

**DEPARTMENT OF AGRICULTURE AND FOOD  
ANNUAL REPORT 2010-11 - ADDENDUM**

Please replace the following pages of the 2010-11 Department of Agriculture and Food Annual Report, with the attached pages.

- Page 42-43      Independent Audit Opinion
- Page 94           Summary of Consolidated Fund Appropriations and Income Estimates
- Pages 108-109 Note 13- Revenue (*pages also contain Notes 12 and 14, which are correct*)
- Page 111           Note 16 - Cash and cash equivalents (*page also contains Note 17, which is correct*)
- Page 112           Note 20 – Receivables (*pages also contain Notes 18 and 19, which are correct*)
- Page 120           Note 29 - Notes to the Statement of Cash Flows
- Pages 126-127 Note 40 - Financial Instruments
- Pages 129-131 Note 43 - Special Purpose Accounts (*pages also contain Notes 41 and 42, which are correct*)
- Page 132           Note 44 - Disclosure of administered income & expenses and assets & liabilities by service

Please amend the following figure:

- Page 72           Efficiency Indicators  
Paragraph 5, line 1: replace '\$30.000' with '\$30 000 000'



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## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

DEPARTMENT OF AGRICULTURE AND FOOD

#### Report on the Financial Statements

I have audited the accounts and financial statements of the Department of Agriculture and Food.

The financial statements comprise the Statement of Financial Position as at 30 June 2011, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information, including Administered transactions and balances.

#### *Director General's Responsibility for the Financial Statements*

The Director General 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 Director General 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 Department'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 Director General, 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 qualified audit opinion.

#### *Basis for Qualified Opinion*

The Department maintains and administers the following special purpose accounts: the Cattle Industry Funded Scheme, the Grain, Seeds and Hay Industry Funded Scheme, the Sheep and Goats Industry Funded Scheme, and the funds relating to the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust in the Commonwealth Agriculture Activity Grants (Interest Bearing) Account. The Department has included financial transactions relating to these accounts in its statement of comprehensive income and statement of financial position. Under the Australian Accounting Standards and the Treasurer's Instructions because the Department does not have discretion over how it uses the funds in these special purpose accounts they should be treated as administered accounts in the Notes to the financial statements and not included in the statement of comprehensive income and statement of financial position. Accordingly, income, expenses and restricted cash and cash equivalents have been overstated by \$18 million, \$24.6 million and \$18.1 million respectively.

## **Department of Agriculture and Food**

### ***Qualified Opinion***

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraphs, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Department of Agriculture and Food at 30 June 2011 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.

### ***Matter of Significance***

The Western Australian Agriculture Authority (WAAA) was established by the Biosecurity and Agriculture Management Act 2007 (BAM Act) as a body corporate that is governed by the Minister for Agriculture and Food. Although WAAA has financial transactions and assets and liabilities, the BAM Act does not require it to report these separately. However, for financial accountability purposes, the BAM Act requires WAAA's activities to be regarded as services under the control of the Department. Consequently, the Department has included WAAA's income, expenses, assets and liabilities in its financial statements as though they relate to the Department. The Department does not separately account for these transactions or disclose them in its financial statements. My opinion is not modified in respect of this matter.

### ***Report on Controls***

I have audited the controls exercised by the Department of Agriculture and Food. The Director General is responsible for ensuring that adequate control is maintained over the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

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

### ***Opinion***

In my opinion, the controls exercised by the Department of Agriculture and Food 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.

### ***Report on the Key Performance Indicators***

I have audited the key performance indicators of the Department of Agriculture and Food. The Director General 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.

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 Standards.

### ***Basis for Qualified Opinion***

The following key performance indicators of effectiveness either do not relate to or are not an appropriate measure of the Department's effectiveness as they have limited correlation to the Department's outcomes.

- KPI 1.1      The Impact of department activity on the adoption of management practices that address off-site environmental impact or contribute to the long term sustainability of the natural resource base.
- KPI 1.2      The impact of department activity on improving the capacity of primary producers to sustainably and profitably manage the agricultural resource base.

## **Department of Agriculture and Food**

- KPI 2.1 Uptake of crop varieties developed by the department.
- KPI 2.2 The extent to which the outcomes of research, development and extension projects improve the profitability or potential profitability of rural industries.
- KPI 3.1 The benefit-cost ratio and net present value of the agency's research and development and biosecurity activity.
- KPI 3.2 The impact of department activity on the capacity of agri-industry to manage change and respond to opportunities.
- KPI 4.1 The extent to which new market opportunities are developed or maintained for Western Australian agricultural produce.
- KPI 4.2 Interceptions of significant pests, diseases and weeds by interstate and international barrier quarantine activities.
- KPI 5.1 The impact of department activity on the management of community and environmental risks.

As a result, the above key performance indicators of effectiveness are not relevant and/or appropriate to assess the Department's performance for the year ended 30 June 2011.

### ***Qualified Opinion***

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the key performance indicators of the Department of Agriculture and Food are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2011.

### **Independence**

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and the Australian Auditing Standards, and other relevant ethical requirements.



COLIN MURPHY  
AUDITOR GENERAL  
28 September 2011

**Summary of Consolidated Fund Appropriations and Income Estimates***For the year ended 30 June 2011*

	Note	2011 Estimate \$'000	2011 Actual \$'000	Variation \$'000	Note	2011 Actual \$'000	2010 Actual \$'000	Variation \$'000
<b>DELIVERY OF SERVICES</b>								
Item 103 - Net amount appropriated to deliver service		156,769	155,817	952		155,817	147,121	8,696
Amount authorised by Other Statutes				-				-
- Agricultural and Related Resources Protection Act 1976		1,080	1,080	-		1,080	1,080	-
- Salaries & Allowances Act 1975		312	312	-		312	301	11
<b>Total appropriations provided to deliver services</b>		<b>158,161</b>	<b>157,209</b>	<b>952</b>	34.8	<b>157,209</b>	<b>147,422</b>	<b>9,787</b>
<b>DETAILS OF EXPENSES BY SERVICE</b>								
Land Management	34.1	98,211	63,807	34,404		63,807	60,761	3,046
Production System Solutions	34.2	109,686	66,745	42,941	34.9	66,745	94,057	(27,312)
Industry and Regional Support	34.3	15,053	40,985	(25,932)	34.10	40,985	13,554	27,431
Market Development	34.4	44,908	30,759	14,149	34.11	30,759	38,599	(7,841)
Community and Environmental Risk Management	34.5	13,769	15,528	(1,759)	34.12	15,528	12,666	2,862
<b>Total Cost of Services</b>		<b>281,627</b>	<b>217,823</b>	<b>63,804</b>		<b>217,823</b>	<b>219,637</b>	<b>(1,814)</b>
Less Total income	34.6	115,010	54,322	60,688	34.13	54,322	66,801	(12,479)
<b>Net Cost of Services</b>		<b>166,617</b>	<b>163,501</b>	<b>3,116</b>		<b>163,501</b>	<b>152,836</b>	<b>10,665</b>
Adjustments (i)		(8,456)	(6,292)	(2,164)		(6,292)	(5,414)	(878)
<b>Total appropriations provided to deliver services</b>		<b>158,161</b>	<b>157,209</b>	<b>952</b>		<b>157,209</b>	<b>147,422</b>	<b>9,787</b>

**Summary of Consolidated Fund Appropriations and Income Estimates***For the year ended 30 June 2011*

	Note	Estimate \$'000	Actual \$'000	Variation \$'000	Note	Actual \$'000	Actual \$'000	Variation \$'000
<b>CAPITAL</b>								
<b>Item 159 - Capital Contribution</b>								
<b>Capital Expenditure</b>								
Purchase of non-current physical assets		22,558	10,511	12,047		10,511	7,073	3,438
Adjustment for other funding sources		(3,500)	(4,356)	856		(4,356)	(3,015)	(1,341)
<b>Capital Contribution (appropriation)</b>	34.7	<b>19,058</b>	<b>6,155</b>	<b>12,903</b>	34.14	<b>6,155</b>	<b>4,058</b>	<b>2,097</b>
<b>ADMINISTERED TRANSACTIONS</b>								
<b>Item 39 - Amount provided for Administered Grants, Subsidies and Transfer Payments</b>								
Administered capital appropriations		-	-	-		-	400	(400)
Administered grants and transfer payments		27,296	32,429	(5,133)	34.15	32,429	25,121	7,308
<b>DETAIL OF INCOME ESTIMATES</b>								
Less Income disclosed as Administered Income (Refer note 44)		24,913	48,955	(24,042)		48,955	26,188	22,767
Adjustments (i)		(2,383)	16,526	(18,909)		16,526	1,067	15,459
<b>Total appropriations provided for Administered Grants, Subsidies and Transfer Payments</b>		<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>400</b>	<b>(400)</b>
<b>GRAND TOTAL OF APPROPRIATIONS</b>		<b>177,219</b>	<b>163,364</b>	<b>13,855</b>		<b>163,364</b>	<b>151,880</b>	<b>11,484</b>

(i) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(ii) The Summary of Consolidated Fund Appropriations, Variances to Budget and Actual should be read in conjunction with the accompanying notes. This Summary provides the basis for the Explanatory Statement Information requirements of Treasurer's Instruction, TI 945, set out in note 34.

**Note 12. Trading Profit**

	2011 \$000	2010 \$000
<b>Sales</b>	<b>78</b>	<b>250</b>
<b>Cost of sales</b>		
Opening inventory	(353)	(425)
Add Purchases	(44)	(153)
	<u>(397)</u>	<u>(578)</u>
Less Closing inventory (a)	171	353
Cost of goods sold	(226)	(226)
<b>Trading profit</b>	<b>(148)</b>	<b>24</b>

During 2006/2007 the Agriculture Protection Board transferred the majority of its assets to the Department in preparation for changes under the Biosecurity and Agriculture Management Bill. On 1 July 2007 the Department took effective control of the Agriculture Protection Board's bait production unit. Closure of the unit is in progress.

(a) see also note 19 "Inventories"

**Note 13. Revenue**

	2011 \$000	2010 \$000
<b>Revenue</b>		
<b>(a) User charges and fees</b>		
User charges and fees	3,621	9,796
Memorandum of understanding - services provided		
- Agriculture Protection Board	5,310	5,990
- Agricultural Produce Commission	59	74
- Rural Business Development Corporation	330	400
	<u>9,320</u>	<u>16,260</u>
<b>(b) Commonwealth grants and contributions</b>		
Commonwealth Agriculture Activity Grants	1,770	1,591
	<u>1,770</u>	<u>1,591</u>

**(c) Grants and subsidies from non-Government sources***Agriculture Research Grants Account No. 1*

## Rural industry research funds

- Meat Livestock Australia	256	251
- Dairy Research & Development Corporation	-	301
- Grains Research & Development Corporation	9,668	7,896
- Grape and Wine Research Corporation	-	117
- Rural Industry Research & Development Corporation	210	278
- Australian Wool Innovation Pty Ltd	325	605
- Australian Centre for International Agricultural Research	1,780	2,110
- Australian Pork Limited	-	62
- Land Conservation District Fund	-	129
- Plant Health Australia	-	104
- Centre for Legumes in Mediterranean Agriculture	-	105
- CRC Research Grants	2,450	4,076
- Commercial Grants	7,269	14,004
- NRM 3rd Party Funding Grants	-	1,142
<i>Agriculture Research Grants Account No. 2</i>		
- Horticulture Industry	1,073	411
- Plant research and development	-	20
- Other grants and subsidies	35	1,138
Total grants and subsidies from non-Government sources	<u>23,066</u>	<u>32,748</u>

**(d) Interest revenue**

Interest received	<u>1,413</u>	<u>1,288</u>
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**(e) Other revenue**

Levies, rates & licences	2,855	(87)
Return of grant allocations	3,137	10,597
Royalties	1,445	2,008
Other	11,176	1,753
	<u>18,613</u>	<u>14,271</u>

**Note 14. Net gain/loss on disposal of non-current asset**

	2011 \$000	2010 \$000
<u>Cost of disposal of non-current assets</u>		
Land	-	6
Buildings	15	3
Vehicles & transportation equipment	50	85
IT equipment	2	24
Plant & equipment	<u>146</u>	<u>263</u>
	<u>213</u>	<u>381</u>
<u>Proceeds from disposal of non-current assets</u>		
Vehicles & transportation equipment	176	274
IT equipment	1	4
Plant & equipment	75	343
	<u>252</u>	<u>621</u>
<b>Net gain/(loss)</b>	<b><u>39</u></b>	<b><u>241</u></b>
Gain on disposal of other assets	23	153

**Note 16. Cash and cash equivalents**

	2011 \$000	2010 \$000
Cash Advances	62	42
Cash at bank	<u>16,562</u>	<u>12,299</u>
	<u>16,624</u>	<u>12,341</u>

**Note 17. Restricted cash and cash equivalents**

	2011 \$000	2010 \$000
<b>Current</b>		
<b>Restricted cash (a)</b>		
Departmental Receipts in Suspense	-	56
Land Conservation Districts Fund	12	43
Royalties for Regions Fund	<u>(424)</u>	<u>130</u>
	<u>(412)</u>	<u>229</u>
<b>Special purpose accounts (b)</b>		
Agriculture Research Grants Account No. 1	4,646	8,478
Agriculture Research Grants Account No. 2	2,970	2,731
Commonwealth Agriculture Activity Grants (Non-interest bearing)	2,341	2,510
Commonwealth Agriculture Activity Grants (Interest bearing)	9,118	18,539
Declared Pest Account	608	-
Plant Research & Development	5,043	5,661
Cattle Industry Funded Scheme	6,175	6,374
Grain, Seeds & Hay Industry Funded Scheme	2,433	-
Sheep & Goats Industry Funded Scheme	311	-
	<u>33,645</u>	<u>44,294</u>
<b>Total current</b>	<u>33,232</u>	<u>44,522</u>

(a) Funds held in the following accounts are for the following purposes.

Departmental Receipts in Suspense: to hold and distribute funds pending identification for allocation.

Land Conservation Districts Fund: to promote soil conservation through research and implementation of soil and conservation measures and practices.

Royalties for Regions Fund: to hold and distribute funds for projects and programs in WA regional areas.

(b) Receipts and disbursements are disclosed in note 43 in accordance with Treasurer's Instruction 1103(15).

**Non-current**

Accrued salaries suspense account (c)	2,070	1,933
<b>Total non-current</b>	<u>2,070</u>	<u>1,933</u>

(c) Amounts held in the suspense account are only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years. The Department receives no interest on this account.

<b>Total restricted cash and cash equivalents</b>	<u>35,303</u>	<u>46,455</u>
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**Note 18. Biological assets**

	2011 \$000	2010 \$000
Livestock	1,929	1,973
Field crops	143	464
	<u>2,072</u>	<u>2,436</u>

**Note 19. Inventories**

	2011 \$000	2010 \$000
<b>Current</b>		
Inventories held for resale		
Raw materials and stores	1,380	1,474
Finished goods	118	304
	<u>1,498</u>	<u>1,778</u>

**Note 20. Receivables**

	2011 \$000	2010 \$000
Trade receivables - current	12,214	7,514
Trade receivables - non-current	-	166
Less: Allowances for impairment of receivables (a)	(333)	(239)
Interest receivable	326	378
Accrued revenue	2,859	1,429
GST receivable	1,578	1,038
<b>Total receivables</b>	<u>16,644</u>	<u>10,286</u>

**Reconciliation of changes in the allowances for impairment of receivables:**

Balance at start of year	239	310
Doubtful debt expense recognised in the statement of comprehensive income	190	(4)
Amounts written off during the year	(96)	(67)
Amounts recovered during the year	-	-
<b>Balance at end of year</b>	<u>333</u>	<u>239</u>

The Department does not hold any collateral as security or other credit enhancements as security for receivables.

See also note 2 (p) 'Receivables' and note 40 'Financial Instruments'.

**Note 29. Notes to the Statement of Cash Flows****(a) 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:

	2011 \$000	2010 \$000
Cash and cash equivalents (note 16)	16,624	12,341
Restricted cash and cash equivalents: current (note 17)	33,232	44,522
Restricted cash and cash equivalents: non-current (note 17)	2,070	1,933
	<hr/>	<hr/>
	51,926	58,796

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

	2011 \$000	2010 \$000
Net cost of services	(163,501)	(152,836)

**Non-cash items:**

Net (loss)/profit sale of assets	39	241
Depreciation and amortisation expense	8,305	8,174
Doubtful debt expense	190	-
Resources received free of charge	1,269	971
Share of net loss in joint venture using equity method	933	1,409
Provision for impairment	-	(1,327)

**(Increase)/decrease in assets:**

Biological assets	365	(57)
Agricultural produce	73	31
Inventories	280	169
Receivables (a)	(6,326)	4,576
Other current assets	55	139

**Increase/(decrease) in liabilities:**

Payables (a)	1,293	2,938
Provisions	(5,190)	(1,517)
Net GST receipts/(payments) (b)	393	(421)
Change in GST in receivables/payables (c)	(540)	(348)
<b>Net cash provided by/(used in) operating activities</b>	<b>(162,362)</b>	<b>(137,860)</b>

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

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

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

**Note 40. Financial instruments****(a) Financial risk management objectives and policies**

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

**Credit risk**

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

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 40(c) 'Financial instruments disclosures' and note 20 'Receivables'.

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

Allowances for impairment of financial assets is calculated based on objective evidence, such as observable data in client credit ratings. For financial assets that are either past due or impaired, refer to note 20 'Receivables' note 40(c) 'Financial Instrument Disclosure'.

**Liquidity risk**

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

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

The Department 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**

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Department's income or the value of its holdings of financial instruments. The Department does trade in foreign currency but values are not considered material. The Department is not materially exposed to other price risks (for example, equity securities or commodity prices changes). Other than as detailed in the interest rate sensitivity analysis table at note 40(c), the Department is not exposed to interest rate risk because apart from minor amounts of restricted cash, all other cash and cash equivalents and restricted cash are non-interest bearing and there are no borrowings.

**(b) Categories of financial instruments**

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2011 \$000	2010 \$000
<b>Financial Assets</b>		
Cash and cash equivalents	16,624	12,341
Restricted cash and cash equivalents	35,303	46,455
Loans and Receivables <sup>(a)</sup>	64,125	51,775
Available for sale financial assets	638	669
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost	13,063	11,770

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

**(c) Financial Instrument disclosures**Credit risk and interest rate exposures

The following table discloses the Department's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. The Department's maximum exposure to credit risk at the end of the reporting period 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 table is based on information provided to senior management of the Department.

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

The Department does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

Interest rate exposures and ageing analysis of financial assets <sup>(a)</sup>

	Weighted Average Effective Interest rate %	Carrying Amount \$000	Variable Interest rate %	Non- bearing \$000	<u>Past due but not impaired</u>					More than 5 years \$000	Impaired financial assets \$000							
					Up to 3 months	3 - 12 months	1-2 Years	2-5 Years	More than 5 years									
					\$000	\$000	\$000	\$000	\$000									
<b>Financial Assets</b>																		
<b>2011</b>																		
Cash and cash equivalents		16,669	-	16,669	-	-	-	-	-	-	-	-						
Restricted cash and cash equivalents	5.03%	35,258	26,201	9,057	-	-	-	-	-	-	-	-						
Available for sale financial assets		638	-	638	-	-	-	-	-	-	-	-						
Amount receivable for services		49,059	-	49,059	-	-	-	-	-	-	-	-						
Receivables (a)		15,065	-	15,065	1,662	886	79	1	-	96	-	-						
<b>Total financial assets</b>		<b>116,890</b>	<b>26,201</b>	<b>90,488</b>	<b>1,662</b>	<b>886</b>	<b>79</b>	<b>1</b>	<b>-</b>	<b>96</b>								
<b>2010</b>																		
Cash and cash equivalents		12,341	-	12,341	-	-	-	-	-	-	-	-						
Restricted cash and cash equivalents	4.00%	46,455	33,478	12,977	-	-	-	-	-	-	-	-						
Available for sale financial assets		669	-	669	-	-	-	-	-	-	-	-						
Amount receivable for services		42,527	-	42,527	-	-	-	-	-	-	-	-						
Receivables (a)		9,248	-	9,248	385	1,225	-	-	-	-	-	-						
<b>Total financial assets</b>		<b>111,241</b>	<b>33,478</b>	<b>77,763</b>	<b>385</b>	<b>1,225</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>								

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

**Note 41. Supplementary financial information**

	2011 \$000	2010 \$000
(a) <u>Write-offs: Non-current assets</u>		
During the financial year \$456,657 (2010: \$28,101) was written off the Department's asset register under the authority of:		
- The accountable authority	47	28
- The Minister	<u>410</u>	<u>28</u>
	<u>457</u>	<u>28</u>
Write-offs: Irrecoverable amounts & inventory		
During the financial year \$95,532 (2010: \$67,292) was written off in bad debts under the authority of:		
- The accountable authority	96	67
(b) <u>Losses through theft, defaults and other causes</u>		
Losses of public moneys and public and other property through theft or default	40	1
Amounts recovered-insurance	35	7

**Note 42. Indian Ocean Territories Service Level Agreement**

The provision of services to the Indian Ocean territories are recouped from the Commonwealth Government.

	2011 \$000	2010 \$000
Opening Balance	155	-
Receipts	40	166
Payments	(197)	(11)
Closing Balance	(3)	155

**Note 43. Special Purpose Accounts -  
Section 16 (1) (d) Financial Management Act**

	2011 \$000	2010 \$000
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**Agriculture Research Grants Account No. 1 (Non-Interest bearing)**

The purpose of the fund is to receive and disperse funds from industry and other organisations in support of Agricultural research projects.

Balance at the start of the year	8,478	6,018
Receipts	30,248	39,007
Payments	(34,075)	(36,548)
Balance at the end of the year	<u>4,651</u>	<u>8,478</u>

**Agriculture Research Grants Account No. 2 (Interest bearing)**

The purpose of the fund is to receive and disperse funds from industry and other organisations in support of Agricultural research projects.

Balance at the start of the year	2,731	4,953
Receipts	2,969	3,418
Payments	(2,731)	(5,640)
Balance at the end of the year	<u>2,969</u>	<u>2,731</u>

**Commonwealth Agriculture Activity Grants (Non-interest bearing)**

The purpose of the fund is to receive and disperse funds to conduct Commonwealth funded activities.

Balance at the start of the year	2,510	2,674
Receipts	1,791	1,645
Payments	(1,961)	(1,809)
Balance at the end of the year	<u>2,340</u>	<u>2,510</u>

**Commonwealth Agriculture Activity Grants (Interest bearing)**

The purpose of the fund is to receive and disperse funds to conduct Commonwealth funded activities.

Balance at the start of the year	18,539	17,750
Receipts	6,591	5,258
Payments	(16,012)	(4,469)
Balance at the end of the year	<u>9,118</u>	<u>18,539</u>

**Plant Research & Development**

The purpose of the fund is to receive and disperse funds to conduct plant research and development in Western Australia.

Balance at the start of the year	5,661	4,246
Receipts	1,188	2,882
Payments	(1,806)	(1,467)
Balance at the end of the year	<u>5,043</u>	<u>5,661</u>

**Cattle Industry Funded Scheme**

The purpose of the fund is to receive and disperse funds from the cattle industry to enable the industry to self-determine and self-fund appropriate responses to serious pest and disease incursions which predominantly impact on the industry sector and which are not otherwise covered under existing arrangements at the national level.

Balance at the start of the year (a)	6,358	-
Receipts	7,248	-
Payments	(7,431)	-
Balance at the end of the year	<u>6,175</u>	<u>-</u>

(a) Balance transferred from Agriculture Protection Board

**Declared Pest Account**

The purpose of the fund is to receive and disperse funds collected to carry out measures to control declared pests on and in relation to areas for which the rates were collected.

Balance at the start of the year	-	-
Receipts	1,575	-
Payments	(967)	-
Balance at the end of the year	<u>608</u>	<u>-</u>

**Grain, Seeds & Hay Industry Funded Scheme**

The purpose of the fund is to receive and disperse funds from the grain, seeds and hay industry to enable the industry to self-determine and self-fund appropriate responses to serious pest and disease incursions which predominantly impact on the industry sector and which are not otherwise covered under existing arrangements at the national level.

Balance at the start of the year	-	-
Receipts	5,151	-
Payments	(2,717)	-
Balance at the end of the year	<u>2,433</u>	<u>-</u>

**Sheep & Goats Industry Funded Scheme**

The purpose of the fund is to receive and disperse funds from the sheep and goats industry to enable the industry to self-determine and self-fund appropriate responses to serious pest and disease incursions which predominantly impact on the industry sector and which are not otherwise covered under existing arrangements at the national level.

Balance at the start of the year	-	-
Receipts	336	-
Payments	(23)	-

**Note 44. Disclosure of administered income & expenses and assets & liabilities by service**

	WAMIA		Cooperative Loans		Commonwealth Grants (NLP & CFOC)		Total	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>(I) Disclosure of Administered Income &amp; Expenses by Service</b>								
<b>COST OF SERVICE Expenses</b>								
Grants, subsidies & transfer payment	4,300	-	-	-	27,456	24,193	31,756	24,193
Interest payments	-	-	601	860	-	-	601	860
Other expenses	-	-	72	68	(0)	-	72	68
<b>Total administered expenses</b>	<b>4,300</b>	<b>-</b>	<b>673</b>	<b>928</b>	<b>27,456</b>	<b>24,193</b>	<b>32,429</b>	<b>25,121</b>
<b>Income</b>								
Commonwealth grants & contributions	-	-	-	-	461	25,114	461	25,114
User charges and fees	-	-	10	2	-	-	10	2
Interest revenue	-	-	527	995	140	77	674	1,072
Other revenue	21,500	-	-	-	26,211	-	47,711	-
<b>Total administered income</b>	<b>21,500</b>	<b>-</b>	<b>537</b>	<b>997</b>	<b>26,818</b>	<b>25,191</b>	<b>48,855</b>	<b>26,188</b>

	WAMIA		Cooperative Loans		Commonwealth Grants (NLP & CFOC)		Total	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>(II) Disclosure of Administered Assets &amp; Liabilities by Service</b>								
<b>Current Assets</b>								
Cash and cash equivalents	17,200	-	(2,159)	280	1,681	4,522	16,722	4,802
Receivables	-	-	-	2	507	28	507	30
<b>Total administered current assets</b>	<b>17,200</b>	<b>-</b>	<b>(2,159)</b>	<b>281</b>	<b>2,188</b>	<b>4,550</b>	<b>17,229</b>	<b>4,831</b>
<b>Non-current Assets</b>								
Loan	-	-	11,120	10,314	-	-	11,120	10,314
Interest Receivable	-	-	-	-	40	-	40	-
<b>Total administered non-current assets</b>	<b>-</b>	<b>-</b>	<b>11,120</b>	<b>10,314</b>	<b>40</b>	<b>-</b>	<b>11,159</b>	<b>10,314</b>
<b>TOTAL ADMINISTERED ASSETS</b>	<b>17,200</b>	<b>-</b>	<b>8,961</b>	<b>10,595</b>	<b>2,227</b>	<b>4,550</b>	<b>28,388</b>	<b>15,145</b>
<b>Current Liabilities</b>								
Payables	-	-	-	-	-	1,685	-	1,685
Borrowings	-	-	660	3,366	-	-	660	3,366
<b>Total administered current liabilities</b>	<b>-</b>	<b>-</b>	<b>660</b>	<b>3,366</b>	<b>-</b>	<b>1,685</b>	<b>660</b>	<b>5,051</b>
<b>Non-current Liabilities</b>								
Borrowings	-	-	8,156	6,948	-	-	8,156	6,948
<b>Total administered non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>8,156</b>	<b>6,948</b>	<b>-</b>	<b>-</b>	<b>8,156</b>	<b>6,948</b>
<b>TOTAL ADMINISTERED LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>8,816</b>	<b>10,314</b>	<b>-</b>	<b>1,685</b>	<b>8,816</b>	<b>11,999</b>

Administered transactions are not considered to form part of the Department's operational services and are not attributable to its activities/services.