



PROFESSIONAL STANDARDS
COUNCIL OF WESTERN AUSTRALIA

Financial statements for the
financial year ending 30 June 2015



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Key performance indicators

Certification of Key Performance Indicators for the Year Ending 30 June 2015.

The Professional Standards Council of Western Australia is required to report on performance indicators as outlined in the *Financial Management Act 2006 (WA)* and its associated Regulations.

STATEMENT OF CERTIFICATION

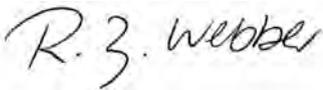
We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Professional Standards Council of Western Australia's performance, and fairly represent the performance of the Professional Standards Council of Western Australia for the financial year ended 30 June 2015.



Mr Brian Rayment QC

Chairman

8 September 2015



Ms Rachel Webber

Council Member

8 September 2015

Key performance indicators

The Professional Standards Council of Western Australia is responsible for approving Professional Standards Schemes. From February 2014 the name “Professional Standards Scheme” replaced previous reference to “Cover of Excellence® schemes”. Schemes approved before this date and that have not expired may still be described as *Cover of Excellence®*. However, for ease of reference this addendum refers to ‘Professional Standards Schemes’ throughout. The Schemes become effective on a day specified in the gazetted Scheme or two months after gazettal by the Minister.

Professional Standards Schemes aim to increase consumer protection by improving the standards of professionals who belong to occupational associations that are approved by the Professional Standards Council to administer such Schemes. Members of such occupational associations are required to comply with required codes of ethics, codes of practice, and to engage in risk management and continuing occupational education. Awareness and an active response to these issues can lower the incidence of civil liability claims against participating members, thereby achieving the objectives associated with the Scheme.

As a further measure of consumer protection, members of occupational associations that participate in Schemes are also required to hold significant business assets and/or professional indemnity insurance.

There were three Professional Standards Schemes operating in Western Australia during 2014–2015:

- › The Institute of Chartered Accountants in Australia (Western Australia) Scheme (ICAA WA Scheme) which commenced on 8 October 2007 (*Gazette* 28 September 2007, No. 204). This Scheme was extended for a twelve month period which expired on 7 October 2013. An interim Scheme commenced on 8 October 2013 and concluded on 7 October 2014 (*Gazette* 4 October 2013, No. 180). A new ICAA WA Scheme commenced on 8 October 2014 for a five year period (*Gazette* 8 August 2014, No. 122).
- › The Law Society of Western Australia Scheme which commenced on 1 July 2014 (*Gazette* 11 April 2014, No. 54). This Scheme was amended on 24 June 2014 (*Gazette* 27 June 2014, No 95); and
- › The Western Australian Bar Association Scheme which commenced on 1 July 2014 (*Gazette* 17 April 2014, No. 57).

KEY OUTPUT/SERVICE

Outcome	Professional Standards Schemes limiting the civil liability of the members of occupational associations
Output	Professional Standards Schemes limiting the liability of occupational associations together with approved compulsory insurance, risk management strategies and appropriate provisions for complaints and disciplinary matters in relation to those associations for the protection of consumers of the services provided by the associations.
Description	Professional Standards Schemes limit the civil liability of members of the occupational association. Once approved, Schemes may continue for a period of up to five years. Annual fees on a per member basis are payable by the occupational association to the Council. Consumers are protected by a requirement that persons under a Scheme have insurance or assets to the approved level; that members engage in appropriate risk management strategies; and by an approved complaints and disciplinary process.

EFFECTIVENESS

The three associations with Professional Standards Schemes were invited by the Professional Standards Council of Western Australia to respond to a survey that sought their comments on the Council's effectiveness indicators as at 30 June 2015. The Schemes of the ICAA, Law Society of Western Australia and the Western Australian Bar Association had a combined membership in excess of 3,800 professionals during the reporting period.

To assist in determining the extent to which the objectives of the Professional Standards Schemes are being achieved, the associations were asked to comment on the following:

1. The impact of Professional Standards Schemes based on the number of claims and cases brought against members;
2. The effectiveness of schemes on the associations' perceptions of cost and availability of insurance for scheme members, taking into account:
 - Cost of insurance (decreasing premium or increasing at a slower than market rate);
 - Better value insurance for the same premium prices; and
 - Availability of insurance.

Both the Law Society of Western Australia and the Western Australian Bar Association noted that their comments were limited since their respective schemes were new schemes that commenced on 1 July 2014.

EFFECTIVENESS INDICATORS^{1,2}

Indicator	2008–09 actual ³	2009–10 actual	2010–11 actual	2011–12 actual	2012–13 actual	2013–14 actual	2014–15 actual	2014–15 target ⁴
Professional Standards Schemes have lowered the incidence of civil liability claims.	Two associations were unable to determine.	Two associations disagreed. One association did not comment.	Two associations agreed. One association disagreed.	Three associations disagreed.	Two associations disagreed. One association agreed.	Three associations disagreed.	Three associations disagreed. ⁵	Lower incidence of civil liability claims as a result of Professional Standards Schemes.
Cost of insurance (decreasing premium or increasing at a slower than market rate).	Two associations disagreed	One association agreed. Two associations disagreed.	One association agreed. Two associations disagreed.	One association agreed. Two associations disagreed.	Two associations disagreed. One association agreed.	Two associations disagreed. One association agreed.	One association agreed. Two associations disagreed. ⁶	Decreasing cost of insurance.
Better value insurance for same premium prices.	Two associations agreed.	Two associations agreed. One association did not comment.	One association agreed. Two associations disagreed.	One association agreed. Two associations disagreed.	Two associations agreed. One association disagreed.	Two associations agreed. One association disagreed.	One association agreed. Two associations disagreed. ⁷	Better value insurance.
Availability of insurance.	Two associations agreed.	Two associations agreed. One association disagreed.	Three associations disagreed.	One association agreed. Two associations disagreed.	Two associations disagreed. One association agreed.	Three associations disagreed.	Three associations disagreed. ⁸	Better availability of insurance.

1. Associations have not been individually identified to protect the confidentiality of the information supplied.

2. Data is reported on a calendar year basis due to the data collection methodology undertaken by the associations.

3. For 2009 there were three associations with Cover of Excellence[®] schemes. However, as one association had only been operating for six months and did not have any members in its scheme, the responses were drawn from the other two associations.

4. Targets are derived from the stated objectives of the Professional Standards Act 1997 (WA) as outlined in the second reading speech in Parliament on 25 June 1997 (Hansard, page 4569).

5. One association noted that an increase in the number of claims reported was due to a change in reporting parameters which now captures data in relation to all claims, with no minimum threshold. Two associations had new schemes and therefore no comparative data was available for assessment.

6. One association reported that the cost of insurance had decreased while another association noted that the cost of insurance has not increased. A third association advised that it does not consider or assess the cost of insurance for members and that no concerns over cost have been raised.

7. While one association commented that there was slightly greater value insurance available, another association noted that there was no difference in members obtaining better value insurance. A third association advised that it does not consider or assess the cost of insurance for members.

8. All three associations commented that there was no difference in the availability of insurance for members.

EFFICIENCY

Indicator	2008–09 actual	2009–10 actual	2010–11 actual	2011–12 actual	2012–13 actual	2013–14 actual	2014–15 actual	2014–15 target ²
Cost per scheme ¹	\$30,443	\$35,581	\$31,957	\$34,537	\$52,897	\$70,2943	\$73,533 ³	\$91,333

COST PER SCHEME

1. The Cost per Scheme incorporates the Secretariat service charges, Resources Received Free of Charge and any bank charges.
2. The target was derived from the approved budget figure for Secretariat plus Resources Received Free of Charge.
3. Actual costs per scheme are lower than target due to actual operating costs of the secretariat being \$53k lower than expected. The \$53k savings on expected costs were driven by a mix of savings to budget from Grants (\$5k), Salary related costs (\$30k) and Occupancy Costs (\$18k).

Independent auditor's report



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

PROFESSIONAL STANDARDS COUNCIL

Report on the Financial Statements

I have audited the accounts and financial statements of the Professional Standards Council.

The financial statements comprise the Statement of Financial Position as at 30 June 2015, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Council's Responsibility for the Financial Statements

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

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Professional Standards Council at 30 June 2015 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the Professional Standards Council during the year ended 30 June 2015.

Controls exercised by the Professional Standards Council are those policies and procedures established by the Council 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.

Council's Responsibility for Controls

The Council is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Professional Standards Council based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Council complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

Opinion

In my opinion, the controls exercised by the Professional Standards Council 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 2015.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Professional Standards Council for the year ended 30 June 2015.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Council's Responsibility for the Key Performance Indicators

The Council 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 controls as the Council determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

Independent auditor's report

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Council's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

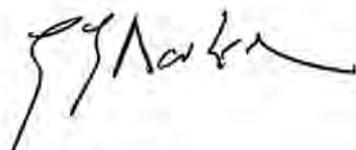
In my opinion, the key performance indicators of the Professional Standards Council are relevant and appropriate to assist users to assess the Council's performance and fairly represent indicated performance for the year ended 30 June 2015.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical 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 Professional Standards Council for the year ended 30 June 2015 included on the Council's website. The Council's management is responsible for the integrity of the Council's website. This audit does not provide assurance on the integrity of the Council's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



GLEN CLARKE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
10 September 2015

Disclosures and legal compliance

FINANCIAL STATEMENTS AND NOTES

CERTIFICATION OF FINANCIAL STATEMENTS

For the year ended 30 June 2015

The accompanying financial statements of the Professional Standards Council of Western Australia 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 financial year ended 30 June 2015 and the financial position as at 30 June 2015.

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

Signed: 

Mr Brian Rayment QC

Chairman

8 September 2015

Signed: 

Ms Rachel Webber

Council Member

8 September 2015

Signed: 

Mr Alan Andersson

Chief Finance Officer

8 September 2015

Statement of comprehensive income

FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
COST OF SERVICE			
Expenses			
Supplies and services	4	220,598	210,881
Other expenses	5	3	6
Total cost of services		220,601	210,887
Income			
<i>Revenue</i>			
User charges and fees	6	232,965	175,761
Total revenue		232,965	175,761
Total income other than income from State Government		232,965	175,761
Net (cost of)/income from services		12,364	(35,126)
Income from State Government			
Resources received free of charge	7	34,726	38,941
Total income from State Government		34,726	38,941
Surplus for the period		47,090	3,815
Total comprehensive income for the period		47,090	3,815

The statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
Current assets			
Cash and cash equivalents	12	590,832	567,500
Receivables	8	12,146	15,249
Total current assets		602,978	582,749
Total assets		602,978	582,749
Liabilities			
Current liabilities			
Payables	9	97,001	124,947
Unearned revenue	10	36,020	34,935
Total current liabilities		133,021	159,882
Total liabilities		133,021	159,882
Net assets		469,957	422,867
Equity			
Accumulated surplus	11	469,957	422,867
Total equity		469,957	422,867

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 2015

	Note	Contributed equity \$	Accumulated surplus \$	Total equity \$
Balance at 1 July 2013	11	–	419,052	419,052
Total comprehensive income for the period		–	3,815	3,815
Balance at 30 June 2014		–	422,867	422,867
Balance at 1 July 2014		–	422,867	422,867
Total comprehensive income for the period		–	47,090	47,090
Balance at 30 June 2015		–	469,957	469,957

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 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Payments to members and suppliers		(211,199)	(91,787)
GST payments on purchase		(21,120)	(10,321)
Receipts			
User charges and fees		232,901	175,069
GST receipts from taxation authority		22,750	14,668
Net cash provided by operating activities	12	23,332	87,629
Net increase in cash and cash equivalents		23,332	87,629
Cash and cash equivalents at the beginning of the reporting period		567,500	479,871
Cash and cash equivalents at the end of the period	12	590,832	567,500

The statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements for the year ended 30 June 2015

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Notes to the financial statements for the year ended 30 June 2015

NOTE 1. AUSTRALIAN ACCOUNTING STANDARDS

GENERAL

The Professional Standards Council's (the "Council" for the purpose of these notes) financial statements for the year ended 30 June 2015 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The Council has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

EARLY ADOPTION OF STANDARDS

The Council cannot adopt an Australian Accounting Standard earlier than the commencement date unless specifically permitted by Treasurer's instruction (TI) 1101 *Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not yet operative) by the Council for the annual reporting period ended 30 June 2015.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL STATEMENT

The Council is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act 2006 and the Treasurer's instructions impose legislative provisions governing the preparation of financial statements and take precedence over the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

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.

B. BASIS OF PREPARATION

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

C. REPORTING ENTITY

The reporting entity comprises the Council and no other related bodies.

Mission

The Professional Standards Council is concerned with the regulation and education of members of occupational associations to improve service standards, and to assist and promote the self-regulation of those associations. The objective of the program is to ensure that the community receives professional services that are affordable, accountable and of a high standard, and provide safeguards regarding professional liability commitment.

D. UNEARNED REVENUE

Unearned revenue represents the portion of scheme fees received but not earned and relates to periods of the scheme subsequent to the end of the reporting period.

E. INCOME

Revenue is recognised in the Statement of Comprehensive Income when it has been earned from memberships and is calculated from the commencement date over the period of the scheme.

F. FINANCIAL INSTRUMENTS

In addition to cash, the Council has two categories of financial instrument:

- › Loans and receivables
- › Financial liabilities measured at amortised cost

Financial instruments have been disaggregated into the following classes:

- › Financial assets
 - Cash and cash equivalents
 - Receivables
- › Financial liabilities
 - Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

G. CASH AND CASH EQUIVALENTS

For the purpose of the Statement of Cash Flows, cash and cash equivalent assets comprise of cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

H. RECEIVABLES

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Council will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

I. PAYABLES

Payables are recognised when the Council 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 they are generally settled within 30 days.

J. SERVICES RECEIVED FREE OF CHARGE OR FOR NOMINAL COST

Services received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value of the services that the Council would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

K. COMPARATIVE FIGURES

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

NOTE 3. DISCLOSURE OF CHANGES IN ACCOUNTING POLICY AND ESTIMATES

Initial application of an Australian Accounting Standard

The Council has applied the following Australian Accounting Standards effective, or adapted, for annual reporting periods beginning on or after 1 July 2014 that impacted on the Council.

<i>AASB 1031</i>	<i>Materiality</i>	This Standard supersedes AASB 1031 (February 2010), removing Australian guidance on materiality not available in IFRSs and refers to guidance on materiality in other Australian pronouncements. There is no financial impact.
<i>AASB 1055</i>	<i>Budgetary Reporting</i>	This Standard requires specific budgetary disclosures in the financial statements of not-for-profit entities within the General Government Sector. In accordance with <i>Treasurer's instruction 945 Explanatory Statement</i> as the Council's Total Cost of Services for the two most recent comparative years is less than \$3 Million no disclosure is required.
<i>AASB 2012-3</i>	<i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]</i>	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of 'currently has a legally enforceable right of set-off' and that some gross settlement systems may be considered equivalent to net settlement. The Council does not routinely hold financial assets and financial liabilities that it intends to settle on a net basis, therefore there is no financial impact.
<i>AASB 2013-3</i>	<i>Amendments to AASB 136 – Recoverable amount disclosures for non-financial assets</i>	This Standard introduces editorial and disclosure changes. There is no financial impact.
<i>AASB 2013-9</i>	<i>Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments</i>	Part B of this omnibus Standard makes amendments to other Standards arising from the deletion of references to AASB 1031 in other Standards for periods beginning on or after 1 January 2014 and has no financial impact.

Future impact of Australian Accounting Standards not yet operative

The Council cannot early adopt an Australian Accounting Standard unless specifically permitted by *TI 1101 Application of Australian Accounting Standards and Other Pronouncements*. Where applicable, the Council plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 9	<p><i>Financial Instruments</i></p> <p>This Standard supersedes <i>AASB 139 Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9 and AASB 2014-1 <i>Amendments to Australian Accounting Standards</i>. The Council has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2010-7	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Int 2, 5, 10, 12, 19 & 127]</i></p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Council has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2013-9	<p><i>Amendments to Australian Accounting Standards Conceptual Framework, Materiality and Financial Instruments</i></p> <p>Part C of this omnibus Standard defers the application of AASB 9 to 1 January 2017 (Part C). The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014-1. The Council has not yet determined the application or the potential impact of AASB.</p>	1 Jan 2015
AASB 2014-1	<p><i>Amendments to Accounting Standards</i></p> <p>Part D has no financial impact as the Council is not required to apply AASB 14 Regulatory Deferral Accounts.</p> <p>Part E of this standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Council to determine the application or potential impact of the Standard.</p>	1 Jan 2015

NOTE 4. SUPPLIES AND SERVICES

	2015 \$	2014 \$
Secretarial services ^a	185,872	171,940
Services received free of charge (Note 7)	34,726	38,941
	220,598	210,881

(a) Includes audit fee

NOTE 5. OTHER EXPENSES

Bank charges and credit card fees	3	6
	3	6

NOTE 6. USER CHARGES AND FEES

Scheme fees	232,965	175,761
	232,965	175,761

NOTE 7. INCOME FROM STATE GOVERNMENT

Resources received free of charge from other state government agencies during the period^a:

Department of the Attorney General

– financial, human resources and information technology services

Total income from State Government	34,726	38,941
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(a) Where services have been received free of charge or for nominal cost, the Council recognises revenue equivalent to the fair value of those services that can be reliably measured and which would have been purchased if they were not donated, and those fair values shall be recognised as assets or expenses, as applicable. The value of services received free of charge recognised during the period was calculated based on estimates and information provided by agencies.

NOTE 8. RECEIVABLES

Current

Receivables	12,146	13,618
GST receivable	–	1,631
Total current	12,146	15,249

NOTE 9. PAYABLES

Current

Accrued expenses	97,001	124,947
Total current	97,001	124,947

NOTE 10. UNEARNED REVENUE

	2015 \$	2014 \$
Current		
Unearned revenue ^a	36,020	34,935
	36,020	34,935

(a) Membership subscriptions in advance.

NOTE 11. EQUITY

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

Accumulated surplus

Balance at start of period		
Result for the period	422,867	419,052
Balance at end of period	47,090	3,815
Total equity at end of period	469,957	422,867
	469,957	422,867

NOTE 12. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash equivalents	590,832	567,500
	590,832	567,500

Reconciliation of net cost of services to net cash flows provided by operating activities

Net (cost of)/income from services	12,364	(35,126)
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Non-cash items

Resources received free of charge	34,726	38,941
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(Increase)/decrease in assets

Receivables	1,472	(3,529)
GST receivables	1,631	4,347

Increase/(decrease) in liabilities

Current payables	(27,946)	80,159
Unearned revenue	1,085	2,837
Net cash provided by operating activities	23,332	87,629

NOTE 13. COMMITMENTS

There were no commitments as at 30 June 2015 (2014: nil).

NOTE 14. FINANCIAL INSTRUMENTS

A. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Credit risk

Credit risk arises when there is the possibility of the Council's receivables defaulting on their contractual obligations resulting in financial loss to the Council. Credit risk also arises from cash and cash equivalents held at banks and financial institutions. The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at Note 14(c) 'Financial instruments disclosures' and Note 8 'Receivables'.

The Council trades only with recognised, creditworthy third parties. The Council has policies in place to ensure that receivable balances are monitored on an ongoing basis, with the result that the Council's exposure to bad debts is minimal. For banks and financial institutions, only independently rated and highly reputable financial institutions are accepted. At the end of the reporting period there were no significant concentrations of credit risk other than in respect of cash and cash equivalents.

Liquidity risk

Liquidity risk arises when the Council is unable to meet its financial obligations as they fall due. The Council is exposed to liquidity risk through its trading in the normal course of business.

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

Market risk

The Council does not trade in foreign currency and is not materially exposed to other price risks because it does not have investments in securities or bonds. The Council is not exposed to interest rate risk because cash and cash equivalents are deposited in non-interest bearing accounts and the Council has no borrowings.

B. CATEGORIES OF FINANCIAL INSTRUMENTS

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

	2015	2014
	\$	\$
Financial assets		
Cash and cash equivalents	590,832	567,500
Receivables ^a	12,146	13,618
	602,978	581,118
Financial liabilities		
Financial liabilities measured at amortised cost ^a	97,001	124,947
	97,001	124,947

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

C. FINANCIAL INSTRUMENTS DISCLOSURES

Credit risk

The following table details the Council's maximum exposure to credit risk and the ageing of financial assets. The Council's maximum exposure to credit risk at the balance sheet date is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets.

The Council does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

AGEING ANALYSIS OF FINANCIAL ASSETS

	Carrying amount	Not past due and not impaired	Past due but not impaired					Impaired financial assets
			Up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years	
	\$	\$	\$	\$	\$	\$	\$	\$
2015								
Cash and cash equivalents	590,832	590,832	-	-	-	-	-	-
Receivables ^a	12,146	12,146	-	-	-	-	-	-
	602,978	602,978	-	-	-	-	-	-
2014								
Cash and cash equivalents	567,500	567,500	-	-	-	-	-	-
Receivables ^a	13,618	13,618	-	-	-	-	-	-
	581,118	581,118	-	-	-	-	-	-

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

Liquidity risk

The following table details the Council's contractual maturity analysis of financial assets and financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows (interest and principal).

MATURITY ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Maturity dates						
	Carrying amount	Total contractual cash flows	Up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
	\$	\$	\$	\$	\$	\$	\$
2015							
Financial assets							
Cash and cash equivalents	590,832	590,832	590,832	-	-	-	-
Receivables ^a	12,146	12,146	12,146	-	-	-	-
	602,978	602,978	602,978	-	-	-	-
Financials liabilities							
Payables	97,001	97,001	97,001	-	-	-	-
	97,001	97,001	97,001	-	-	-	-
	Maturity dates						
	Carrying amount	Total contractual cash flows	Up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
	\$	\$	\$	\$	\$	\$	\$
2014							
Financial assets							
Cash and cash equivalents	567,500	567,500	567,500	-	-	-	-
Receivables ^a	13,618	13,618	13,618	-	-	-	-
	581,118	581,118	581,118	-	-	-	-
Financials liabilities							
Payables	124,947	124,947	124,947	-	-	-	-
	124,947	124,947	124,947	-	-	-	-

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

FAIR VALUES

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

NOTE 15. REMUNERATION OF MEMBERS OF THE COUNCIL

The number of members of the Council, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands, are:

\$	2015	2014
0 – 10,000	11	10
10,001 – 20,000	–	1
	\$	\$
Cash remuneration received	52,969	55,639
Total remuneration of members of the Council	52,969	55,639

NOTE 16. REMUNERATION OF AUDITOR

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

	2015	2014
	\$	\$
Auditing the accounts, financial statements and key performance indicators	10,400	10,200

NOTE 17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets as at 30 June 2015 (2014: nil).

NOTE 18. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no significant events occurring after the end of the reporting period.

NOTE 19. RELATED BODIES

The Council had no related bodies as at 30 June 2015 (2014: nil).

NOTE 20. AFFILIATED BODIES

The Council had no affiliated bodies as at 30 June 2015 (2014: nil).

NOTE 21. SPECIAL PURPOSE ACCOUNTS

The Council had no special purpose accounts as at 30 June 2015 (2014: nil).

NOTE 22. SUPPLEMENTARY FINANCIAL INFORMATION

There were no losses of public moneys or other public property through theft or default during the financial year (2014: nil).

There were no write offs of public money or other public property during the financial year (2014: nil).

There were no gifts of public property during the financial year (2014: nil).



Government of **Western Australia**
Department of **the Attorney General**

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