



State Supply Commission

Annual Report 2019-20

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Statement of compliance

For the year ended 30 June 2020

HON BEN WYATT LLB MSc MLA

TREASURER; MINISTER FOR FINANCE; ABORIGINAL AFFAIRS; LANDS

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the annual report of the State Supply Commission for the reporting period ended 30 June 2020.

The annual report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

The financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board.



Jodi Cant
Acting Chief Executive Officer
State Supply Commission
9 September 2020

Overview

Executive summary

The *State Supply Commission Act 1991* established the State Supply Commission (the Commission). The Commission exists primarily to regulate the State's procurement and disposal of goods and services, through the creation of supply policy.

A number of the State Supply Commission policies have been amended in 2019-2020 to incorporate:

- amendments to reflect changes to the Western Australian Government's Market-led Proposal policy;
- the implementation of the Waste Avoidance and Resource Recovery Strategy 2030;
- the transition of Contracts WA to the WA.gov.au website; and
- temporary economic stimulus and recovery measures, effective from 2 June to 31 December 2020.

The Commission received two complaints from suppliers about government purchasing and contracting for goods and services in 2019-20. Both complaints were resolved.

The *State Supply Commission Act 1991* will be repealed in the 2020-21 financial year when it is replaced by the *Procurement Act 2020*. The *Procurement Act 2020* will improve the existing approach to procurement by developing a consolidated framework that applies to goods, services and works.

The Department of Finance will continue to provide administrative support required by the Commission membership, until the replacement framework is established and the Commission abolished.

These annual financial statements were authorised for issue by the Commission's acting Chief Executive Officer on 9 September 2020.

Operational structure

Enabling legislation

The Commission was established as a statutory authority in 1991 under the *State Supply Commission Act 1991*.

Responsible minister

The Honourable Ben Wyatt LLB MSc MLA, Treasurer; Minister for Finance; Aboriginal Affairs; Lands.

Mission

To achieve universal adoption of best practice in government procurement and disposals.

State Supply Commission membership

The Minister responsible for the *State Supply Commission Act 1991* appoints members to the Commission. The Commission's members did not meet this financial year. Instead, matters were considered and resolved by two out-of-session circulars.

The Chief Executive Officer of the Commission is an ex-officio member of the Commission in accordance with section 8(b) of the *State Supply Commission Act 1991*. Ms Jodi Cant is the Commission's acting Chief Executive Officer and is the Commission Chairperson.

Agency Performance

Performance highlights

The Commission does not have any performance indicators for the reporting period ended 30 June 2020.

Report on highlights

The Commission does not have any actual results versus budget target and key performance indicators for the reporting period ended 30 June 2020.

Significant Issues Impacting the Commission

Current and emerging issues and trends

Part 9 of the *Procurement Act 2020* includes transitional provisions for the repeal of the *State Supply Commission Act 1991* including subsidiary legislation and the abolition of the Commission. It is expected that Part 9 proclamation and consequential abolition of the Commission will occur in early 2021.

Economic and social trends

There were no changes in the economic and social trends during the financial year.

Changes in written law

There were no changes in any written law that affected the Commission during the financial year.

Likely developments and forecast results of operations

There have been no changes in the activities of the Commission during the financial year.

Financial statements

Certification of Financial Statements For the reporting period ended 30 June 2020

The accompanying financial statements of the State Supply 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 in the financial statements misleading or inaccurate.



Dominick Geraghty
Chief Finance Officer

9 September 2020



Jodi Cant
Acting Chief Executive Officer

9 September 2020

Statement of comprehensive income
For the year ended 30 June 2020

	Notes	2020 (\$000)	2019 (\$000)
COST OF SERVICES			
Expenses			
Supplies and services		-	-
Finance costs		-	-
Other Expense		-	-
Total cost of services		-	-
Income			
<i>Revenue</i>			
Interest revenue		-	-
Total Revenue		-	-
<i>Gains</i>			
Gain on disposal of non-current assets		-	-
Other gains		-	-
Total gains		-	-
Total income other than income from State Government		-	-
NET COST OF SERVICES		-	-
Income from State Government			
Service appropriation		-	-
Total income from State Government		-	-
SURPLUS/(DEFICIT) FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME/(DEFICIT) FOR THE PERIOD		-	-

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	378	378
Receivables		-	-
Total Current Assets		378	378
Non-Current Assets			
Receivables		-	-
Total Non-Current Assets		-	-
TOTAL ASSETS		378	378
LIABILITIES			
Current Liabilities			
Payables		-	-
Borrowings		-	-
Total Current Liabilities		-	-
Non-Current Liabilities			
Payables		-	-
Borrowings		-	-
Total Non-Current Liabilities		-	-
TOTAL LIABILITIES		-	-
NET ASSETS		378	378
EQUITY			
Contributed equity	8.3	112	112
Accumulated surplus		266	266
TOTAL EQUITY		378	378

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 (\$000) \$	Total equity (\$000) \$
Balance at 1 July 2018	112	266	378
Total comprehensive income for the period	-	-	-
Balance at 30 June 2019	112	266	378
Balance at 1 July 2019	112	266	378
Total comprehensive income for the period	-	-	-
Balance at 30 June 2020	112	266	378

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 appropriations		-	-
Capital appropriations		-	-
Net cash provided by State Government		-	-
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Supplies and services		-	-
Finance costs		-	-
Receipts			
Other receipts		-	-
Interest received		-	-
Net cash provided by/(used in) operating activities		-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		-	-
Receipts			
Proceeds from sale of non-current assets		-	-
Net cash provided by/(used in) investing activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Repayment of borrowings		-	-
Receipts			
Proceeds from borrowings		-	-
Net cash provided by/(used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the period		378	378
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	378	378

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

Notes to the financial statements

1. Basis of preparation

State Supply Commission is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Agency 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 State Supply Commission on 9 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.

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

2. Use of our funding

The Commission does not have any expenses incurred in the delivery of services at the reporting period ended 30 June 2020.

3. Our funding sources

The Commission does not have any funding sources at the reporting period ended 30 June 2020.

4. Key assets

The Commission does not have any key assets that it utilises for economic benefit or service potential at the reporting period ended 30 June 2020.

5. Other assets and liabilities

The Commission does not have any other assets and liabilities at the reporting period ended 30 June 2020.

6. Financing

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

Cash and cash equivalents

	Notes	2020 (\$000)	2019 (\$000)
Cash and cash equivalents		378	378
Balance at end of period		378	378

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

The Commission does not have any financial instruments, contingent assets and liabilities at the reporting period ended 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.

8.1 Events occurring after the end of the reporting period

No events occurred after the end of the reporting period that require disclosure or adjustment to the financial statements.

8.2 Remuneration of auditors

The Commission does not have any remuneration paid or payable to the Auditor General in respect of the audit at the reporting period ended 30 June 2020.

8.3 Equity

	2020 (\$000)	2019 (\$000)
<u>Contributed equity</u>		
Balance at start of period	112	112
Balance at end of period	112	112

Other statutory information

Ministerial directions

No Ministerial directives were received during the financial year.

Governance disclosures

The Commission does not have any governance disclosures at the reporting period ended 30 June 2020.