing Accessible Documents guide in conjunction with the Disability Reference Panel. This guide provides practical tips for its staff in creating easy to read documents that are accessible to all audiences.

Outcome 4:

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

- ▶ The Commission is continuing to promote materials, events and training for its workforce in disability awareness. The Commission had two such workshops planned for the reporting year that were to be conducted by the NDS. Unfortunately, due to the COVID 19 pandemic they were postponed. They are now planned for the latter part of 2020, subject to NDS availability.

- ▶ The Commission is committed to ensuring that all electors receive quality and where necessary tailored services. In many polling places during electoral events this is aided through the provision of assistive tools including hearing loops, reader pens, electronic magnifier units, desktop voting compartments, support staff in high visibility vests, better hearing counter cards, magnifying sheets and posters with infographs. For the next State general election the Commission will trial literacy pens which are electronic reader pens for electors with a literacy challenge or for whom English is a second language.
- ▶ The Commission's Code of Conduct, which addresses the requirement to treat all electors with respect and courtesy, was reviewed in the reporting year and communicated to all staff.

Outcome 5:

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

- ▶ Information regarding making complaints (or providing any feedback) is clearly available on the Commission's website and in relevant Commission publications. The Commission's Disability Reference Panel is also uniquely positioned to bring areas of concern to the Commission's attention on behalf of their members.
- ▶ In October 2019 the Commission conducted its state wide local government elections. The Commission accepts complaints in a variety of formats. The complaints process is reviewed prior to major electoral events when the general community is likely to have the most interaction with the Commission.

- ▶ Complaints (and general feedback) are responded to in a timely and courteous way. The Commission has a dedicated complaints team who are represented in the Commission's DAIP development and sit on the Disability Reference Panel.

Outcome 6:

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

- ▶ The Commission's Disability Reference Panel reviewed the Commission's DAIP at its first meeting in the latter half of 2019. Minor amendments were made (with the approval of the Department of Communities) and constructive feedback for future publications offered.
- ▶ The Commission's Disability Reference Panel by its very existence, offers people with disability and their representative advocacy organisations the opportunity to have a direct voice into the Commission and to be consulted on initiatives planned by the Commission
- ▶ The Commission ensures that it provides sufficient notice of meetings, suitable venues and an appropriate level of support to people with a disability. This includes using the most quiet and comfortable meeting rooms, briefing reception staff, keeping lighting low, offering virtual participation with some members attending by MS Teams and having meetings during the middle of the day so participants avoid peak hour periods of traffic and transportation and allow sufficient time to attend meetings.

Outcome 7:

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

- ▶ A key component of the work the Commission is doing with the NDS is around increasing disability employment. A training session conducted by NDS is planned for the latter part of the year, subject to availability.
- ▶ The Commission is currently preparing for the next State general election. As part of this process, recruitment and advertising strategies are being assessed. The recruitment of casual employees with a disability (where they self-identify) and how to best support such employees is being explored.
- ▶ The Commission collects information from its permanent workforce on disability where they choose to disclose. This information is used to provide support where required.
- ▶ During the reporting year the Commission had a university intern working with the Commission one day a week whose employment included assessing options for disability awareness training at the Commission and more broadly how to support employment objectives of the Commission regarding people with disability.

Governance & Financial Disclosures

Ministerial Directives

No Ministerial directives were received during the financial year.

Freedom of Information

The Commission received one Freedom of Information (FOI) application during the 2019 – 2020 reporting period which was addressed in accordance with all FOI requirements.

Commission staff undertook training conducted by the Office of the Information Commissioner during the reporting year.

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 local government and private 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.

Board and Committee Remuneration

Disability Reference Panel

Position Title	Member Name	Type of remuneration	Period of membership	Term of Appointment / Tenure	Base Salary / Sitting Fees	Gross/actual remuneration for the financial year
Chair	Chris Avent	WAEC Staff	n/a	n/a	\$0	\$0
Member	ERIKA WEBB	Sitting Fees	27 Nov 19 until 26 May 2020	sessional	\$405	\$405
	MARY BUTTERWORTH	Sitting Fees	27 Nov 19 until 26 May 2020	sessional	\$405	\$405
	BOB JOHNSON	Sitting Fees	27 Nov 19 until 26 May 2020	sessional	\$405	\$405
	REBECCA EVANS	Sitting Fees	19 Feb 20 until 26 May 2020	sessional	\$270	\$270
	LEWIS PRICE	Sitting Fees	27-Nov-19	sessional	\$135	\$135
	Lincoln Campbell	WAEC Staff	n/a	n/a	\$0	\$0
	Robert Kennedy	WAEC Staff	n/a	n/a	\$0	\$0
	Kay Heron	WAEC Staff	n/a	n/a	\$0	\$0
	Michelle Ukich	WAEC Staff	n/a	n/a	\$0	\$0
Total					\$1,620	\$1,620

Technology Assisted Voting Expert Advisory Panel

Position Title	Member Name	Type of remuneration	Period of membership	Term of Appointment / Tenure	Base Salary / Sitting Fees	Gross/actual remuneration for the financial year
Chair	PETER DELL	Sitting Fees	26 Nov 19 until 4 Feb 2020	sessional	\$1,200	\$1,200
Member	Robert Kennedy	WAEC Staff	n/a	n/a	\$0	\$0
	Chris Avent	WAEC Staff	n/a	n/a	\$0	\$0
	Lincoln Campbell	WAEC Staff	n/a	n/a	\$0	\$0
	Sirviro Rippepi	WAEC Staff	n/a	n/a	\$0	\$0
	Peter Bouhlas	Office of Digital Government	n/a	n/a	\$0	\$0
	Craig Valli	ECU	n/a	n/a	\$0	\$0
	MICHELLE SANDFORD	Sitting Fees	26 Nov 19 until 4 Feb 2020	sessional	\$720	\$720
	PAUL HOUGHTON	Sitting Fees	26 Nov 19 until 4 Feb 2020	sessional	\$720	\$720
	Total					\$1,440

FINANCIAL STATEMENTS

Certification of Key Performance Indicators

Audited key performance indicators for the year ended 30 June 2020

Audited key performance indicators

Certification of key performance indicator

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 Commission for the financial year ended 30 June 2020.



Robert Kennedy
Electoral Commissioner
21-Sep-20

Key Performance Indicators

Government Goal

Sustainable Finances: Responsible financial management and better service delivery.

Desired Outcome

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

Service

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

Key Effectiveness Indicators	2016–17 Actual	2017–18 Actual	2018–19 Actual	2019–20 Actual	2019–20 Target	Variation
The number of relevant breaches of "Declaration by Officer" (Form 1) upheld by a Court of Disputed Returns	Nil	Nil	Nil	Nil	Nil	Nil ^(a)
Percentage eligible electors on the State Electoral Roll	92.72%	95.26%	96.15%	95.06%	95.96%	0.09 ^(b)
Percentage of enrolled electors voting in State Elections (or by-elections) or referenda	State General Election	86.60%	n/a	n/a	n/a	n/a ^(c)
	By-election	n/a	72.93%	n/a	n/a	n/a ^(c)
	Referenda	n/a	n/a	n/a	n/a	n/a ^(c)
Average percentage of enrolled electors voting in local government ordinary and extraordinary postal elections or referenda conducted by the Commission	30.69%	34.30%	29.50%	28.90%	36.22%	-7.23 ^(d)

Note: (a) The number of relevant breaches of "Declaration by Officer" form is an indicator which reflects the Commission's objective of conducting independent elections.

(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 has been an increase of 33,162 enrolled electors and 32,654 eligible electors in comparison to the target, hence the actual percentage has increased slightly. There were 1,675,981 enrolled electors out of an estimated eligible population of 1,744,902 as at 30 June 2020.

(c) No State government election, by-election or referenda in the financial year 2019–20.

(d) The rates provide a key indicator of the Commission's effectiveness in enabling electors to participate in the electoral process. Local government Biennial elections were conducted in October 2019 and nature of the election reflects a decrease in votes. The 2019–20 voters participation of 28.90% relates to both the Biennial Local Government Election and extraordinary election with an estimated of 1,599,912 enrolled electors and 462,448 voters.

Key Efficiency Indicators		2016–17 Actual	2017–18 Actual	2018–19 Actual	2019–20 Actual	2019–20 Target	Variation
Average Cost per Elector of Providing Electoral Services (Enrolment and Election Management)		\$5.76	\$4.66	\$4.34	\$3.86	\$4.47	-\$0.61 ^(a)
Average Cost per Elector of Conducting State General Elections (or By-elections) or Referenda Events	State Election	\$11.01	n/a	n/a	n/a	n/a	n/a ^(b)
	By-election	n/a	\$7.71	n/a	n/a	n/a	n/a ^(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		\$3.82	\$2.99	\$2.91	\$3.70	\$3.48	\$0.22 ^(c)

Note: (a) The indicator reflects the fixed cost of maintaining readiness for any state elections. Lower cost as compared to targeted figure is due to reduction in rent expenses.

(b) No State government election, by-election or referenda in the financial year 2019–20.

(c) The indicator reflects actual expenditure incurred while conducting Local Government Biennial election and extra ordinary elections. The actual is in excess in comparison to the previous years, due to unavoidable increases in expenditure.

Report of Financial Statements



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 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, and Summary of Consolidated Account Appropriations 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 2020 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 Responsibility 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 entity'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.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

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 2020.

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 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 non-compliance 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 2020. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and 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 2020.

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 entity'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 2020 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 contact the entity to confirm the information contained in the website version of the financial statements and key performance indicators.



SANDRA LABUSCHAGNE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
23 September 2020

Financial Statements

Disclosures and legal compliance

Certification of financial statements

Certification of financial statements

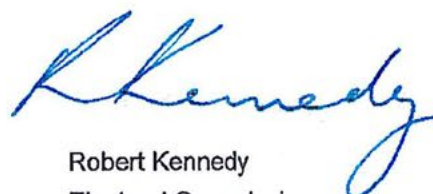
For the reporting period ended 30 June 2020

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 2020** and the financial position as at **30 June 2020**.

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
21-Sep-20



Robert Kennedy
Electoral Commissioner
21-Sep-20

Financial statements for the year ended 30 June 2020

The Western Australian Electoral Commission has pleasure in presenting its audited general purpose financial statements for the financial reporting period ended 30 June 2020 which provides users with the information about the Commission's stewardship of resources entrusted to it. The financial information is presented in the following structure:

Index

Financial statements for the year ended 30 June 2020	
Statement of comprehensive income.....	
Statement of financial position.....	
Statement of changes in equity.....	
Statement of cash flows.....	
Summary of consolidated account appropriations and income estimates.....	
Notes to the financial statements	
1. Basis of preparation.....	
Statement of compliance.....	
Basis of preparation.....	
Judgements and estimates.....	
Contributed equity.....	
2. Use of our funding.....	
Expenses incurred in the delivery of services.....	
2.1 (a) Employee benefits expenses.....	
2.1 (b) Employee related provisions.....	
2.2 Grants and subsidies.....	
2.3 Other expenditure.....	
3. Our funding sources.....	
How we obtain our funding.....	
3.1 Income from State Government.....	
3.2 Other revenue.....	
4. Key assets.....	
4.1 Plant and equipment.....	
4.2 Right-of-use asset.....	
4.3 Intangible assets.....	
5. Other assets and liabilities.....	
5.1 Receivables.....	
5.2 Amounts receivable for service (Holding Account).....	
5.3 Other assets.....	
5.4 Payables.....	
6. Financing.....	
6.1 Lease Liabilities.....	
6.2 Finance cost.....	
6.3 Cash and cash equivalents.....	
7. Financial instruments and Contingencies.....	
7.1 Financial instruments.....	
7.2 Contingent assets and liabilities.....	

8. Other disclosures.....	
8.1 Event occurring after the end of the reporting period.....	
8.2 Initial application of Australian Accounting Standards.....	
8.3 Key management personnel.....	
8.4 Related parties transactions.....	
8.5 Related bodies.....	
8.6 Affiliated bodies.....	
8.7 Special purpose accounts.....	
8.8 Remuneration of auditors.....	
8.9 Act of Grace Payments.....	
8.10 Equity.....	
8.11 Supplementary financial information.....	
8.12 Explanatory statement (Controlled Operations).....	
9. Administered disclosures.....	
9.1 Administered income and expense.....	
9.2 Explanatory statement for administered items.....	

Statement of comprehensive income
For the year ended 30 June 2020

	Notes	2020 (\$000)	2019 (\$000)
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1(a)	5,948	4,379
Supplies and services	2.3	5,043	2,209
Depreciation and amortisation expense	4.1.1, 4.2, 4.3.1	276	259
Finance cost	6.2	1	-
Accommodation expenses	2.3	994	1,459
Grants and subsidies	2.2	-	30
Other expenses	2.3	272	343
Total cost of services		12,534	8,679
Revenue and Income			
Other revenue	3.2	6,068	459
Total revenue		6,068	459
Total income other than income from State Government		6,068	459
NET COST OF SERVICES		6,466	8,220
Income from State Government			
Service appropriation	3.1	8,910	7,727
Services received free of charge	3.1	60	62
Total income from State Government		8,970	7,789
SURPLUS/(DEFICIT) FOR THE PERIOD		2,504	(431)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		2,504	(431)

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

Statement of financial position

As at 30 June 2020

	Notes	2020 (\$000)	2019 (\$000)
ASSETS			
Current Assets			
Cash and cash equivalents	6.3	3,882	1,562
Receivables	5.1	153	121
Amounts receivable for services	5.2	300	117
Prepayments	5.3	253	142
Total Current Assets		4,588	1,942
Non-Current Assets			
Restricted cash and cash equivalents	6.3	58	42
Amounts receivable for services	5.2	470	491
Plant and equipment	4.1	91	61
Right-of-use assets	4.2	28	-
Intangible assets	4.3	1,856	1,735
Prepayments	5.3	5	16
Total Non-Current Assets		2,508	2,345
TOTAL ASSETS		7,096	4,287
LIABILITIES			
Current Liabilities			
Payables	5.4	201	90
Lease Liabilities	6.1	14	-
Employee related provisions	2.1(b)	1,087	978
Total Current Liabilities		1,302	1,068
Non-Current Liabilities			
Lease Liabilities	6.1	14	-
Employee related provisions	2.1(b)	218	161
Total Non-Current Liabilities		232	161
TOTAL LIABILITIES		1,534	1,229
NET ASSETS		5,562	3,058
EQUITY			
Contributed equity	8.10	724	724
Accumulated surplus/(deficit)		4,838	2,334
TOTAL EQUITY		5,562	3,058

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

Statement of changes in equity
For the year ended 30 June 2020

	Notes	Contributed equity (\$000)	Accumulated surplus/(deficit) (\$000)	Total equity (\$000)
Balance at 1 July 2018	8.10	724	2,765	3,489
Surplus/(deficit)		-	(431)	(431)
Total comprehensive income for the period		-	(431)	(431)
Balance at 30 June 2019		724	2,334	3,058
Balance at 1 July 2019		724	2,334	3,058
Restated Balance at 1 July 2019		724	2,334	3,058
Surplus/(deficit)	8.10	-	2,504	2,504
Total comprehensive income for the period		-	2,504	2,504
Balance at 30 June 2020		724	4,838	5,562

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

Statement of cash flows
For the year ended 30 June 2020

Notes	2020 (\$000)	2019 (\$000)
CASH FLOWS FROM STATE GOVERNMENT		
Service appropriation	8,464	7,610
Capital appropriation	167	-
Holding account drawdown	117	117
Net cash provided by State Government	8,748	7,727
Utilised as follows:		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Employee benefits	(5,784)	(4,368)
Supplies and services	(4,998)	(2,377)
Finance cost	(1)	-
Accommodation	(966)	(1,361)
Grants and subsidies	-	(44)
GST payments on purchases	(630)	(398)
Other payments	(271)	(345)
Receipts		
Receipts from services	6,048	501
GST receipts on sales	607	44
GST receipts from taxation authority	10	417
Net cash provided by/(used in) operating activities	(5,985)	(7,931)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments		
Purchase of non-current assets	(406)	(313)
Net cash provided by/(used in) investing activities	(406)	(313)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments		
Principal element of lease (2019-finance lease)	(21)	-
Net cash provided by/(used in) financing activities	(21)	-
Net increase/(decrease) in cash and cash equivalents	2,336	(517)
Cash and cash equivalents at the beginning of the period	1,604	2,121
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3,940	1,604
6.3		

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

Summary of consolidated account appropriations

For the year ended 30 June 2020

	2020	2020		2020	2020
	Budget Estimate	Supplementary Funding	Revised Budget	Actual	Variance
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
<u>Delivery of Services</u>					
Item 8 Net amount appropriated to deliver services	7,357	-	7,357	6,941	(416)
Amount Authorised by Other Statutes					
- <i>Electoral Act 1907</i>	1,600	-	1,600	1,200	(400)
- <i>Industrial Relation Act 1979</i>	116	-	116	116	-
- <i>Salaries and Allowances Act 1975</i>	486	-	486	486	-
Total appropriations provided to deliver services	9,559	-	9,559	8,743	(816)
<u>Capital</u>					
Item 96 Capital Appropriation	1,326	-	1,326	167	(1,159)
GRAND TOTAL	10,885	-	10,885	8,910	(1,975)

No supplementary income was received by the Commission.

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 Commission on 21 September 2020.

Statement of compliance

These general purpose financial statements are prepared in accordance with:

- 1) The *Financial Management Act 2006 (FMA)*
- 2) The Treasurer's Instructions (TIs)
- 3) Australian Accounting Standards (AASs) - Reduced Disclosure Requirements
- 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 take precedence over AASs. Several AASs are modified by TIs 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.

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.

2. 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	2020 (\$000)	2019 (\$000)
Employee benefit expenses	2.1(a)	5,948	4,379
Employee related provisions	2.1(b)	1,305	1,139
Grants and subsidies	2.2	-	30
Other expenses	2.3	6,309	4,011

2.1(a) Employee benefits expenses

	2020 (\$000)	2019 (\$000)
Wages and salaries	5,442	3,989
Termination benefits	-	-
Superannuation - defined contribution plans ^(a)	506	390
Total employee benefits expenses	5,948	4,379
Add: AASB 16 Non-monetary benefits	-	-
Less: Employee Contributions	(1)	-
Net employee benefits	5,947	4,379

(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.

Employee Benefits: Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, profit-sharing and bonuses; and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for employees.

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.

AASB 16 Non-monetary benefits: non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of Vehicle is measured at the cost incurred by the Commission.

2.1(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.

	2020 (\$000)	2019 (\$000)
Current		
<u>Employee benefits provisions</u>		
Annual leave ^(a)	446	358
Long service leave ^(b)	626	607
	1,072	965
<u>Other provisions</u>		
Employment on-costs ^(c)	15	13
Total current employee related provisions	1,087	978
Non-current		
<u>Employee benefits provisions</u>		
Long service leave ^(b)	215	159
<u>Other provisions</u>		
Employment on-costs ^(c)	3	2
Total non-current employee related provisions	218	161
Total employee related provisions	1,305	1,139

- (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.

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.

- (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.

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 2.3 (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'.

	2020 (\$000)	2019 (\$000)
<u>Employment on-cost provision</u>		
Carrying amount at start of period	15	15
Additional/(reversals of) provisions recognised	3	-
Carrying amount at end of period	18	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.

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.

2.2 Grants and subsidies

	2020 (\$000)	2019 (\$000)
<u>Recurrent</u>		
Grants (section 175LC of the <i>Electoral Act 1907</i>) ^(a)	-	30
Total grants and subsidies	-	30

(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 Darling Range State By-Election in FY2018-19 and a combination of State General Election 2017 and Cottesloe By Election in FY 2017-18.

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.

CONTENTS | PREVIOUS | NEXT

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 Darling Range State By-Election in FY2018-19.

2.3 Other expenditure

	2020 (\$000)	2019 (\$000)
Supplies and services		
Communications	2,774	461
Consultants and contractors	1,769	1,464
Consumables	253	121
Travel	119	58
Other	128	105
Total supplies and services expenses	5,043	2,209
Accommodation expenses		
Rentals ^(a)	971	1,439
Repairs and maintenance	23	20
Total accommodation expenses	994	1,459
Other		
Audit fees ^(b)	57	48
Repairs and maintenance - computing	129	213
Other expenses	84	75
Act of Grace	-	7
Employment on-cost	2	-
Total other expenses^(c)	272	343
Total other expenditure	6,309	4,011

(a) Included within rental costs are short-term leases and low value leases of up to \$5,000. Refer to note 4.2 for short-term and low value leases expense.

(b) Includes external audit fees incurred for this year. This amount might differ to the amounts recognised in note 8.8 'Remuneration of auditor'.

(c) There is no expected credit losses risk reported in this financial year due to no allowance for impairment in the receivables.

Lease rental expense includes^(a):

- i) Short-term leases with a lease term of 12 months or less;
- ii) Low-value leases with an underlying value of \$5,000 or less; and
- iii) Variable lease payments, recognised in the period in which the event or condition that triggers those payments occurs.

Accommodation lease is recognised as expenses as incurred. This is a lease arrangement with another wholly-owned public sector entity.

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

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

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 2.1(b) Employee related provision. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

3. 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	2020 (\$000)	2019 (\$000)
Income from State Government	3.1	8,970	7,789
Other revenue	3.2	6,068	459

3.1 Income from State Government

	2020 (\$000)	2019 (\$000)
Appropriation received during the period:		
Service appropriation ^(a)	8,910	7,727
	8,910	7,727
Services received free of charge from other State		
Department of Finance - Building Management Works	26	24
Department of the Attorney General - Corporate Services	22	21
Landgate	12	17
Total services received	60	62
Total income from State Government	8,970	7,789

(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. Appropriation revenue comprises the following:

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

3.2 Other revenue

	2020 (\$000)	2019 (\$000)
Local Government Elections	5,750	-
Other Elections	294	441
Sale of Roll Products/General Revenue	19	18
Other revenue	5	-
	6,068	459

Until 30 June 2019, revenue was recognised and measured at the fair value of consideration received or receivable.

From 1 July 2019, revenue is recognised at the transaction price when the Commission transfers control of the services to customers. Revenue is recognised for the major activities as follows:

Revenue is recognised at a point-in-time for the election services and sale of roll products. The Commission provides impartial election services and the Commission provides Electoral Roll Products (information) to other State Government agencies allowable through clause 25B and 25C of the *Electoral Act 1907*. The performance obligations for these user fees and charges are satisfied when services have been provided.

The Performance Obligation recognised at a point in time - on issue of invoice, at which time:

- The Commission has present right to payment of the asset;
- The customer has legal title of the asset;
- The Commission has transferred physical possession of the asset;
- The customer has the significant risks and rewards of the assets; and
- The customer has accepted the asset.

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 2019-20 Budget Statements, the Commission retained \$6,665,000 in 2020 (\$962,000 in 2019) from the following:

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

4. 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	2020 (\$000)	2019 (\$000)
Plant and equipment	4.1	91	61
Right-of-use assets	4.2	28	-
Intangibles	4.3	1,856	1,735

4.1 Plant and equipment

Year ended 30 June 2019	Equipment	Computer Hardware	Total
1 July 2019	(\$000)	(\$000)	(\$000)
Gross carrying amount	293	436	729
Accumulated depreciation	(240)	(428)	(668)
Carrying amount at start of period	53	8	61
Additions	61	-	61
Other disposals	-	-	-
Depreciation	(25)	(6)	(31)
Carrying amount at 30 June 2020	89	2	91
Gross carrying amount	354	436	790
Accumulated depreciation	(265)	(434)	(699)

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).

Assets transferred as part of a machinery of government change are transferred at their fair value.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

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

4.1.1 Depreciation and impairment

Charge for the period

	2020 (\$000)	2019 (\$000)
<u>Depreciation</u>		
Equipment	25	33
Computer hardware	6	25
Total depreciation for the period	31	58

As at 30 June 2020 there were no indications of impairment to property, plant and equipment.

Please refer to note 4.3 for guidance in relation to the impairment assessment that has been performed for intangible assets.

CONTENTS | PREVIOUS | NEXT

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 assets held for sale, land and investment properties.

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 adjustment will be made where appropriate.

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.

4.2 Right-of-use assets

	Notes	2020 (\$000)	2019 (\$000)
Right-of-use assets			
Motor Vehicle		28	
Net carrying amount at 30 June 2020		28	-

Additions to the right-of-use asset during the 2019-20 financial year was \$8,270

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset

This includes all leased assets other than investment property ROU assets, which are measured in accordance with AASB 140 'Investment Property'.

The Commission has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets

If ownership of the leased asset transfers to the Commission at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 4.1.1

The following amounts relating to leases have been recognised in the statement of comprehensive income:

	2020 (\$000)	2019 (\$000)
Motor Vehicle	21	-
Total right-of-use asset depreciation	21	-
Lease interest expense	1	
Expenses relating to variable lease payments not included in lease liabilities	-	
Short-term leases	-	
Low-value leases	-	
Gains or losses arising from sale and leaseback transactions	-	

The total cash outflow for leases in 2020 was \$21,417

The Commission has leases for vehicles

The Commission has also entered into a Memorandum of Understanding Agreements (MOU) with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

Up to 30 June 2019, the Commission classified leases as either finance leases or operating leases. From 1 July 2019, at 1 July 2019, the Commission recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.1.

4.3 Intangible assets

	Computer Software	Total
	(\$000)	(\$000)
Year ended 30 June 2020		
1 July 2019		
Gross carrying amount	3,010	3,010
Accumulated amortisation	(1,275)	(1,275)
Carrying amount at start of period	1,735	1,735
Additions	345	345
Amortisation expense	(224)	(224)
Carrying amount at 30 June 2020	1,856	1,856

Initial recognition

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:

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

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.

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.

4.3.1 Amortisation and impairment

Charge for the period

	2020	2019
	(\$000)	(\$000)
Intangible assets	224	201
Total amortisation for the period	224	201

As at 30 June 2020 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.

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)	15 years
--------------	----------

(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 4.1.1.

5. 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	2020 (\$000)	2019 (\$000)
Receivables	5.1	153	121
Amounts receivable for services	5.2	770	608
Other current assets	5.3	258	158
Payables	5.4	201	90

5.1 Receivables

	2020 (\$000)	2019 (\$000)
<u>Current</u>		
Receivables	34	17
Accrued revenue	19	16
GST receivable	100	88
Total current	153	121
Total receivables	153	121

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.

5.2 Amount receivable for services (Holding Account)

	2020 (\$000)	2019 (\$000)
Current	300	117
Non-Current	470	491
Balance at end of period	770	608

CONTENTS | PREVIOUS | NEXT

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.

Amounts receivable for services are considered not impaired (i.e there is no expected credit loss of the Holding Accounts).

5.3 Other assets

	2020 (\$000)	2019 (\$000)
Current		
Prepayments	253	142
Total current	253	142
Non-current		
Prepayments	5	16
Total non-current	5	16
Balance at end of period	258	158

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.

5.4 Payables

	2020 (\$000)	2019 (\$000)
Current		
Accrued salaries	48	15
Accrued expenses	73	42
Trade payables	101	19
Other payables ^(a)	(21)	14
Total current	201	90
Balance at end of period	201	90

(a) Other payables consist of unclaimed money of \$14,755 and GESB of (\$36,147) - A third party provider, inadvertently processed a double superannuation payment. This is in the process of being recovered

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.

The accrued salaries suspense account (See Note 6.3 '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.

6. Financing

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

	Notes
Lease Liabilities	6.1
Finance cost	6.2
Cash and cash equivalents	6.3

6.1 Lease Liabilities

	Notes	2020 (\$000)	2019 (\$000)
Current		14	-
Non-current		14	-
Balance at end of period		28	-

The Commission measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Commission uses the incremental borrowing rate provided by Western Australia Treasury Corporation

Lease payments included by the Commission as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the Commission exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Commission if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Commission in profit or loss in the period in which the condition that triggers those payments occurs

This section should be read in conjunction with note 4.2.

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications

CONTENTS | PREVIOUS | NEXT

6.2 Finance Cost

	2020 (\$000)	2019 (\$000)
Finance costs		
Lease interest expense	1	-
	1	-

'Finance cost' includes the interest component of lease liability repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

6.3 Cash and cash equivalents

	2020 (\$000)	2019 (\$000)
Cash and cash equivalents	3,882	1,562
Restricted cash and cash equivalents		
- Accrued salaries suspense account ^(a)	58	42
Balance at end of period	3,940	1,604

(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. Financial instruments and Contingencies

	Notes
Financial instruments	7.1
Contingent assets and liabilities	7.2

7.1 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:

	2020 (\$000)	2019 (\$000)
Financial assets		
Cash and cash equivalents	3,940	1,604
Financial asset at amortised cost ^(a)	823	641
Total financial assets	4,763	2,245
Financial liabilities		
Financial liabilities at amortised cost	201	90
Total financial liability	201	90

(a) The amount of Financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivables).

7.2 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.

7.2.1 Contingent assets

There were no contingent assets as at 30 June 2020.

7.2.2 Contingent liabilities

There were no contingent liabilities as at 30 June 2020.

8. 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	8.1
Initial application of Australian Accounting Standards	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies	8.5
Affiliated bodies	8.6
Special purpose accounts	8.7
Remuneration of auditors	8.8
Act of Grace (and ex-gracia) payment	8.9
Equity	8.10
Supplementary financial information	8.11
Explanatory statement	8.12

8.1 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.

8.2 Initial application of Australian Accounting Standards

(a) AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue and AASB 111 Construction Contracts for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue when or as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 Income of Not-for-Profit Entities. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners related to an asset (such as cash or another asset) recognised by the Commission.

The Commission adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information is restated under this approach, and the Commission recognises the cumulative effect of initially applying the Standards as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Refer to Note 3.1 and 3.2 for the revenue and income accounting policies adopted from 1 July 2019.

The effect of adopting AASB 15 and AASB 1058 are as follows:

	30 June 2020	Adjustments	30 June 2020 under AASB 118 and 1004
User charges and fees	6,068	-	6,068
Net result	6,068	-	6,068

(b) AASB 16 Leases

AASB 16 Leases supersedes AASB 117 Leases and related Interpretations. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

The Commission applies AASB 16 Leases from 1 July 2019 using the modified retrospective approach. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of accumulated surplus/(deficit).

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (where the underlying asset is valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16, the Commission takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2.5%) on 1 July 2019;
- depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income; and
- the total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the Statement of Cash Flows.

In relation to leased vehicles that were previously classified as finance leases, their carrying amount before transition is used as the carrying amount of the right-of-use assets and the lease liabilities as of 1 July 2019.

The Commission measures concessionary leases that are of low value terms and conditions at cost at inception. There is no financial impact as the Commission is not in possession of any concessionary leases at the date of transition.

CONTENTS | PREVIOUS | NEXT

The right-of-use assets are assessed for impairment at the date of transition and the Commission has not identified any impairments to its right-of-use assets.

On transition, the Commission has elected to apply the following practical expedients in the assessment of their leases that were previously classified as operating leases under AASB 117:

- (a) A single discount rate has been applied to a portfolio of leases with reasonably similar characteristics;
- (b) The Commission has relied on its assessment of whether existing leases were onerous in applying AASB 137 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review. The Commission has adjusted the ROU asset at 1 July 2019 by the amount of any provisions included for onerous leases recognised in the statement of financial position at 30 June 2019;
- (c) Where the lease term at initial application ended within 12 months, the Commission has accounted for these as short-term leases;
- (d) Initial direct costs have been excluded from the measurement of the right-of-use asset;
- (e) Hindsight has been used to determine if the contracts contained options to extend or terminate the lease.

The Commission has not reassessed whether existing contracts are, or contained a lease at 1 July 2019. The requirements of paragraphs 9-11 of AASB 16 are applied to contracts that came into existence post 1 July 2019.

'000	
Operating Lease Commitments disclosed as at 30 June 2019	7,188
Discounted using incremental borrowing rate at date of initial application ¹	7,008
<i>Add:</i>	
Finance lease liabilities recognised as at 30 June 2019	-
<i>Less:</i>	
GOA accommodation no longer classified under AASB16	- 6,982
Low value leases not recognised as liability	- 4
Lease liability recognised at 1 July 2019	<u>22</u>
Current lease liabilities	11
Non-current lease liabilities	11

The WATC incremental borrowing rate was used for the purposes of calculating the lease transition opening balance.

8.3 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 (\$)	2020	2019
320,001 - 330,000		1
280,001 - 290,000	1	
210,001 - 220,000		1
170,001 - 180,000	1	1
160,001 - 170,000	1	1
150,001 - 160,000	2	1
140,001 - 150,000	1	1
130,001 - 140,000		1
110,001 - 120,000	1	
80,001 - 90,000	1	
	2020	2019
	(\$000)	(\$000)
Total compensation of senior officers	1,291	1,316

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

No seniors officers are members of the Pension Scheme.

8.4 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 - \$395,183).

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.

8.5 Related bodies

The Commission had no related bodies during the financial year.

8.6 Affiliated bodies

The Commission had no affiliated bodies during the financial year.

8.7 Special Purpose Accounts*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.

	2020 (\$000)	2019 (\$000)
Balance at the start of the period	-	3
Receipts	-	-
Payments	-	(3)
Balance at the end of the year	-	-

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

8.8 Remuneration of auditors

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

	2020 (\$000)	2019 (\$000)
Auditing the accounts, financial statements, controls and key performance indicators	47	47

8.9 Act of Grace Payments

	2020 (\$000)	2019 (\$000)
City of Fremantle	-	7
	-	7

8.10 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.

	2020 (\$000)	2019 (\$000)
<u>Contributed equity</u>		
Balance at start of period	724	724
Total contributions by owners	-	-
Balance at end of period	724	724

8.11 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.

8.12 Explanatory statement (Controlled Operations)

All variances between estimates (original budget) and actual results for 2020, and between the actual results for 2020 and 2019 are shown below. Narratives are provided for key major variances, which are greater than 10% and \$1 million for the Statement of Comprehensive Income, Cash Flows and the Statement of Financial Position.

8.12.1 Statement of Comprehensive Income Variances

	Variance Note (\$000)	Estimate 2020 (\$000)	Actual 2020 (\$000)	Actual 2019 (\$000)	Variance between estimate and actual (\$000)	Variance between actual results for 2020 and 2019 (\$000)
<u>Expenses</u>						
Employee benefits expense	a	5,939	5,948	4,379	9	1,569
Supplies and services	a	4,859	5,043	2,209	184	2,834
Accommodation expense		187	994	1,459	807	(465)
Depreciation and amortisation expense	1	1,592	276	259	(1,316)	17
Grants and subsidies		-	-	30	-	(30)
Finance and interest cost		166	1		(165)	1
Other expense		799	272	343	(527)	(71)
Total cost of services		13,542	12,534	8,679	(1,008)	3,855
<u>Income</u>						
<u>Revenue</u>						
Other revenue	b	5,620	6,068	459	448	5,609
Total Revenue		5,620	6,068	459	448	5,609
Total income other than income from State Government		5,620	6,068	459	448	5,609
NET COST OF SERVICES		7,922	6,466	8,220	(1,456)	(1,754)
<u>Income from State Government</u>						
Service appropriations	c	9,559	8,910	7,727	(649)	1,183
Services received free of charge		34	60	62	26	(2)
Total income from State Government		9,593	8,970	7,789	(623)	1,181
SURPLUS/(DEFICIT) FOR THE PERIOD		1,671	2,504	(431)	833	2,935

Major Estimate and Actual (2020) Variance Narratives

- 1) The depreciation and amortisation expense budget has exceeded the actual by \$1,316 due to the impact on the *AASB 16 - Leases*, whereby the budget has included the right-of-used asset (accommodation lease and motor vehicle lease) depreciation. The application of the *AASB 16 - Leases* for accommodation lease has now been reversed from the application and therefore it impacted on the actual amount.

Major Actual (2020) and Comparative (2019) Variance Narratives

- a) Employee benefits expense and supplies and services expense have increased by \$1.6m and \$2.8m subsequently due to the conduct of Local Government Biennial Election 2019 in FY 2019-20. There was no election conducted in FY 2018-19.
- b) Other revenue has increased by \$5.6m mainly due to the recoup received from conducting the Local Government Biennial Election 2019. There were only Local Government By-Elections and Non-Parliamentary Elections conducted in FY 2018-19.
- c) The increase in service appropriation by \$1.2m is due to the higher appropriation received for administering the Office of the Electoral Distribution Commissioners.

CONTENTS | PREVIOUS | NEXT

8.12.2

Statement of Financial
Position Variances

	Variance Note (\$000)	Estimate 2020 (\$000)	Actual 2020 (\$000)	Actual 2019 (\$000)	Variance between estimate and actual (\$000)	Variance between actual results for 2020 and 2019 (\$000)
ASSETS						
Current Assets						
Cash and cash equivalent		2,314	3,882	1,562	1,568	2,320
Receivables		225	153	121	(72)	32
Amounts receivable for services		117	300	117	183	183
Other - Prepayments		195	253	142	58	111
Total Current Assets		2,851	4,588	1,942	1,737	2,646
Non-Current Assets						
Restricted cash and cash equivalents		64	58	42	(6)	16
Amounts receivable for services		1,966	470	491	(1,496)	(21)
Other - Prepayments		2	5	16	3	(11)
Plant and equipment	1	4,062	91	61	(3,971)	30
Right-of-use assets		-	28	-	28	28
Intangible assets		1,716	1,856	1,735	140	121
Total Non-Current Assets		7,810	2,508	2,345	(5,302)	163
TOTAL ASSETS		10,661	7,096	4,287	(3,565)	2,809
LIABILITIES						
Current Liabilities						
Payables		45	201	90	156	111
Provisions		816	1,087	978	271	109
Other		265	-	-	(265)	-
Lease Liabilities		-	14	-	14	14
Total Current Liabilities		1,126	1,302	1,068	176	234
Non-Current Liabilities						
Provisions		209	218	161	9	57
Lease Liabilities	1	4,182	14	-	(4,168)	14
Other		2	-	-	(2)	-
Total Non-Current Liabilities		4,393	232	161	(4,161)	71
TOTAL LIABILITIES		5,519	1,534	1,229	(3,985)	305
NET ASSETS		5,142	5,562	3,058	420	2,504

EQUITY

Contributed equity	2,050	724	724	(1,326)	-
Accumulated surplus/(deficit)	3,246	4,838	2,334	1,592	2,504
Reserves	(4)	-	-	4	-
Other	(150)	-	-	150	-
TOTAL EQUITY	5,142	5,562	3,058	420	2,504

Major Estimate and Actual (2020) Variance Narratives: Nil

- 1) The plant and equipment and lease liabilities budgets have exceeded the actuals by \$3.9M and \$4.2m subsequently mainly due to the application of the *AASB 16 - Leases* whereby the accommodation expense and motor vehicle lease are to be treated as the assets and liabilities in the Statement of Financial Position. However, the *AASB 16 - Leases* application for accommodation lease has now been reversed and as a result, the accommodation cost is now recognised as expense in Statement of Comprehensive Income and no longer reported in Statement of Financial Position.

Major Actual (2020) and Comparative (2019) Variance Narratives: Nil

8.12.3 Statement of Cash Flow Variances

	Variance Note (\$000)	Estimate 2020 (\$000)	Actual 2020 (\$000)	Actual 2019 (\$000)	Variance between estimate and actual (\$000)	Variance between actual results for 2020 and 2019 (\$000)
<u>CASH FLOWS FROM STATE</u>						
<u>GOVERNMENT</u>						
Service appropriation		7,967	8,464	7,610	497	854
Capital appropriation	1	1,326	167		(1,159)	167
Holding account drawdown		117	117	117	-	-
Net cash provided by State Government		9,410	8,748	7,727	(662)	1,021
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>						
<u>Payments</u>						
Employee benefits	a	(5,923)	(5,784)	(4,368)	139	(1,416)
Supplies and services	a	(4,791)	(4,998)	(2,377)	(207)	(2,621)
Accommodation		(187)	(966)	(1,361)	(779)	395
Grants and subsidies		-	-	(44)	-	44
GST Payment on purchases		(623)	(630)	(398)	(7)	(232)
Other payments		(841)	(271)	(345)	570	74
Finance cost		(166)	(1)	-	165	(1)
<u>Receipts</u>						
Receipts from services	b	5,620	6,048	501	428	5,547
GST receipts on sales		615	607	44	(8)	563
GST receipts from taxation authority		-	10	417	10	(407)
Net cash provided by/(used in) operating activities		(6,296)	(5,985)	(7,931)	311	1,946
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>						
<u>Payments</u>						
Purchase of non-current assets		(267)	(406)	(313)	(139)	(93)
Net cash provided by/(used in) investing activities		(267)	(406)	(313)	(139)	(93)

CASH FLOW FROMFINANCING ACTIVITIESPayments

Repayment of lease liabilities	2	(1,176)	(21)	-	1,155	(21)
Net cash provided by/(used in) financing activities		(1,176)	(21)	-	1,155	(21)
Net increase/(decrease) in cash and cash equivalent		1,671	2,336	(517)	665	2,853
Cash and cash equivalent at the beginning of the period		707	1,604	2,121	897	(517)
CASH AND CASH EQUIVALENT AT THE END OF		2,378	3,940	1,604	1,562	2,336

Major Estimate and Actual (2020) Variance Narratives

- 1) Capital appropriation budget is \$1.1m over than the actual mainly due to the application of *AASB 16 - Leases*, whereby the accommodation lease and motor vehicle lease funding are allocated in the capital funding. However, the application of *AASB 16 - Leases* for accommodation lease has now been reversed and therefore, it is not reported in actual. The funding to cover the payment for the accommodation is now reported as part of the recurrent service appropriation funding.
- 2) The financing activities repayment budget is \$1.1m over than the actual mainly due to the application of *AASB 16 - Leases*. The budget of \$1.2m was initially allocated to the accommodation lease and motor vehicle lease payment as per *AASB 16 - Leases* requirement. However, the application of *AASB 16 - Leases* for accommodation lease has now been reversed and the actual payment only reflects the motor vehicle lease payment for the FY 2019-20

Major Actual (2020) and Comparative (2019) Variance Narratives

- a) The increase in employee benefits payment and the supplies and services payment of \$1.4m and \$2.6m subsequently are mainly due to the Commission conducting the Local Government Biennial Election in October 2019. There were only Local Government By-Election and Non-Parliamentary Elections conducted in FY 2018-19.
- b) The recoups from sale of goods and services has increased by \$5.5m mainly due to the recoup received from conducting the Local Government Biennial Election 2019. There were only Local Government By-Elections and Non-Parliamentary Elections conducted in FY 2018-19.

9. 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	9.1
Explanatory statement for administered items	9.2

9.1 Disclosure of administered income and expenses by service

	Electoral Services		Total	
	2020 (\$000)	2019 (\$000)	2020 (\$000)	2019 (\$000)
INCOME FROM ADMINISTERED ITEMS				
<u>Income</u>				
For transfer:				
Regulatory fees and other charges	(1)	104	(1)	104
Total administered income	(1)	104	(1)	104
<u>Expenses</u>				
Transfer payments ^(a)	(1)	104	(1)	104
Total administered expenses	(1)	104	(1)	104

^(a)

Transfer payments represent the transfer of non-retainable regulatory fees to the Consolidated Account. These fees relates to the Cottesloe By-Election non-voters fines (FY 2018-19: \$40,763) and Darling Range non-voters fines (FY2018-19: \$63,142).

9.2 Explanatory statement for administered items

All variances between estimates and actual results for 2020, and between the actual results for 2020 and 2019 are shown below. Narratives are provided for key major variances, which are generally greater than 10% and \$1 million.

	Variance Note (\$000)	Estimate 2020 (\$000)	Actual 2020 (\$000)	Actual 2019 (\$000)	Variance between estimate and actual (\$000)	Variance between actual results for 2020 and 2019 (\$000)
INCOME FROM ADMINISTERED ITEMS						
<u>Income</u>						
For transfer:						
Regulatory fees and other charges	1, A	-	(1)	104	(1)	(105)
Total administered income		-	(1)	104	(1)	(105)
<u>Expenses</u>						
Transfer payments	1, A	-	(1)	104	(1)	(105)
Total administered expense		-	(1)	104	(1)	(105)

Major Estimate and Actual (2020) Variance Narratives: Nil

Major Actual (2020) and Comparative (2019) Variance Narratives: Nil

