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Statement of Compliance

For the year ended 30 June 2018

To the Honourable Ben Wyatt MLA, Treasurer; Minister for Finance; Energy; Aboriginal Affairs.

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 Western Australian Building Management Authority for the financial year ended 30 June 2018.

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

Stephanie Black
ACTING DIRECTOR GENERAL

1 August 2018
Overview

Executive Summary
The Western Australian Building Management Authority was established under the Public Works Act 1902 as a body corporate.

The Authority did not conduct any operational or financial activities during the year ended 30 June 2018.

Responsible Minister
The Western Australian Building Management Authority is responsible to the Honourable Ben Wyatt MLA, Treasurer; Minister for Finance; Energy; Aboriginal Affairs.
Agency Performance and Disclosures

Performance indicators
Nil. The Authority was dormant during the financial year.

Report on operations
Nil. The Authority was dormant during the financial year.

Significant issues impacting the agency
Nil. There has been no change in the activities of the Authority during the financial year.

Ministerial directives
Nil.

Other financial disclosures
Nil.

Employment and industrial relations
Nil. No staff.

Governance disclosures
Nil.

Other legal requirements
Nil.

Government policy requirements
Nil.
Financial Statements

Certification of Financial Statements

For the year ended 30 June 2018

The accompanying financial statements of the Western Australian Building Management Authority 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 2018 and the financial position as at 30 June 2018.

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

Dominick Geraghty
Chief Finance Officer
1 August 2018

Stephanie Black
Acting Director General
1 August 2018
INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

WESTERN AUSTRALIAN BUILDING MANAGEMENT AUTHORITY

Report on the Financial Statements

Opinion
I have audited the financial statements of the Western Australian Building Management Authority which comprise the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

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 Building Management Authority for the year ended 30 June 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the Financial Management Act 2006 and the Treasurer's Instructions.

Basis for Opinion
I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Authority 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.

Other Matter
After consultation with the Treasurer, I dispensed with the audits of the Authority for the financial years ended 30 June 2016 and 30 June 2017 under section 14 of the Auditor General Act 2006. The Authority did not operate during these periods and I considered that it was not in the public interest to incur the cost of these audits. I audited the Authority this financial year because the Auditor General Act 2006 does not allow an audit to be dispensed with for three consecutive years.

Responsibility of the Director General 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, the Financial Management Act 2006 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.

In preparing the financial statements, the Director General is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.
Auditor’s Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director General.

- Conclude on the appropriateness of the Director General’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Western Australian Building Management Authority. The controls exercised by the Authority are those policies and procedures established by the Director General 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 Building Management Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2018.

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

**Auditor General’s Responsibilities**
As required by the Auditor General Act 2006, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 Assurance Engagements on Controls issued by the Australian Auditing and Assurance Standards Board.

That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

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

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

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

**My Independence and Quality Control Relating to the Reports on Controls**
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
This auditor's report relates to the financial statements of the Western Australian Building Management Authority for the year ended 30 June 2018 included on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This Audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If users of the financial statements 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 to Confirm the information contained in this website version of the financial statements.

SANDRA LABUSCHAGNE
ACTING DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
23 August 2018
Statement of Comprehensive Income  
For the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $000</th>
<th>2017 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST OF SERVICES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplies and services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Finance costs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total cost of services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest revenue</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total income other than income from State Government</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET COST OF SERVICES</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income from State Government</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Service appropriation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total income from State Government</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>SURPLUS/(DEFICIT) FOR THE PERIOD</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>OTHER COMPREHENSIVE INCOME</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total other comprehensive income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.
Statement of Financial Position
As at 30 June 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $000</th>
<th>2017 $000</th>
</tr>
</thead>
</table>

**ASSETS**

**Current Assets**
- Cash and cash equivalents
- Receivables
  - Total Current Assets

**Non-Current Assets**
- Receivables
  - Total Non-Current Assets
  - TOTAL ASSETS

**LIABILITIES**

**Current Liabilities**
- Payables
- Borrowings
  - Total Current Liabilities

**Non-Current Liabilities**
- Borrowings
  - Total Non-Current Liabilities
  - TOTAL LIABILITIES
  - NET ASSETS

**EQUITY**
- Contributed equity
- Accumulated surplus/(deficit)
  - TOTAL EQUITY

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 2018

<table>
<thead>
<tr>
<th></th>
<th>Contributed equity $000</th>
<th>Reserves $000</th>
<th>Accumulated surplus/ (deficit) $000</th>
<th>Total equity $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 July 2016</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 30 June 2017</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 1 July 2017</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 30 June 2018</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $000</th>
<th>2017 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH FLOWS FROM STATE GOVERNMENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service appropriations</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital appropriations</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net cash provided by State Government</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Utilised as follows:

CASH FLOWS FROM OPERATING ACTIVITIES

Payments
Supplies and services | - | - |
Finance costs | - | - |

Receipts
Interest received | - | - |
Net cash provided by/(used in) operating 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 | - | - |
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | - | - |

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 2018

The Western Australian Building Management Authority was established under the Public Works Act 1902 as a body corporate. The Authority was responsible for servicing borrowings dating from the capital works program of 1984-85 and the borrowings to construct the Peel Health Campus in 1996.

The Authority held the residual borrowings from the amalgamation of the former Ministry of Housing and the Department of Contract and Management Services in 2001.

The responsibility for the Authority was transferred to the Department of Treasury and Finance (DTF) on 2 February 2009, along with the Government’s ‘works’ function and to the Department of Finance following the split of DTF on 30 June 2011.

All borrowings from the Western Australian Treasury Corporation were fully repaid by 16 July 2008 and there have been no transactions since that date.

These annual financial statements were authorised for issue by the Department’s Acting Director General on 1 August 2018.

Note 1. Australian Accounting Standards
General
The Authority’s financial statements for the year ended 30 June 2018 have been prepared in accordance with Australian Accounting Standards. The term ‘Australian Accounting Standards’ includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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

Early adoption of standards
The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI1101 Application of Australian Accounting Standards and Other Pronouncements. There has been no early adoption of any other Australian Accounting Standards that have been issued or amended (but not operative) by the Authority for the annual reporting period ended 30 June 2018.

Note 2. Summary of significant accounting policies
(a) General statement
The Authority 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 that govern the preparation of financial statements and take precedence over 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, except for land, buildings and infrastructure which have been measured at fair value.

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 thousand dollars ($'000).

(c) Reporting entity
The reporting entity is the Western Australian Building Management Authority.

Note 3. Commitments
The Authority had no commitments at 30 June 2018.

Note 4. Contingent liabilities and contingent assets
The Authority did not have any contingent liabilities or contingent assets at 30 June 2018.

Note 5. 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.

Note 6. Remuneration of auditor
The 2017-18 audit fee of $5,700 payable to the Auditor General will be paid by the Department of Finance.