



GOVERNMENT HOUSE
WESTERN AUSTRALIA



Governor's Establishment
Annual Report
2020/**2021**



Acknowledgement of Country

The Governor's Establishment acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of our Aboriginal communities and their cultures; and to Elders both past and present. In particular we acknowledge the Whadjuk Noongar people of the Noongar Nation and their elders on whose land Government House stands.



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Statement of compliance

Hon Mark McGowan MLA

Premier; Treasurer; Minister for Public Sector Management; Federal-State Relations

In accordance with Section 63 of the *Financial Management Act 2006*, we hereby submit for your information, and presentation to Parliament, the annual report of the Governor's Establishment for the financial year ended 30 June 2021.

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

Yours sincerely



Simon Kennedy

Official Secretary

Accountable Officer Governor's Establishment



Official Secretary's review

The 2020-2021 financial year marked the third year in the Honourable Kim Beazley AC's term as the 33rd Governor of Western Australia. It also marked one of the most difficult periods in recent history due to the COVID-19 pandemic which caused isolation, community disconnectedness and economic uncertainty throughout the world.

Closer to home two major community disasters occurred. The devastating Wooroloo bushfires broke out, during the February COVID-19 lockdown, destroying 87 homes and, in April, Cyclone Seroja inflicted serious damage to Kalbarri and surrounding regions.

The Governor set new priorities following the onset of COVID-19, which were additional to the priorities he announced at the commencement of his term. The new priorities focused on how best to support the community, both in Perth and throughout regional Western Australia.

These additional priorities include:

- Ongoing communication and engagement with patronages and community organisations directly impacted by COVID-19
- Contribution to, and encouragement of, community well-being and reassurance through the enhanced utilisation of Government House, the Ballroom and the grounds
- The monitoring and support of social and economic recovery efforts within Western Australia
- Contribution to the promotion and enhanced awareness of Western Australia's domestic, economic, cultural and industrial capabilities.

The Governor's Establishment shifted accordingly and scheduled the Governor's program to align with the new priorities. The Establishment reacted with agility and developed programs responsive to the ever changing circumstances over the last 12 months.

COVID-19 restrictions challenged conventional notions of face to face interactions, and a number of innovative responses and initiatives were pursued, as demonstrated later in this document.

Although there were periodic travel restrictions during the year, the Governor maintained his connection with the community when possible, through shorter day visits when travelling to regional areas. The Governor sought to offer assistance and further promote regional tourism and economic opportunities through the Establishment's digital and social media platforms.

The Establishment remains alert to the possibility of future interruptions to the Governor's program.

It is clear the staff of the Establishment have responded well to challenges presented in the last 12 months including incorporating new ways of working, such as working from home and virtual meetings. I acknowledge their efforts and resilience, as they adapted to new ways of advancing the Governor's priorities in support of the Western Australian community.

Simon Kennedy

Official Secretary

"The 2020-2021 financial year marked one the most difficult periods in recent history due to the COVID-19 pandemic which caused isolation, community disconnectedness and economic uncertainty throughout the world."

Overview of the Governor's Establishment

About the Governor's Establishment

Government House belongs to the people of Western Australia. It functions as:

1. A venue for representational and community activities
2. An office for the Governor's Establishment
3. A home for the Governor and his family

The Governor's Establishment exists to serve and advance the interests of all West Australians, bringing credit to Her Majesty the Queen and reflecting the high standards of the Royal Family.

Staff at the Governor's Establishment, led by the Governor, focus on developing and implementing a contemporary and strategic program which at its core showcases Western Australian excellence and achievements, connects our metropolitan and regional communities and works with all levels of industry and government to achieve positive outcomes for our State.

Objectives

- Provide a cost effective quality service to the Governor and the community.
- Support the Governor to perform the constitutional, ceremonial and civic duties of the appointment.
- Develop and maintain comprehensive briefing material to support the Governor's advocacy role.
- Facilitate a comprehensive program (calls, visits, functions) relevant to the Governor's priority areas.
- Promote the importance of Government House as a community asset with cultural and heritage significance.
- Increase awareness and understanding of the role of the Governor and significance of Government House through the website, media, social media and community engagement.
- Manage, maintain and improve assets to preserve and protect heritage, and to enable and improve productivity.



Role of the Governor

The constitutional laws of Western Australia provide for a Governor to represent the Sovereign as the Head of State. The Governor is appointed on the advice of the Premier and acts on the advice of the Premier, Ministers and Executive Council.

The Governor's role is broad and includes responsibilities related to:

- the Constitution
- ceremonial and celebratory representation as the Western Australian Head of State
- the community
- advocacy on behalf of the State

The Governor protects the Constitution, and presides over Executive Council, the supreme decision making body of the State Government. All Bills passed by the Western Australian parliaments must be assented to by the Governor before they become law. Any vote, resolution or Bill requiring the spending of public money cannot be passed by the Western Australian Parliament unless the Governor recommends its approval to the Legislative Assembly. In these matters, the Governor will act on the advice of the Premier of the State of Western Australia.

The Governor represents the people of Western Australia in welcoming visiting Heads of State, royalty, ambassadors, spiritual leaders, members of the consular corps of Western Australia,

and members of the general public who serve the State.

The Governor is the Patron of many worthy organisations in Western Australia and supports them in pursuit of their objectives. Further, the Governor recognises substantial contributions to community life. Building community is vital to social cohesion and harmony. Part of this work includes reaching out to our First Nations people.

For the State's economic, social and cultural prosperity, the Governor engages locally, nationally and internationally with a variety of people ranging from Ambassadors, diplomats and industry experts through to artists, farmers, patronages and community groups. In doing so, the Governor is able to advocate for the State and its interests.

Western Australia is a leader in industries such as space exploration and autonomous vehicle technology. It is at the cutting edge of medical research and has a burgeoning rare earths space which will be vital in supplying new, more sustainably viable technologies for the world. These attributes enhance our role as a leading mineral province and a major food producer. These visits provide the Governor with valuable information to help him advocate for Western Australia as a viable industry partner in addition to promoting the State as a vibrant arts, cultural and tourism destination, assisting in Western Australia's long-term prosperity.



Staff at the Governor's Establishment, led by the Governor, focus on developing and implementing a contemporary and strategic program which at its core showcases Western Australian excellence and achievements, connects our metropolitan and regional communities and works with all levels of industry and government to achieve positive outcomes for our State.



Delivering the Governor's priorities

A Message from the Governor

There is no doubt that this past year has been one of the most challenging in Western Australia's recent history, and as Governor of this great State it has been a privilege to have joined with so many in our community to help support and guide each other through unprecedented times.

At the forefront of my mind has been the need to ensure we remain connected to each other, and connected to the rest of the world. At Government House we have worked incredibly hard to support many aspects of our community, and our local industries and businesses through many new initiatives that are highlighted in this report.

The impact of the COVID-19 pandemic has, and continues to, present challenges to the way we live our lives, but the past year has also seen us truly tested through local disasters such as the Wooroloo bushfires and Tropical Cyclone Seroja. I have met and spoken with many people directly affected by these events and have been humbled by their remarkable character and resilience. I have also been honoured and so very proud as a West Australian, and as a Governor, to have seen the bravery and dedication by the many emergency services teams and local communities that have banded together in response.

Across the year we continued to promote, support, host and highlight the work of many individuals, groups and organisations from across WA. We also were witness to some great moments that will be remembered for generations to come as key components of this State's history.

"At the forefront of my mind has been the need to ensure we remain connected to each other, and connected to the rest of the world. At Government House we have worked incredibly hard to support many aspects of our community, and our local industries and businesses."

For Western Australia one of the most important events was the landmark signing of the South West Native Title Settlement. We acknowledge the original custodians of the land on which Government House stands, the Whadjuk people of the Noongar nation, and feel most privileged to have been asked to host such a significant moment in this State's reconciliation journey.

We also swore in a new Government and with that came important ceremonial and constitutional milestones including the swearing in of the members of a new Legislative Council and officially opening the 41st Parliament of Western Australia.

As a West Australian, born and bred, there is no greater honour than to serve as Governor of this State. I am incredibly proud of the community I serve, but also the people here at Government House that help me do that.

The Honourable Kim Beazley AC
Governor of Western Australia

Fulfilling constitutional and ceremonial obligations

Supporting the Governor in the execution of his constitutional duties is a high priority of the Establishment.

As an election year, March 2021 saw the Governor's constitutional and ceremonial obligations at its peak. Official duties included the dissolution of Parliament, issuing of writs to allow the election to take place, formally appointing Ministers of the State and members of Executive Council, swearing in members of the Legislative Council and President and the official opening of Parliament.

Executive Council

The Governor's constitutional responsibilities include presiding over meetings of the Executive Council and providing the approval required within the Constitution and relevant Acts of Parliament including to give legal effect to many of the decisions and actions of the government.

Other official activities

- Swearing in of Legislative Council President
- Swearing in new Legislative Council
- Swearing in Deputy President of State Administrative Tribunal
- Receiving Speaker of the Legislative Assembly
- Swearing in of Judiciary
- Swearing in Commissioner for Children and Young People
- Investiture of the new Vice-Chancellor of Curtin University Professor Harlene Hayne ONZM



▲ Meeting of Executive Council



▲ Opening of Parliament



▲ Swearing in of the Premier and Ministers

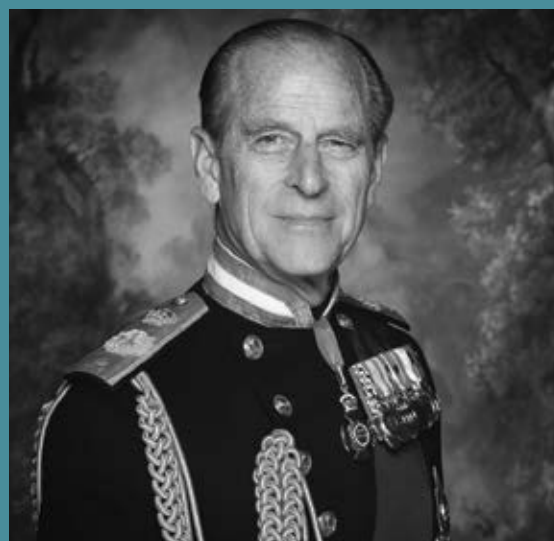


Image source: Twitter/@RoyalFamily

**His Royal Highness Prince Phillip,
Duke of Edinburgh**
10 June 1921 to 9 April 2021

2021 saw the passing of His Royal Highness Prince Phillip, Duke of Edinburgh. Local, national and international dignitaries as well as members of the public were invited to sign the Condolence Book. An online version was also available for those who could not attend Government House.



Ultimate Backyard Cricket Match

Developing partnerships and making connections

A focus of the Governor and the Establishment is to work to bring groups of West Australians together to support our community and help advance the State's capabilities across a number of areas including industry, culture and arts, research and innovation, First People's authority and health. Despite the constraints of the COVID-19 pandemic, the Establishment has initiated and hosted meetings, discussions, receptions and events to connect people and organisations.



▲ Governor's Lecture Series: Youth Democracy Forum

- The Defence West end of year reception in late 2020 was a tremendous opportunity to promote networking and cross-pollination among our defence industry champions and also to consider the next steps to further enhance Western Australia's defence and defence industry capabilities.
- The Youth Democracy Forum, which was presented as part of the Governor's Lecture Series, featured youth representatives from WA's five universities and key presenters, including the Hon Robert French AC, Chancellor of the University of Western Australia, to discuss the emerging challenges to democracy.
- In early 2021 the inaugural Ultimate Backyard Cricket Match was held at Government House. It was a collaboration with children's charity The Pirate Ship Foundation, Channel 9, Rotary and the WACA to raise much-needed funds for childhood brain cancer research.



▲ Defence West reception

- The Governor is a proud Patron of the Perth Festival and Government House continues to be used as the venue to support our State's local art and culture scene. COVID restrictions resulted in strong collaboration between the Festival and the use of the Government House grounds for three major concerts.
- This year a number of roundtables have been held at Government House with the aim of discussing key topics of importance to the ongoing development of Western Australia and the community. Arts and culture, med-tech pharma, undersea capabilities, transformative automation in mining, and issues impacting our seniors have all been discussed. A particular highlight was the roundtable in partnership with the City of Perth, together with arts and culture industry experts and local and state government representatives, to discuss the Lord Mayor's vision for Perth to become a place of music and lights.



▲ City of Perth Roundtable



School Music in Education program

Following a visit to Challis Community Primary School, the Governor was inspired to help the primary school's music program, which relies heavily on community instrument donations.

Partnering with philanthropists, Government House facilitated the purchase of musical equipment for their music program.

Discussions between Government House and Musica Viva, of which the Governor is Patron, regarding promoting the importance of music for child development, resulted in an inspiring collaboration between Challis Community Primary School, the Department of Education WA, researchers and musicians coming together to further promote music in education.

This program has since grown from an initial one off idea to now emerging as an ongoing effort to support music in education.



▲ Challis Community Primary School Principal receives donation



Students and teachers from Challis Community Primary School were invited for a concert, talk, morning tea and tour of Government House. The students were treated to a very special performance in the Ballroom, where Mr Grandage, Artistic Director of Perth Festival, shared his musical journey as a cellist and the incredible places music has taken him.



▲ Iain Grandage with a student from Challis Community Primary School



Simone Craddock

Restart the Arts

The Restart the Arts initiative has been a major cultural focus for the Governor and the Establishment. The primary objective of the program is to provide performance opportunities for artists struggling with employment during the COVID-19 restrictions.

Arts organisations were invited to utilise the Government House Ballroom free of charge for rehearsals, live-streaming of concerts, recording, exhibiting and face-to-face concerts in line with State Government COVID guidelines.

Singers, musicians, orchestras, documentary makers, dance classes, concert bands, opera, actors and poets participated in the Restart the Arts program.

Amongst classical music groups appearing were Cygnus Arioso, whose string ensembles appeared several times at the ballroom, and

the Orchestra Collective, a new grouping that teams established musicians with emerging professionals under the baton of WASO double bass deputy principal John Keene.

The sell-out event Liszt by Candlelight dazzled the Government House Ballroom audience, with four young West Australian Academy of Performing Arts pianists presenting works that celebrated the life, works, and ideals of Hungarian Romantic composer Franz Liszt.

Established international star Simone Craddock played the last show in the ballroom before it closed for renovations, reprising her award-winning show *Nina, love Simone*. She was joined by local pianist Adrian Galante in the Nina Simone tribute. She was also joined by trumpeter Adam Hall for a tribute to jazz legends Ella Fitzgerald and Louis Armstrong in *Ella & Louis*.



▲ Orchestra Collective



10,200 people
attended Restart
the Arts activities

36 arts organisations

105 sessions



▲ Cygnus Aroso

In 2020 the Western Australian Academy of Performing Arts (WAAPA) celebrated 40 years of outstanding education in performing arts. WAAPA is recognised nationally and internationally for its quality graduates. Government House supported WAAPA through the Lunchtime Concert Series presented as part of the Restart the Arts Government House initiative.



▲ Music of Disney presented by Adam Hall and the Velvet Players



▲ WAAPA Gospel Choir Lunchtime concert

Celebrating the achievements of outstanding West Australians

Throughout the year, in many different ways, the Governor and the Establishment celebrate and showcase the achievements of Western Australians.

- The Governor hosted the School Curriculum and Standards Authority Exhibitions and Awards Ceremony held at the Perth Convention and Exhibition Centre. The Governor presented the prestigious Beazley Medals, named in honour of his father Mr Kim Beazley Senior AO.
- The Scitech Governor's School STEM Awards 2020 recognise and celebrate WA Schools that demonstrate excellence in leadership, advocacy, engagement and achievements in the education of science, technology, engineering, and mathematics (STEM).
- The Governor officiated at the 2021 Western Australian of the Year ceremony hosted by Auspire, the Australia Day Council of Western Australia. Western Australian of the Year winners were also invited to Government House to celebrate their achievements.
- Held on International Women's Day, the Governor officiated at the WA Women's Hall of Fame Induction Ceremony, recognising the contribution of Western Australian women, past, present and future, to the State across a variety of sectors and regions.
- The Council on the Aging (COTA) Seniors Awards acknowledge those who make Western Australia an age-friendly, vibrant and safe place. The Governor hosted COTA and the recipients of the Seniors Awards, congratulating them on their contribution and services to the State.
- Government House hosted a special function with Netball WA, West Coast Fever and Shooting Stars, together with some of their most influential supporters and stakeholders, to discuss the role of netball in creating women leaders and role models in WA and empowering women in our communities.

Other significant events

- Presentation of 2020 Churchill Fellowship Government House Ballroom
- Rhodes Scholarship Announcement of winner Max Anderson Loake
- Ballet Endowment Completion Reception
- Shooting Stars educational netball program event

▼ 2021 Western Australian of the Year lunch



Vale Major General Michael Jeffery 1937-2020

A special event was held at Government House to celebrate the life of the Late Major General Michael Jeffery AC, AO (Mil), CVO, MC (Retd). Major General Jeffery served as Western Australia's 27th Governor from 1993 to 2000 and was Australia's 24th Governor-General from 2003 to 2008.

Investiture ceremonies

The outstanding service and contribution of everyday Australians from all walks of life were recognised at 10 Investiture ceremonies held at the Government House Ballroom, including 68 Queen's Birthday recipients and 68 Australia Day Honours, for the Order of Australia Medals. Ceremonies were live-streamed to allow a wider audience and family members to view these special occasions.

The Governor also conducted an investiture ceremony for the Australian Police Medal, forming part of the Australian Honours. Awarded for distinguished service by a member of the Australian Police Force who demonstrated exemplary leadership, dedication and commitment.



▲ Investiture ceremony



▲ School Curriculum and Standards Exhibition and Awards and Beazley Medal

The Royal Commonwealth Society of Western Australia's (RCSWA) WA Day Parade and Flag Raising ceremony, held at Government House, provided an opportunity for various cadet groups to come together in front of the Governor. The Governor as patron and reviewing officer delivered the WA Day address, before reviewing the parade, meeting and chatting with cadets as well as presenting certificates of recognition to members of the community. The Governor also presented the RCSWA inaugural Youth Ambassador Award.

WA Parade Flag Raising



Creating a space for wellbeing and enjoyment

Government House belongs to the people of Western Australia and is a historic and significant landmark in Perth.

To facilitate a sense of wellbeing and enjoyment amongst our community and to support the Governor's COVID-19 priorities, the Governor's Establishment has increased programs and initiatives allowing the people of Western Australia more opportunities to connect with each other and enjoy the 3.2 hectare inner-city oasis.

- In partnership with the Consulate General of India and the Indian Society, the Governor's Establishment hosted Yoga in the Garden which included free yoga classes every Thursday afternoon from 4pm.
- Garden Tours of the Heritage listed gardens provided an opportunity for tour operators and other interested groups to learn more about Government House grounds.
- As part of the Art in the Garden Program, 30 painters from the West Australian Society of the Arts Plein Air Painters were welcomed to the Gardens at Government House.
- Government House hosted a series of free lunchtime concerts in the Gardens as part of WA Youth Week, providing artists an opportunity to perform live.
- The Government House Foundation directly supports the conservation and enhancement as well as promoting the significance of the House, Ballroom and Gardens to the people of Western Australia. The Foundation presented a number of wonderful concerts throughout the year.

▼ Government House Foundation Jazz on the Lawn Concert



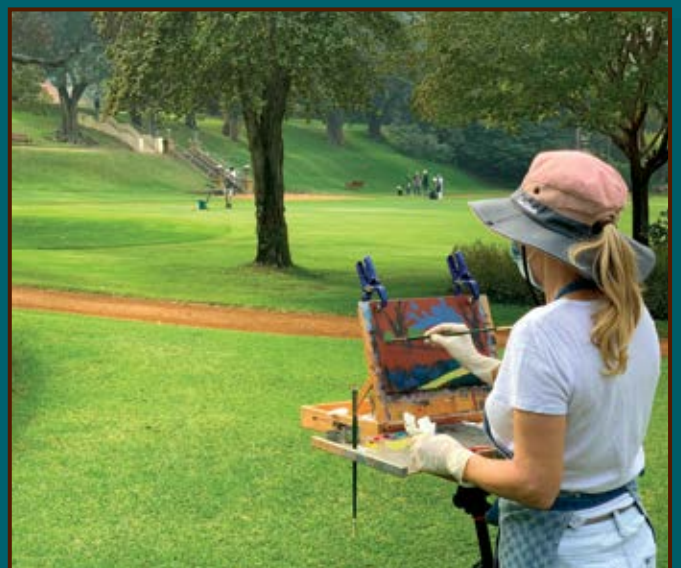


Government House open to all West Australians

The Government House gardens are open for the community to enjoy every Tuesday, Wednesday and Thursday between 12pm and 2pm. Government House gardens can also be booked by wedding parties as a stunning backdrop for wedding-day photographs.



▲ Yoga in the Gardens



▲ Art in the Garden



Signing of the South West Native Title Settlement

Acknowledging Aboriginal Australians

The Governor and the Establishment maintain a strong commitment to furthering understanding and support of reconciliation. Our priority is to demonstrate how we can collectively contribute to a society that celebrates and respects Aboriginal and Torres Strait Islander culture as a proud part of our State's identity.



▲ Engineering Aid Australia Event

- Government House grounds are of particular importance to the Wadjuk People of the Noongar Nation. The South West Native Title Settlement signing ceremony for the landmark Settlement was held at Government House in March 2021. Recognised as the most comprehensive Native Title agreement negotiated in Australia, the Settlement involves around 30,000 Noongar people and covers approximately 200,000 square kilometres of the south-west region.
- The Dr Tracey Westerman, Jilya Institute for Indigenous Mental Health launch event was held at Government House Ballroom. This program supports Indigenous students to study Psychology at Curtin University with the aim to return to support their communities.



Dr Tracy Westerman
Scholarship presentation

- The Governor hosted a reception for Indigenous students, university academics, members of the board of Engineering Aid Australia (EEA) and representatives from partnering engineering and resources companies. The event recognised Engineering Aid Australia's commitment to inspiring and supporting Indigenous High School students with an aptitude for maths and science to complete high school, go on to study engineering at university and become a professional engineer.

Every second month Government House celebrates the Six Seasons of the Noongar calendar by showcasing the wonderful array of flora and fauna in our heritage listed gardens. Key indigenous leaders discuss the Noongar six seasonal calendar and the videos are shared on our social media platforms.





▲ Kookaburra Club 30th Anniversary

- The Governor is a proud supporter of Danjoo Koorliny, headquartered at the University of Western Australia. Meaning ‘Walking Together’, Danjoo Koorliny is a spiritual and practical program essential for a completeness and truth telling in the State’s commemoration of 200 years since the arrival of European settlers. The Governor has met with many Aboriginal West Australians engaged with regen agriculture and also with men and women starting up business with the Noongar Chamber of Commerce.
- The Carrolup Centre for Story Telling is the permanent home for a collection of rare artworks created by Aboriginal children of Australia’s Stolen Generations. The Governor attended the official opening at Curtin University including a visit to the Yarning Circle and Breathing Space.
- The Kookaburra Club celebrated 30 years of being together at a special function hosted by Government House. The Kookaburra Club is a group of senior Aboriginal women who address the health and wellbeing of Senior Noongar women living in the Northern Suburbs.
- The Governor attended the launch of a memoir by Dr Robert Isaacs AM, *Two Cultures, One Story*, at Clontarf Aboriginal College. The book details Dr Isaacs’s life from his removal from his mother at birth as a member of the stolen generation, his traumatic childhood, his courage and determination to rise above adversity and his life of public service and dedication to the WA community.
- Noongar Land Enterprise Group (NLEG) has developed an ongoing relationship with the Governor and Government House. Their outstanding work establishing Aboriginal business opportunities centres on regenerative farming practices. On the Governor’s first visit in July 2020, NLEG had planted some 600,000 trees with most offering both environmental and economic value. With the opening of their new nursery in May 2021, Boola Boornap (*The Place of Many Trees*), NLEG had pre sales of 1 million native tree seedlings.



Noongar Land Enterprise Group

Government House Gardens were the setting for the latest instalment of Noongar duo Gina Williams and Guy Ghouse's song cycle, Koort (Heart).



Gina Williams and Guy Ghouse

Chironix Robotics

Recognising excellence in Western Australia

For a city that is the most isolated in the world, Perth and the state of Western Australia certainly make up for location with a breadth of outstanding research, innovation and industry leadership in areas such as robotics, cyber-security, space technology, defence, mining, agriculture and critical health advancements. The State is also a hub of world-class arts and cultural activities.

Throughout 2020 and 2021 the Governor supported a number of cutting-edge research groups and industry organisations through visits, meetings and events with key representatives. Some highlight programs include:

Robotics

- The Woodside Robotics Lab harnesses some of the best local and international expertise known in the field of robotics. The Governor's opportunity to control Bluey the robotic site inspection dog a highlight of the visit.
- The Governor was provided with an update from Chironix Robotics, a Perth-based company partnering with global technology leaders combining their devices with Chironix software engineering expertise to build human-centred products.

Cyber security

- The Edith Cowan University Security Research Institute is a world leading cyber security facility offering training while delivering instant global impact in combatting serious threats to Australia and supporting international policing efforts. A major attack scenario on the nation occurred during the Governor's visit which he saw unfold in real time.
- Sapien Cyber is one of the most promising new cyber security businesses in the Western Hemisphere with its Board including experience from the highest security echelons of the US and Australian Governments.

Space technology

- West Australian company Fugro has partnered with the Australian Space Agency to design, build and operate the Australian Space



▲ Square Kilometre Array



▲ Curtin Space Science and Technology Centre

Automation, Artificial Intelligence and Robotics Control Complex (SpAARC) in Perth.

- The Governor visited the Curtin Space Science Technology Centre as it prepared for the first ever Western Australian satellite to be launched into space later in 2021. The Centre is home to the largest planetary research group in the Southern Hemisphere, and partnered with NASA and Lockheed Martin.
- The Square Kilometre Array is a ground breaking low frequency radio telescope facilitating some of humanity's most fascinating studies; including seeing back in time to the Big Bang to study the creation of the universe. The Governor travelled to Boolardy Station to receive an update on operations.

Defence

- The Governor attended the Royal Australian Air Force Base at Pearce as the Reviewing Officer for the PC-21 Pilot Graduation Parade. The Number 260 PC-21 ADF Pilot's Course, is the most advanced pilot training aircraft and the most significant technological upgrade in the RAAF's history.



▲ PC-21 Pilot Graduation



▲ ArborCarbon

Mining and Agriculture

- The Governor stood within the Lynas Mount Weld rare earth mine – a 2 billion year old volcano in the Goldfields that formed before life on earth existed. The Lynas mine and its growing processing capacities deliver the world's purest source of rare earths, needed for every form of modern technology from smart phones to fighter jets, and it is the world's only major supply outside of China.
- ArborCarbon based on the Murdoch University Campus has a global footprint in its work to help build sustainable ecosystems. The Governor was briefed on its drone and cutting-edge camera and sensor technologies.

Health

- The Governor toured the Australian National Phenome Centre which are revolutionising the diagnosis, prevention and treatment of the world's most challenging health problems, including specific research into the long term effects of COVID-19.
- Perron Institute, of which the Governor is patron, is leading the world with three FDA-approved patents which will

dramatically extend the active lives of young boys diagnosed with Duchenne muscular dystrophy.

- The Harry Perkins Institute of Medical Research is a leading Western Australian medical research centre, dedicated to tackling some of the world's biggest health issues in particular cancer, diabetes, heart disease and neuromuscular diseases.

Culture and the Arts

The Governor, and the Establishment, are committed to supporting excellence in Culture and the Arts in Western Australia.

- We partnered with the world-class Perth Festival to host a series of concerts in the Gardens, overcoming the challenges of COVID-19 to help keep events running and artists performing.
- The West Australian Symphony Orchestra continues to grow from strength to strength and as Patron the Governor has actively promoted and supported its programs and performances.
- The WA Ballet's Endowment Fund which was launched at Government House is a great success, and the West Australian



▲ The Australian National Phenome Centre



▲ WA Museum Boola Bardip

Opera's 'Standing Room Only' recitals in the Ballroom are just one example of our ongoing commitment to this premier WA organisation.

- The opening of the award-winning WA Museum Boola Bardip was a cultural highlight, with the Governor and Ms Annus proud attendees and advocates of this brilliant development.



▲ Telethon Kids Institute Governor's Lecture presented by Professor Helen Millroy

Telethon Kids Institute is recognised as one of Australia's leading research institutes and is home to more than 600 researchers working on improving and optimising child health and development. In 2020 the Institute celebrated its 30 year anniversary.



▲ US actress and producer
Kate Walsh with the Governor

Conversations at Government House

Conversations at Government House is an initiative which continues to showcase Western Australian excellence to a wider audience and has resulted in national and international viewers.

Filmed at Government House, the video series aims to recognise inspirational and aspirational people living in Western Australia covering a range of topics designed to generate conversation amongst the West Australian and wider public.

- The Governor sat down with US actress and producer Kate Walsh, who was based in Perth after her holiday to Australia in March was extended due to COVID-19. The conversation centred around Kate's recent advocacy for Perth to have a world-class film and TV studio to capitalise on our local talent and diverse natural landscape.
- The Governor spoke with obstetrics specialist and Senior Australian of the Year 2020, Professor John Newnham AM about making WA an international hotspot for preterm birth prevention.
- Professor Helen Milroy, pioneering Aboriginal psychiatrist, researcher and mental health champion was guest speaker at the 2021 Governor's Lecture Series for Telethon Kids Institute and was filmed in conversation with the Governor as part of Conversations at Government House series.
- Dr Richard Walley OAM WA Senior of the Year 2021 spoke about his passionate work supporting and promoting Aboriginal culture and Community.



▲ Professor John Newnham AM

In 2020-2021 the Governor has also had the pleasure of interviewing:

- *Sharyn O'Neill, Public Sector Commissioner*
- *Eamon Sullivan, Olympic gold medallist*
- *Kate Lamont AM, tourism and hospitality ambassador*
- *Iain Grandage, Perth Festival Artistic Director*
- *Professor Jeremy Nicholson, Director Australian National Phenome Centre*
- *Christina Matthews, CEO WACA*
- *Grace Forrest, 2021 Young Western Australian of the Year*
- *Lee Musumeci, Principal Challis Community Primary School*

▼ Grace Forrest



Working with State Government

As well as fulfilling the constitutional requirements of the role, the Governor also works proactively with State and local governments to achieve positive outcomes for our people and our places.

In 2020-2021 the Governor hosted events for the Public Sector Commission, the Department for Jobs, Tourism, Science and Innovation, roundtables to discuss the future of the City of Perth, and events to celebrate the newly appointed State Government and the Shadow Ministry. These events allow discussion about the topics most important to Western Australia and its people and to generate solutions-focused ideas for our future prosperity.

- The Governor hosted the Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services along with sector representatives to thank the supporters of the WA Government's annual campaign, 16 Days in WA to Stop Violence Against Women, including the WA community service sector working with women, children and men impacted by family and domestic violence.



▲ 16 Days in WA



▲ Reception for Ministry

These events allow discussion about the topics most important to Western Australia and its people and generate solutions-focused ideas for our future prosperity.



▲ Australian Public Sector commission meeting



▲ Reception for WA Shadow Ministry

Regional and local visits

Visiting regional, rural and remote locations is a key priority of the Governor to ensure an accurate overview of Western Australia. This allows the opportunity to connect with the people and organisations keeping our regions operating while also receiving updates on Western Australia to support his advocacy role. Travelling to the regions was restricted in 2020 and early 2021 due to the pandemic.

To ensure the Governor's additional COVID priorities were met, the Governor's Establishment developed a strategic program of regional day trips allowing the Governor to monitor and support the social and economic recovery efforts of Western Australia in addition to contributing to the promotion and enhanced awareness of WA's domestic capabilities.

- Following the devastating bushfires in Wooroloo, the Governor travelled to the Incident Control Centre at Mundaring to meet with Department of Fire and Emergency Services Commissioner and many of the emergency services, volunteers and support organisations working tirelessly during the ongoing Wooroloo bushfire disaster, and to receive an update on the operation.
- The Governor visited Kalbarri to meet and hear from local residents and businesses in the wake of TC Seroja, which tore through the area. The cyclone affected parts of the mid-west

including Northampton, Mingenew, Three Springs, Perenjori and other rural communities. The Governor met with representatives from the Mid-West Development Commission and the Shire of Northampton for an update on their hard work and progress. The Governor followed up this visit with a briefing by the Mid-West Development Commission via Zoom.

- The Governor travelled to Mt Weld near Laverton, around 1000km north-east of Perth to visit Lynas Rare Earths mine site. The Lynas mine and its growing processing capacities deliver the world's purest source of rare earths, needed for every form of modern technology from smart phones to fighter jets, and it is the world's only major supply outside of China. The site visit was a chance for the Governor to co-host representatives from the Delegation of the European Union to Australia who travelled to WA from Canberra to learn more about the mine's operations.



Mount Weld



Beverley



“Western Australia as well as being a massive global minerals province, is a rich agricultural region. In these very tough times it has been important to sustain activities with the Royal Agricultural Society and the Agricultural Hall of Fame. Further afield keeping up with developments in our grains, meat and fishing industries has been essential.”

The Hon Kim Beazley AC,
Governor of Western Australia



Snapshot 2020/2021

8037 people attended an event at Government House



7750 people visited the Government House gardens

10,154 people attended an event in the Government House Ballroom

33 Executive Council sessions

102 callers to Government House

59 swearing in ceremonies

11 investitures

161 events hosted by the Governor

113 events in the Government House Ballroom

47 activities in the garden

16 regional locations visited



▲ School visit to Government House



▲ Swearing in ceremony



▲ Event at Government House



▲ Government House garden tour



▲ Ambassador's visit to Government House

Report on operations

Management and conservation of the Domain

Government House is recognised as a heritage-listed site. The Establishment continuously reviews and updates Conservation and Strategic Asset Management Plans. Significant attention will continue to focus on strategic maintenance and resourcing to ensure building projects are scheduled in a timely manner and budgeted in the coming years.

In 2020-2021 a wide variety of refurbishment programs were undertaken including the following:

Major works:

- **Lodge restoration:** Hazardous materials removal. Asbestos; Internal and external structural repairs; roof replacement; painting internal and external; bathroom refurbishment; demolished old kitchen and installed new kitchen.
- **Renovation of Swimming Pool and pool paved area.** Serious deterioration in the overall condition of the pool made it unusable. Replacement of pool and paving.

- **Stage two roofing replacement Ballroom and Entry Hall:** to be completed. Replace tiled roof to Ballroom and Entry Hall with slate, re-sheet metal sheeted sections of roof to the House, attend to associated rainwater extraction, downpipes, remove redundant services, and conservation works.

Major refurbishment:

- Replacement of House and Ballroom fire detection and building occupant warning system
- New House staff change room

Conservation maintenance:

- Restoration of Convict Wall
- Government House Domain Building Condition Report and conservation works schedule

Minor refurbishment:

- Replace Government House Ballroom audio system
- First floor bathroom to laundry

Garden works:

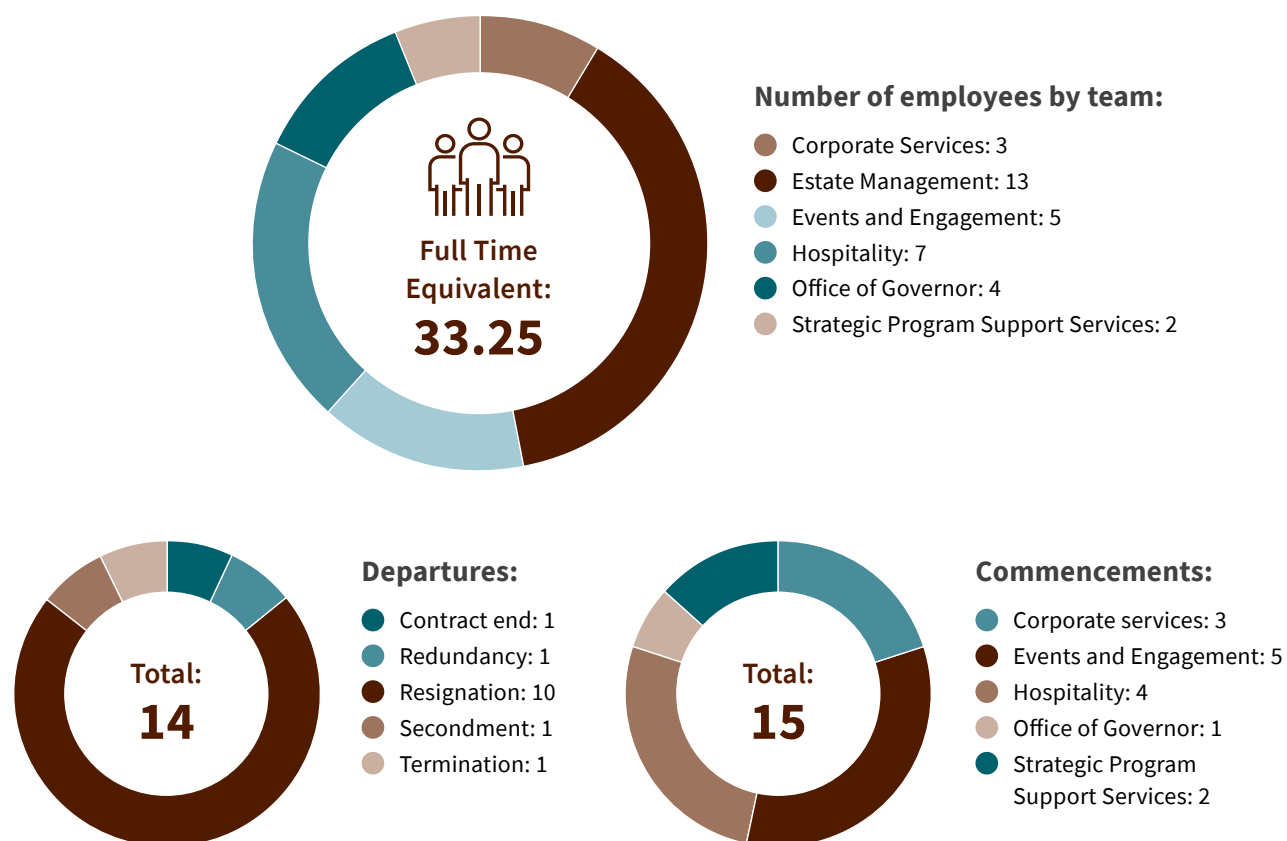
- Mature tree relocation x 5



Employee related data

The Governor's Establishment is committed to recruiting and maintaining quality staff, and devotes significant time and effort to improve its effectiveness and efficiency through organisational change. The Governor's Establishment continues an ongoing plan to review work practices to better achieve priorities and outcomes.

Staff arrangements:



Occupational health and safety data

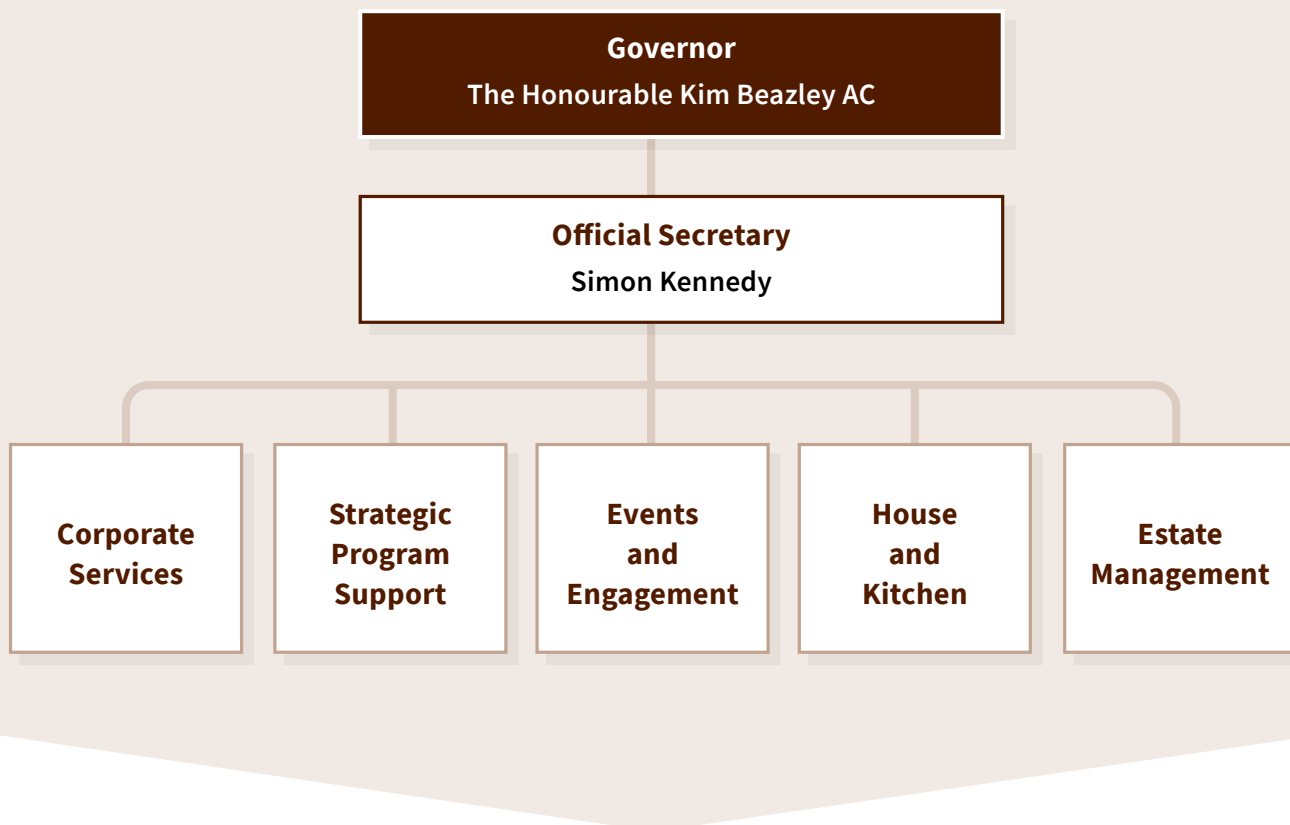
The Establishment is committed to providing a safe, healthy and accident free workplace for all its employees, contractors and visitors, through an active program of monitoring, review and improvement of workplace safety and health, including staff training opportunities.



Organisational chart

The Governor's Establishment is structured into five main areas which report ultimately to the Official Secretary.

The Governor's Establishment Structure 2020-2021



Senior officers

Official Secretary – ensures the Establishment delivers its corporate objectives. Supports the Governor's strategic direction and ensures compliance. Has the delegated responsibility as employer.

Chief Finance Officer – responsible for the strategic personnel and management of the Governor's Establishment including preparation of internal and Government financial reports and budgets.

Strategic Program Support Manager – responsible for the development of the Governor's Program and integration of divisions to deliver the Program. Oversight of communication and branding.

Senior Public Engagement Officer – responsible for managing the delivery of all events, functions and ceremonies.

Hospitality Manager – responsible for house presentation and delivery of quality service to the Governor and the Governor's Establishment.

Estate Manager – responsible for the effective management of the day-to-day operational requirements of the Governor's Establishment and the conservation of the Domain as a significant heritage asset.

Enabling legislation

The Office of Governor of Western Australia is enshrined in the *Constitution Act 1889* (WA) and the *Constitution Acts Amendment Act 1899* (WA) which establish the legal and operational framework of the system of Parliamentary democracy.

Section 2(2) of the *Constitution Act 1889* (WA) states “The Parliament of Western Australia consists of The Queen and the Legislative Council and the Legislative Assembly.” In accordance with Section 50(1), “The Queen’s representative in Western Australia is the Governor who shall hold office during Her Majesty’s pleasure.”

The *Governor’s Establishment Act 1992* was enacted to make the Governor the employer of the staff of the Governor’s Establishment and for related matters. The authority for employment of the staff has been delegated by the Governor, under Section 9, to the Official Secretary who has the responsibility for employing and determining remuneration for all staff.

Compliance with statutory requirements

- *Constitution Act 1889* and *Constitution Acts Amendment Act 1899*
- *Contaminated Sites Act 2003*
- *Disability Services Act 1993*
- *Electoral Act 1907*
- *Equal Opportunity Act 1984*
- *Financial Management Act 2006*
- *Governor’s Establishment Act 1992*
- *Industrial Relations Act 1979*
- *Minimum Conditions of Employment Act 1993*
- *Occupational Safety and Health Act 1984*
- *Public Interest Disclosure Act 2003*
- *Salaries and Allowances Act 1975*
- *State Records Act 2000*
- The Governor’s Establishment is exempt from the operations of the *Freedom of Information Act 1992*.

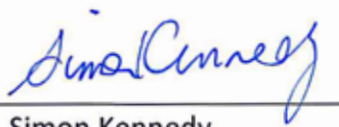


Governor's Establishment Certification of Financial Statements

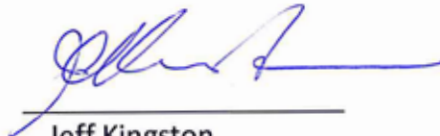
For the year ended 30 June 2021

The accompanying financial statements of the Governor's Establishment 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 2021 and the financial position as at 30 June 2021.

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



Simon Kennedy
Accountable Authority
Date: 13/09/2021



Jeff Kingston
Chief Financial Officer
Date: 13/09/2021





Auditor General

INDEPENDENT AUDITOR'S OPINION

2021

Governor's Establishment

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Governor's Establishment which comprise:

- the Statement of Financial Position at 30 June 2021, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows and Summary of Consolidated Account Appropriations for the year then ended
- 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 Governor's Establishment for the year ended 30 June 2021 and the financial position at the end of that period
- 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 Governor's Establishment in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Responsibilities of the Official Secretary for the financial statements

The Official Secretary is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as they determine 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 Official Secretary is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Governor's Establishment.

Auditor's responsibilities 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. 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.

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

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Governor's Establishment. The controls exercised by the Governor's Establishment are those policies and procedures established by the Official Secretary 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 Governor's Establishment 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 2021.

The Official Secretary's responsibilities

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

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an 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 in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Governor's Establishment for the year ended 30 June 2021. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Governor's Establishment are relevant and appropriate to assist users to assess the Governor's Establishment's performance and fairly represent indicated performance for the year ended 30 June 2021.

The Official Secretary's responsibilities for the key performance indicators

The Official Secretary is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Official Secretary determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Official Secretary is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Official Secretary is responsible for the other information. The other information is the information in the Governor's Establishment's annual report for the year ended 30 June 2021, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements, controls and key performance indicators of the Governor's Establishment for the year ended 30 June 2021 included on the Governor's Establishment's website. The Governor's Establishment's management is responsible for the integrity of the Governor's Establishment's website. This audit does not provide assurance on the integrity of the Governor's Establishment's website. The auditor's report refers only to the financial statements, controls 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, controls or key performance indicators. If users of the financial statements, controls and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements, controls and key performance indicators.



Caroline Spencer
Auditor General for Western Australia
Perth, Western Australia
15 September 2021

Governor's Establishment

Statement of comprehensive income

For the year ended 30 June 2021

	Note	2021 \$000	2020 \$000
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1(a)	4,930	4,367
Finance costs	6.2	2	3
Supplies and services	2.2	1,137	777
Depreciation expense	4.1.1, 4.2, 4.3.1	402	448
Accommodation expenses	2.3	751	343
Other expenses	2.3	91	54
Total cost of services		7,313	5,992
Income			
<i>Revenue</i>			
User charges and fees	3.2	-	93
Other revenue	3.2	18	108
Total income other than income from State Government		18	201
NET COST OF SERVICES		7,295	5,791
Income from State Government			
Service appropriation	3.1	7,192	6,034
Services received free of charge	3.1	17	4
Total income from State Government		7,209	6,038
SURPLUS/(DEFICIT) FOR THE PERIOD		(86)	247
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus	8.7	5,899	(919)
Total other comprehensive income		5,899	(919)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		5,813	(672)

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

Governor's Establishment

Statement of financial position

As at 30 June 2021

	Note	2021 \$000	2020 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	6.3	2,174	387
Receivables	5.1	38	9
Other Current Assets	5.3	46	55
Total Current Assets		2,258	451
Non-Current Assets			
Restricted cash and cash equivalents	6.3	63	46
Amounts receivable for services	5.2	3,729	3,311
Property, plant and equipment	4.1	39,233	33,021
Intangibles	4.3	-	1
Right-of-use assets	4.2	31	96
Total Non-Current Assets		43,056	36,475
TOTAL ASSETS		45,314	36,926
LIABILITIES			
Current Liabilities			
Payables	5.4	122	82
Provisions	2.1(b)	440	411
Lease liabilities	6.1	20	30
Other current liabilities	5.5	-	3
Total Current Liabilities		582	526
Non-Current Liabilities			
Provisions	2.1(b)	162	114
Lease liabilities	6.1	15	70
Total Non-Current Liabilities		177	184
TOTAL LIABILITIES		759	710
NET ASSETS		44,555	36,216
EQUITY			
Contributed equity	8.7	12,375	9,849
Reserves	8.7	29,455	23,658
Accumulated surplus/(deficit)		2,725	2,709
TOTAL EQUITY		44,555	36,216

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

Governor's Establishment

Statement of changes in equity

For the year ended 30 June 2021

	Note	Contributed equity \$'000	Reserves \$'000	Accumulated surplus/ (deficit) \$'000	Total equity \$'000
Balance at 1 July 2019		9,657	24,577	2,462	36,696
Surplus / (Defecit)				247	247
Other comprehensive income	8.7	-	(919)	-	(919)
Total comprehensive income					
for the year		-	(919)	247	(672)
Transactions with owners in their capacity as owners:					
Capital appropriations	8.7	192	-	-	192
Total		192	-	-	192
Balance at 30 June 2020		9,849	23,658	2,709	36,216
Balance at 1 July 2020		9,849	23,658	2,709	36,216
Surplus / (Deficit)		-	-	(86)	(86)
Other comprehensive income	8.7	-	5,899	-	5,899
Total comprehensive income					
for the year		-	5,899	(86)	5,813
Transfer to accumulated surplus	8.7		(102)	102	-
Transactions with owners in their capacity as owners:					
Capital appropriations		2,526	-	-	2,526
Total		2,526	-	-	2,526
Balance at 30 June 2021		12,375	29,455	2,725	44,555

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

Governor's Establishment

Statement of cash flows

For the year ended 30 June 2021

	Note	2021 \$000	2020 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		1,899	1,007
Special Acts		4,875	4,440
Capital appropriations		2,526	192
Holding account drawdowns		-	-
Net cash provided by State Government		9,300	5,639
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(4,817)	(4,324)
Finance costs		(2)	(3)
Supplies and services		(1,104)	(877)
Accommodation expenses		(751)	(343)
GST payments on purchases		(257)	(140)
Other payments		(90)	(50)
Receipts			
User charges and fees		(4)	113
GST Receipts on sales		1	18
GST receipts from taxation authority		229	124
Other Receipts		14	112
Net cash provided by/(used in) operating activities		(6,781)	(5,370)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(691)	(203)
Net cash provided by/(used in) investing activities		(691)	(203)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principle elements of lease		(23)	(24)
Net cash provided by/(used in) financing activities		(23)	(24)
Net increase/(decrease) in cash and cash equivalents		1,804	42
Cash and cash equivalents at the beginning of period		433	391
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	6.3	2,237	433

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

Governor's Establishment

Summary of consolidated account appropriations

For the year ended 30 June 2021

	2021 Estimate \$000	2021 Supplementary Funding \$000	Revised Budget \$000	2021 Actual \$000	2021 Variance \$000
<u>Delivery of services</u>					
Item 7 Net amount appropriated to deliver services	2,103	214	2,317	2,317	-
Amounts authorised by other statutes					
- <i>Salaries and Allowances Act 1975</i>	575	-	575	575	-
- <i>Governor's Establishment Act 1992</i>	3,946	354	4,300	4,300	-
Total provided to deliver services	6,624	568	7,192	7,192	-
<u>Capital</u>					
Item 95 Capital Appropriation	2,526	-	2,526	2,526	
GRAND TOTAL	9,150	568	9,718	9,718	-

Notes to the Financial Statements

1. Basis of preparation

Governor's Establishment (the Establishment) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Establishment 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 Governor's Establishment on 13 September 2021.

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.

Notes to the Financial Statements

2. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Establishment's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Establishment in achieving its objectives and the relevant notes are:

	Notes	2021 \$000	2020 \$000
Employee benefits expense	2.1(a)	4,930	4,367
Employee related provisions	2.1(b)	602	525
Supplies and services	2.2	1,137	777
Other expenditure	2.3	840	397

2.1(a) Employee benefits expense

	2021 \$000	2020 \$000
Employee benefits	4,435	3,928
Superannuation - defined contribution plans	399	364
Other employee expenses	96	75
Total employee benefits expense	4,930	4,367
Add: AASB 16 Non-monetary benefits	5	8
Less: Employee contributions	(4)	-
Net employee benefits expense	4,931	4,375

(a) Defined contribution plans include West State, Gold State, GESB and other eligible funds.

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

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds.

AASB 16 Non-monetary benefits: Non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of vehicle and housing benefits are measured at the cost incurred by the Agency.

Employee Contributions: Contributions made to the Agency by employees towards employee benefits that have been provided by the Agency. This includes both AASB-16 and non-AASB 16 employee contributions.

Notes to the Financial Statements

2.1(b) Employee related provisions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2021 \$000	2020 \$000
Current		
<u>Employee benefits provisions</u>		
Annual leave(a)	196	154
Long service leave(b)	242	255
<u>Other provisions</u>		
Employment on-costs(c)	2	2
Total current employee related provisions	440	411
Non-Current		
<u>Employee benefits provisions</u>		
Long service leave(b)	161	113
<u>Other provisions</u>		
Employment on-costs(c)	1	1
Total non-current employee related provisions	162	114
Total employee related provisions	602	525

(a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) **Long service leave liabilities:** Unconditional long service leave provisions are classified as **current** liabilities as the Establishment does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as **non-current** liabilities because the Establishment has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Notes to the Financial Statements

The provision for long service leave is calculated at present value as the Establishment does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(c) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses, Note 2.3' and are not included as part of the Governor's Establishment's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2021	2020
<u>Employment on-costs provision</u>	\$000	\$000
Carrying Amount at start of year	3	2
Additional provisions recognised	-	1
Payment/other sacrifices of economic benefits	-	-
Carrying amount at end of year	3	3

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the Establishment's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

Notes to the Financial Statements

2.2 Supplies and services

	2021	2020
	\$000	\$000
Supplies and services		
Communications	41	43
Consultants and Contractors	502	223
Consumables	212	202
Vehicle lease and hire	-	1
Minor plant, machinery and equipment	55	52
Plant, machinery and equipment lease	20	32
Equipment repairs and maintenance	51	41
Software Licences, fees & registration	122	85
Other staff related expenses	47	13
Travel	15	28
Insurance costs	42	48
Other Supplies & Services	30	9
Total supplies and services	1,137	777

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred.

2.3 Other expenditure

	2021	2020
	\$000	\$000
Accommodation expenses		
Repairs & Maintenance	579	177
Power and water consumption	128	121
Rates and taxes	2	2
Cleaning	42	43
Total accommodation expenses	751	343
Other expenses		
Audit fees	14	14
Other operating expense	77	40
Total other expenses	91	54
Total other expenditure	842	397

Accommodation expenses are recognised as expenses as incurred.

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

Notes to the Financial Statements

3. Our funding sources

How we obtain our funding

This section provides additional information about how Governor's Establishment obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by Governor's Establishment and the relevant notes are:

	Notes	2021 \$000	2020 \$000
Income from State Government	3.1	7,209	6,038
User charges and fees	3.2	18	201

3.1 Income from State Government

	2021 \$000	2020 \$000
Appropriation received during the period:		
Service appropriation	7,192	6,034
Total appropriation received	7,192	6,034
Services received free of charge from other State Government agencies during the period		
Parliamentary Services Department	17	4
Total services received	17	4
Total Income from State Government	7,209	6,038

Service Appropriations are recognised as income at the fair value of consideration received in the period in which the Agency gains control of the appropriated funds. The Agency gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Services received free of charge from other State Government agencies are recognised as income (and assets or expenses) equivalent to the fair value of the assets, or the fair value of those services that can be reliably determined and which would have been purchased if not donated.

3.2 User charges and fees

	2021 \$000	2020 \$000
Ballroom Hire	-	93
Other Income	18	108
Total user charges and fees	18	201

Until 30 June 2021, revenue was recognised and measured at the fair value of consideration received or receivable.

Notes to the Financial Statements

4. Key Assets

Assets Governor's Establishment utilises for economic benefit or service potential

This section includes information regarding the key assets the Establishment utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2021 \$000	2020 \$000
Property, plant and equipment	4.1	39,233	33,021
Right-of-use assets	4.2	31	96
Intangible assets	4.3	-	1
Total key assets		39,264	33,118

4.1 Property Plant and Equipment

Year ended 30 June 2021	Land \$000	Buildings \$000	Furniture & Fittings \$000	Computing Equipment \$000	Plant & Equipment \$000	Antiques & Artwork \$000	Work in Progress \$000	Total \$000
1 July 2020								
Gross carrying amount	234	31,555	468	337	577	858	-	34,029
Accumulated depreciation	-	-	(438)	(320)	(250)	-	-	(1,008)
Carrying amount at start of period	234	31,555	30	17	327	858	-	33,021
Additions	-	-	-	-	-	-	691	691
Transfers	-	-	-	-	-	-	-	-
Other disposals	-	-	-	-	-	-	-	-
Revaluation	-	6,089	-	-	-	(190)	-	5,899
Impairment losses	-	-	-	-	-	-	-	-
Depreciation	-	(316)	(14)	(11)	(37)	-	-	(378)
Carrying amount as at 30 June 2021	234	37,328	16	6	290	668	691	39,233
Gross carrying amount	234	37,328	468	337	577	668	691	40,303
Accumulated depreciation	-	-	(452)	(330)	(287)	-	-	(1,070)

Initial recognition

Items of property, plant and equipment and infrastructure, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Notes to the Financial Statements

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- land;
- buildings; and
- Works of Art.

Land and Works of Art are carried at fair value.

Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2020 by the Western Australian Land Information Authority (Valuations and Property Analytics). The valuations were performed during the year ended 30 June 2021 and recognised at 30 June 2021. In undertaking the revaluation, fair value was determined by reference to market values for land: \$234,000 (2020: \$234,000) and buildings: \$37,328,100 (2020: \$31,554,500). For the remaining balance, fair value of buildings was determined on the basis of current replacement cost and fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

Works of Art are independently valued every 5 years by Sotheby's. Works of Art were independently revalued by Sotheby's as at 30 June 2016. The valuations were recognised at 30 June 2016.

4.1.1 Depreciation and impairment charge for period

	2021 \$000	2020 \$000
<u>Depreciation</u>		
Plant and equipment	62	77
Buildings	316	327
Total depreciation for the period	378	404

As at 30 June 2021, there were no indications of impairment to property, plant and equipment or infrastructure.

Notes to the Financial Statements

Finite Useful Lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Buildings	100 years
Furniture & fittings	5 years
Office equipment	6 years
Computer equipment	3 years
Garden equipment	5 to 10 years
Software ^(a)	5 years

(a) Software that is integral the operation of related hardware.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As Governor's Establishment is a not-for-profit Department, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

Notes to the Financial Statements

4.2 Right-of-use assets

	2021	2020
	\$000	\$000
Right-of-use assets		
Vehicles	31	96
Net carrying amount at 30 June 2021	31	96

Additions in the value to right-of-use assets during the 2021 financial year were \$0 (2020: \$52,000).

Initial recognition

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

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs

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

Subsequent measurement

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

Depreciation and impairment of right-of-use assets

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

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

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

	2021	2020
	\$000	\$000
Vehicles	24	27
Total right-of-use asset depreciation	24	27
Lease interest expense	2	3

The total cash outflow for leases in 2021 was \$25,470.

Notes to the Financial Statements

The Agency's leasing activities and how these are accounted for:

The Agency has leases for vehicles.

The Agency recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.2.

4.3 Intangible assets

Year Ended 30 June 2021

1 July 2020

	Licenses \$000	Total \$000
Gross carrying amount	49	49
Accumulated amortisation	(48)	(48)
Carrying amount at start of period	1	1

Additions	-	-
Impairment losses	-	-
Amortisation expense	1	1

30 June 2021

Gross carrying amount	49	49
Accumulated amortisation	(49)	(49)
Carrying amount at end of period	-	-

Initial recognition

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted below), are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Notes to the Financial Statements

4.3.1 Amortisation and impairment charge for the period

	2021 \$000	2020 \$000
Licenses	1	16
Total amortisation for the period	1	16

As at 30 June 2021 there were no indications of impairment to intangible assets.

Governor's Establishment held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Establishment have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Licenses	5 to 10 years
Website Costs	3 to 5 years
Software ^(a)	3 to 5 years

(a) Software that is not integral to the operation of any related hardware.

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 4.1.1.

5. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Establishment's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2021 \$000	2020 \$000
Receivables	5.1	38	9
Amounts receivable for Services	5.2	3,729	3,311
Other assets	5.3	45	55
Payables	5.4	122	82
Other Liabilities	5.5	-	3

5.1 Receivables

	2021 \$000	2020 \$000
Current		
Venue Hire	-	1
Sundry receivables	3	1
GST receivables	35	7
Total current	38	9

Notes to the Financial Statements

5.2 Amounts receivable for services

	2021	2020
	\$000	\$000
Non-current	3,729	3,311
Balance at end of period	3,729	3,311

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

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

5.3 Other assets

	2021	2020
	\$000	\$000
Current		
Prepayments	46	55
Total current	46	55

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

5.4 Payables

	2021	2020
	\$000	\$000
Current		
Trade payables	-	10
Accrued expenses	33	18
Accrued salaries	89	54
Total current	122	82

Payables are recognised at the amounts payable when Governor's Establishment becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period. Governor's Establishment considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (See Note 6.3 'Restricted cash and cash equivalents') consists of amounts paid annually, from departmental appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

Notes to the Financial Statements

5.5 Other liabilities

	2021 \$000	2020 \$000
Current		
Income received in advance	-	3
Total current	-	3

Income received in advance relates to deposits received for hire of the ballroom for future dates.

6. Financing

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

	Notes
Lease liabilities	6.1
Finance costs	6.2
Cash and cash equivalents	6.3

6.1 Lease liabilities

	2021 \$000	2020 \$000
Current	20	30
Non-current	15	70
Total lease liabilities	35	100

Initial measurement

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

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

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

Notes to the Financial Statements

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

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

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

This section should be read in conjunction with note 4.2.

Subsequent Measurement

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

6.2 Finance costs

	2021 \$000	2020 \$000
Lease interest expense	2	3
Finance costs expensed	2	3

‘Finance cost’ includes the interest component of lease liability repayments.

6.3 Cash and cash equivalents

	2021 \$000	2020 \$000
Cash and cash equivalents	2,174	387
Restricted cash and cash equivalents		
- Accrued salaries suspense account	63	46
Balance at end of period	2,237	433

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise 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.

Notes to the Financial Statements

6.4 Capital commitments

	2021 \$000	2020 \$000
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	1,358	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	1,358	-

7. Financial instruments and Contingencies

	Notes
Financial Instruments	7.1
Contingent assets and liabilities	7.2

7.1 Financial Instruments

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

	2021 \$000	2020 \$000
<u>Financial assets</u>		
Cash and cash equivalents	2,174	387
Restricted cash and cash equivalents	63	46
Financial Assets at amortised cost ^(a)	38	9
Total financial assets	2,275	442
Financial liabilities at amortised cost ^(a)	122	82
Total financial liability	122	82

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

7.2 Contingent assets and liabilities

The Agency has no contingent liabilities and no contingent assets at the end of the period.

Notes to the Financial Statements

8. Other Disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Initial application of Australian Accounting Standards	8.1
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Remuneration of auditors	8.6
Equity	8.7
Supplementary financial information	8.8
Explanatory statement	8.9

8.1 Initial application of Australian Accounting Standards

ASSB 1059 Service Concession Arrangements: Grantors

The Standard applies to arrangements that involve an operator providing public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and managing at least some of those services. An arrangement within the scope of this Standard typically involves an operator constructing the assets used to provide the public service or upgrading the assets (for example, by increasing their capacity) and operating and maintaining the assets for a specified period of time. Such arrangements are often described as build-operate-transfer or rehabilitate-operate-transfer service concession arrangements or public-private partnerships (PPPs). Governor's Establishment does not manage any public private partnership that is within the scope of the Standard.

Notes to the Financial Statements

8.2 Key management personnel

Governor's Establishment has determined key management personnel to include cabinet ministers and senior officers of the Department. The Establishment does not incur expenditures to compensate Ministers and those disclosures may be found in the Annual Report on State Finances.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Establishment for the reporting period are presented within the following bands:

Compensation band (\$)	2021	2020
230,001 - 240,000	1	-
210,001 - 220,000	-	1
200,001 - 210,000	-	1
190,001 - 200,000	1	1
180,001 - 190,000	-	1
170,001 - 180,000	1	-
160,001 - 170,000	1	-
140,001 - 150,000	1	-
130,001 - 140,000	1	-
110,001 - 120,000	1	-
100,001 - 110,000	-	1
90,001 - 100,000	-	1
80,001 - 90,000	1	1
60,001 - 70,000	1	-
	2021	2020
	\$000	\$000
Total compensation of senior officers	1,305	1,083

Total compensation includes the superannuation expense incurred by Governor's Establishment in respect to senior officers.

Notes to the Financial Statements

8.3 Related party transactions

Governor's Establishment is a wholly owned public sector entity that is controlled by of the State of Western Australia.

Related parties of the Governor's Establishment include:

- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with related parties

Outside of normal citizen type transactions with the Establishment, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

8.4 Related bodies

Governor's Establishment has no related bodies.

8.5 Affiliated bodies

Governor's Establishment has no affiliated bodies.

8.6 Remuneration of auditors

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

	2021 \$000	2020 \$000
Auditing the accounts, financial statements, controls, and key performance indicators.	19	14

Notes to the Financial Statements

8.7 Equity

	2021 \$000	2020 \$000
<u>Contributed equity</u>		
Balance at start of period	9,849	9,657
<i>Contributions by owners</i>		
Capital appropriation	2,526	192
Total contributions by owners	2,526	192
Balance at end of period	12,375	9,849
	2021 \$000	2020 \$000
<u>Asset revaluation surplus</u>		
Balance at start of period	23,658	24,577
<i>Net revaluation increments/(decrements)</i>		
Buildings	6,089	(919)
Antiques and Artworks	(190)	-
Transfer to accumulated surplus	(102)	-
Balance at end of period	29,455	23,658

8.8 Supplementary financial information

(a) Write-offs

During the financial year, nil (2020: \$8,000) was written off the Agency's asset register under the authority of:

	2021 \$000	2020 \$000
The accountable authority	-	8
	-	8

Notes to the Financial Statements

8.9 Explanatory statement

All variances between annual estimates (original budget) and actual results for 2021, and between the actual results for 2021 and 2020 are shown below. Narratives are provided for key major variances, which are greater than 10% and 1% of the prior year Total Cost of Services for the Statements of Comprehensive Income and Statement of Cash Flows, and 1% of the prior year Total Assets for the Statement of Financial Position.

8.9.1 Statement of Comprehensive Income Variances

				Variance between estimate and actual	Variance between actual results for 2021 and 2020
	Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	
Expenses					
Employee benefits expense	1, A	4,476	4,930	4,367	454
Finance costs		2	2	3	-
Supplies and services	2, B	604	1,137	777	533
Depreciation and amortisation expense	3	597	402	448	(195)
Accommodation expense	4, C	926	751	343	(175)
Other expenses		133	91	54	(42)
Total cost of services		6,738	7,313	5,992	575
Income					
Revenue					
User charges and fees	5, D	127	-	93	(127)
Other Revenue	E	-	18	108	18
Total income other than income from State Government		127	18	201	(109)
NET COST OF SERVICES		6,611	7,295	5,791	684
Income from State Government					
Service appropriation	F	6,624	7,192	6,034	568
Services received free of charge		30	17	4	(13)
Total income from State Government		6,654	7,209	6,038	555
SURPLUS/(DEFICIT) FOR THE PERIOD		43	(86)	247	(129)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus		-	5,899	(919)	5,899
Total other comprehensive income		-	5,899	(919)	5,899
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		43	5,813	(672)	5,770

Notes to the Financial Statements

8.9.2 Statement of Financial Position Variances

				Variance between estimate and actual	Variance between actual results for 2021 and 2020
	Variance Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	
ASSETS					
Current Assets					
Cash and cash equivalents		126	2,174	387	2,048
Holding account receivables		116	-	-	(116)
Receivables		9	38	9	29
Other current assets		55	46	55	(9)
Total Current Assets		306	2,258	451	1,952
Non-Current Assets					
Holding account receivables		3,792	3,729	3,311	(63)
Property, plant and equipment	6, G	35,301	39,233	33,021	3,932
Intangibles		1	-	1	(1)
Restricted cash		64	63	46	(1)
Right-of-use assets		-	31	96	31
Total Non-Current Assets		39,158	43,056	36,475	3,898
TOTAL ASSETS		39,464	45,314	36,926	5,850
LIABILITIES					
Current Liabilities					
Employee provisions		460	440	411	(20)
Payables		13	122	82	109
Lease liabilities		-	20	30	20
Other		18	-	3	(18)
Total Current Liabilities		491	582	526	91
Non-Current Liabilities					
Employee Provisions		114	162	114	48
Lease liabilities		74	15	70	(59)
Total Non-Current Liabilities		188	177	184	(11)
TOTAL LIABILITIES		679	759	710	80
NET ASSETS		38,785	44,555	36,216	5,770
EQUITY					
Contributed equity		12,375	12,375	9,849	-
Reserves		23,658	29,455	23,658	5,797
Accumulated surplus/(deficit)		2,752	2,725	2,709	(27)
TOTAL EQUITY		38,785	44,555	36,216	5,770

Notes to the Financial Statements

8.9.3 Statement of Cash Flows Variances

				Variance between estimate and actual	Variance between actual results for 2021 and 2020
	Variance Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	
CASH FLOWS FROM STATE GOVERNMENT					
Service appropriations	7, H	6,027	6,774	5,447	747
Capital appropriations	I	2,526	2,526	192	-
Net cash provided by State Government		8,553	9,300	5,639	747
Utilised as follows:					
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments					
Employee benefits	A	(4,486)	(4,817)	(4,324)	(331)
Finance costs		(2)	(2)	(3)	-
Supplies and services	2, B	(569)	(1,104)	(877)	(535)
Accommodation expenses	4, C	(926)	(751)	(343)	175
GST payments on purchases	8, J	(63)	(257)	(140)	(194)
Other payments		(133)	(90)	(50)	43
Receipts					
User charges and fees	5, D	127	(4)	113	(131)
GST receipts	8, J	63	230	142	167
Other Receipts	E	-	14	112	14
Net cash provided by/(used in) operating activities		(5,989)	(6,781)	(5,370)	(792)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of non-current physical assets	9, I	(2,781)	(691)	(203)	2,090
Net cash provided by/(used in) investing activities		(2,781)	(691)	(203)	2,090
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings and leases		(26)	(23)	(24)	3
Net cash provided by/(used in) financing activities		(26)	(23)	(24)	3
Net increase/(decrease) in cash held		(243)	1,804	42	2,047
Cash assets at the beginning of period		433	433	391	-
CASH ASSETS AT THE END OF PERIOD		190	2,237	433	2,047

Notes to the Financial Statements

Major Estimate and Actual (2021) Variance Narratives

- 1) The 2021 actual is higher due to a number of factors impacting staff including: transfer and replacements of Official Secretary; maternity leave coverage; additional casual staff requirements; staff redundancy; reclassification of staff; and professional development and training costs higher than budget.
- 2) The higher 2021 actual result is partly due to classification variations between accommodation and supplies and services; contracted security services not included in budget; and higher than anticipated software licensing and security equipment repairs.
- 3) The lower 2021 actual result is due to historically high budget estimates which have been corrected subsequently.
- 4) The lower 2021 actual result is partly due to classification variations between accommodation and supplies and services and lower than budgeted electricity and water expenses.
- 5) Legal advice provided on user fees and charges resulted in an inability to charge as per budgeted fees – Government Domain Reserve Board issue.
- 6) The higher actual result is due to the revaluation of building assets offset by lower than budgeted capital expenditure.
- 7) The higher 2021 result is due to supplementary funding received for contracted security consultants, salary expenditure and foregone fee revenue.
- 8) The higher 2021 GST on payments is due to additional major capital works undertaken during the year.
- 9) The lower actual result is due to capital projects not commencing until later in the financial year.

Major Actual (2021) and Comparative (2020) Variance Narratives

- A) The 2021 actual is higher due to a number of factors impacting staff including: transfer and replacements of Official Secretary; maternity leave coverage; additional casual staff requirements; staff redundancy; reclassification of staff; and professional development and training costs higher than budget.
- B) The higher 2021 actual result is due to contracted security services, special events, additional software licensing expenses and security equipment repairs.
- C) The higher 2021 actual result is a result of increased spending on building maintenance from WA Recovery Plan funding, air-conditioning maintenance and garden/grounds maintenance.
- D) Legal advice provided on user fees and charges resulted in an inability to charge as per budgeted fees – Government Domain Reserve Board issue.
- E) The 2020 actual reflected receipts of workers compensation refunds and recoups which were not replicated in 2021.
- F) The 2021 actual result is higher due to WA funding received under the COVID-19 WA Recovery Plan and supplementary funding received for both salary and non-salary expenditure.
- G) The higher 2021 result is as a result of upward revaluation of building assets.
- H) The higher 2021 result is due to supplementary funding received for contracted security consultants, salary expenditure and foregone fee revenue.
- I) The higher 2021 result is due to \$500k capital funding received under the COVID-19 WA Recovery Plan for the Ballroom Roof repair project.
- J) The higher 2021 GST on receipts is due to additional major capital works and projects, offset from the ATO.

Key Performance Indicators of the Governor's Establishment

For the year ended 30 June 2021

Certification of Key Performance Indicators

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Governor's Establishment's performance, and fairly represent the performance of the Governor's Establishment for the financial year ended 30 June 2021.



Simon Kennedy
Accountable Authority
Date: 13/09/2021



Key Performance Indicators of the Governor's Establishment

For the year ended 30 June 2021

Outcome

The Governor's Establishment is not part of the State public service or an agency of Government.

The Governor's Establishment's objectives are to ensure the office of the Governor, as representative of the Crown, receives appropriate support and the Domain is managed to a high standard as a significant heritage asset.

Outcome	Services
Support the Governor and management of the Governor's Establishment	1. Effective Support to the Governor. 2. Management of the Governor's Establishment.

Key Effectiveness Indicators

This indicator is derived from a survey instrument provided to the Governor seeking feedback on the extent to which expectations are met by services provided by the department.

The survey indicates that resources have been applied, but are not limited to:

- Administrative support to the Office of the Governor
- Representational activities throughout Western Australia
- Management of official events and hospitality
- Provision of a secure, well maintained and presented Domain
- Promotion of sound heritage principles and practices.

The Governor is satisfied as to the achievement of outcomes 1 and 2.

Key Efficiency Indicators

Two services directly support delivery of agency-level outcomes and the strategic goals.

Service 1 – Effective Support to the Governor

- Administrative support to the Office of the Governor
- Representational activities throughout Western Australia
- Management of official events and hospitality

	2017 Actual (\$'000)	2018 Actual (\$'000)	2019 Actual (\$000)	2020 Actual (\$000)	2021 Actual (\$000)	2021 Target (\$'000)	Variance to 2021 Target (\$000) (a)
Total cost of Service 1	1,359	1,705	1,869	2,284	2,264	2,221	43 (2%)

Service 2 – Management of the Governor's Establishment

- Provision of a secure, well maintained and presented Domain
- Promotion of sound heritage principles and practices.

	2017 Actual (\$'000)	2018 Actual (\$'000)	2019 Actual (\$000)	2020 Actual (\$000)	2021 Actual (\$000)	2021 Target (\$'000)	Variance to 2021 Target (\$000) (b)
Total cost of Service 2	4,121	3,754	4,282	3,708	5,049	4,517	532 (12%)

(a) Service 1 Variance to Target

A minor increase in Service 1 of \$43,000 (2%) during the year in relation to the Governor's program.

(b) Service 2 Variance to Target

Service 2 has increased by \$532,000 (12%) due to staff related benefits including maternity leave cover, increased use of casual staff to cover programing demands, reclassifications and staff movements impacting employee benefits expense. There were significant works budgeted in building maintenance as part of the Government stimulus program. This was within the budget appropriation for the year, with little impact on total cost of services.



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