



GOVERNMENT HOUSE
WESTERN AUSTRALIA

ANNUAL REPORT 2022/23



ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional custodians of the land that Government House stands on, the Whadjuk people of the Noongar nation. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

We also acknowledge the traditional custodians throughout all of Western Australia and their continuing connection to the land, waters and community.

We pay our respects to all members of Aboriginal and Torres Strait Islander communities and their cultures, and to Elders past, present and emerging.



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STATEMENT OF COMPLIANCE

HON. ALANNA CLOHESY MLC

President of the
Legislative Council

HON. MICHELLE ROBERTS MLA

Speaker of the
Legislative Assembly

In accordance with Section 61 of the *Financial Management Act 2006*, I hereby submit to you for tabling in each house the Annual Report of the Governor's Establishment for the year ended 30 June 2023.

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

Yours sincerely,



Howard Gretton

Official Secretary

Accountable Officer Governor's Establishment



OFFICIAL SECRETARY'S YEAR IN REVIEW 2022-23

His Excellency, the Honourable Chris Dawson AC APM was sworn in as the 34th Governor of Western Australia on 15 July 2022. As with the preceding vice regal appointments, a new Governor brings with them a fresh perspective, unique areas of interest, and a wealth of professional experience.

Almost half of the 34 Governors of Western Australia were appointed by Her Late Majesty Queen Elizabeth II, such was the length and stability of her reign.

The death of Queen Elizabeth II has great historical significance. The demise of a sovereign also invokes official responsibilities for the Governor. An official message of condolence was announced on 9 September 2023, members of the public were able to visit Government House to lay tributes and sign a condolence book during a period of 'court' mourning in the subsequent days.

On 11 September 2022, the Governor and members of the Executive Council proclaimed King Charles III as King of Australia.

The Governor has continued the Vice Regal functions of his role, fulfilling constitutional responsibilities, ceremonial duties, community outreach and representations on behalf of the State. In March 2023, the Governor and Mrs Darrilyn Dawson attended an Audience at the invitation of His Majesty King Charles III. Attendance at Buckingham Palace was followed by a working trip to Europe, on behalf of the State. His Excellency returned to London in May to attend the Coronation of King Charles III and Queen Camilla at Westminster Abbey.

The first year has been an opportunity to establish a roadmap for the Vice Regal program and patronage path ahead. The Governor, supported by Mrs Dawson, has identified priority areas which will be the focus of his time in office. Government House staff have worked to build a program around these priority areas, engaging with the respective community organisations.

On 6 April 2023, the Aboriginal and Torres Strait Islander Flags were raised at Government House, to be flown permanently from that day on. The flag raising ceremony was a culturally significant event, attended by local Elders and other distinguished guests. The Estate Team have created a dedicated space for the flag poles, surrounded by native vegetation, and in an area visible to the public at all times.

The Governor's Establishment has undergone significant security upgrades including the installation of expanded cameras around the Domain. As well as updated policies and procedures, these measures are part of necessary protection of the Establishment, and the people who live and work there.

Government House remains an asset of the people of Western Australia. His Excellency has increased public access as a matter of high priority. In March 2023, the first of a series of open days took place, with 5000 visitors attending the weekend event. House tours have recommenced after a cessation period during the pandemic, and lunch time access to the Gardens is actively promoted.

The iconic Ballroom at Government House is regularly utilised for internally hosted events, as well as those facilitated by the public. The Governor is working to expand the use of the Ballroom, as a venue for significant artistic occasions, for which it is ideally suitable, as well as community gatherings, lectures, awards ceremonies and major patronage events.



Howard Gretton

Official Secretary

This annual report is focused on the performance of the Governor's Establishment, as an agency, and is not an extensive account of the Governor's activities, which are reported as part of the entries on the Governor's Daily Program page on the Government House website and social media. It is, however, relevant to note some key events that had a significant bearing on the level of support provided by the staff of the Governor's Establishment throughout the year.



OVERVIEW

OF THE GOVERNOR'S ESTABLISHMENT

The Governor's Establishment exists to serve and advance the interests of all Western Australians, bringing credit to the Sovereign 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 Western Australia.

OBJECTIVES

- 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.

GOVERNMENT HOUSE BELONGS TO THE PEOPLE OF WESTERN AUSTRALIA

It functions as a venue for representational and community activities, an office for the Governor's Establishment, and a home for the Governor and their family.



THE ROLE OF THE GOVERNOR

The constitutional laws of Western Australia provide for a Governor to represent the Sovereign as Head of State.

The Governor's role includes important constitutional functions, and in performing these functions the Governor is required to act in an entirely apolitical way. The Governor's powers and functions are set out in the Letters Patent, under which the Governor is appointed, and the *Constitution Act 1889*.

As well as the constitutional duties of the Governor, there are important community, ceremonial, representational and advocacy functions associated with the position, including:

- Opening of the Western Australian Parliament.
- Representing the State by extending a welcome and hospitality to Heads of State, Ambassadors, dignitaries, and other official visitors.
- Advocating for and promoting the State's strategic interests and capabilities.
- Conducting Investitures for the presentation of honours and awards under the Australian Honours system.
- Presenting awards and medals to various organisations including Scouts, Girls and Boys Brigades, St John Ambulance Service Awards, and numerous others.
- Participating in many public events.
- Travelling throughout Western Australia to meet people in regional areas and keep abreast of developments within the State.
- Patronage of many community and charitable organisations.



SWEARING IN THE 34TH GOVERNOR OF WESTERN AUSTRALIA



On 15 July 2022, His Excellency the Honourable Christopher John Dawson APM was sworn in as Governor of Western Australia in a ceremony held in the Government House Ballroom.

During his inaugural address, the Governor spoke of key themes: faith, hope and love.

“I am passionate about Western Australia and its people, and I relish the opportunity to further support and advocate for all who share this passion, indeed, love for our State and its people.”



A MESSAGE FROM THE GOVERNOR

It has been an incredibly significant, rewarding, and historic first 12 months as Governor, with the passing of Her Majesty Queen Elizabeth II, the Proclamation and Coronation of His Majesty the King, receive the resignation of the Premier the Hon. Mark McGowan MLA and the swearing-in of the incoming Premier the Hon. Roger Cook MLA and his new Ministry in Western Australia.

It has also been my privilege to get to know more about Western Australian community members and community organisations, in the Perth area and across our vast State.

I am pleased to be patron of 104 organisations, most of which my wife Darrilyn and I are joint patrons.

I have met with 116 foreign ambassadors, consuls, business leaders and community members at Government House. The Gardens and Ballroom have been used by 53 community groups for events open to the public.

Darrilyn has accompanied me to visit over 130 local organisations, often volunteer-led, who work tirelessly to improve the lives of Western Australians. We have undertaken 4 regional trips in this period, taking in Busselton, the Dowerin Field Days, the flooded areas of the Fitzroy River, and a community-focused trip to the Kimberley.

I regularly encounter remarkable Western Australians of all ages, from all walks of life. Across the five investiture ceremonies I have officiated at, courage, selflessness, generosity and community spirit are always on display.

Darrilyn and I were proud to represent Western Australia on a working trip to the United Kingdom and Europe this year, including attending an Audience at the invitation of His Majesty King Charles III.

Some of the most significant events in the past year however, have taken place right here at Government House.

In April, we raised the Aboriginal and Torres Strait Islander Flags which now permanently fly alongside the National and State Flags at a dedicated new area, always in view to the public.

This is another important step on the journey towards reconciliation.

In March 2023, we hosted our first open day weekend in a number of years, welcoming over 5000 people to the House and Gardens. We are looking forward to welcoming more people to Government House with further dates scheduled for the 2023 calendar year.

With the support of my Official Secretary Howard Gretton, and the broader team, Government House continues to be a working house, and an important state asset dedicated to the people of Western Australia.

Together with Darrilyn, I look forward to continuing this work, and building on it throughout my term.



His Excellency the Honourable Chris Dawson AC APM

Governor of Western Australia

PASSING OF HER MAJESTY QUEEN ELIZABETH II

Early in the morning on 9 September 2022, the Governor was informed that Her Majesty Queen Elizabeth II had passed away at Balmoral Castle.

It was news that Western Australians received with a heavy heart. Her Majesty the Queen had a great love and affection for the people of Western Australia and visited seven times.

The deep respect and affection for Her Majesty among Western Australians was no more evident than when more than 100,000 people came to wish her well during her final visit to Western Australia in 2011 during the Commonwealth Heads of Government Meeting and the naming of Elizabeth Quay during the year of her Diamond Jubilee.

The passing of Her Majesty saw the end of one of history's most enduring reigns of any monarch and the longest in British history.

In the ten days that followed, Government House became the official site of mourning, providing the public with several ways to share their condolences, including condolence books in the Ballroom and tributes and flowers in the Lady Kyle Garden.



PROCLAMATION OF HIS MAJESTY KING CHARLES III

On 11 September 2022, the Governor officially proclaimed King Charles III as King of Australia on behalf of the State.

Following official protocols, the Premier called a special meeting of the Executive Council where the Governor, Premier and Deputy Premier signed the Proclamation, to officially recognise His Majesty King Charles III as Australia and Western Australia's Head of State.

The Governor delivered this Proclamation in front of the media and members of the public in the Government House Ballroom.



AN AUDIENCE WITH HIS MAJESTY KING CHARLES III

The Governor and Mrs Dawson were honoured to be invited for an Audience with His Majesty King Charles III at Buckingham Palace on 8 March 2023.

It is customary for Governors to be invited to Buckingham Palace for a meeting with the Sovereign during their term.

The Governor's official visit continued with further engagements with government and business leaders throughout the United Kingdom, Ireland, Germany and Switzerland, to continue to strengthen diplomatic relationships, advocate for trade and investment and promote Western Australia.



THE CORONATION OF THE KING AND QUEEN

Celebrations in London

The Coronation of Their Majesties The King and The Queen took place at Westminster Abbey on Saturday, 6 May 2023, in the first Coronation Service in almost 70 years.

It was a historic event that millions of people around the world tuned-in to witness, and one that the Governor was honoured to be invited to attend in-person, on behalf of Western Australia.



“The Coronation of His Majesty King Charles III and Her Majesty Queen Camilla marked a momentous occasion, as well as the beginning of a new era of the British monarchy.

It was a historic event that millions of people around the world tuned-in to witness, and one that I was honoured to be invited to attend in-person, on behalf of Western Australia.

As we celebrated this historic event, we looked forward to the future with a renewed sense of hope and optimism. King Charles III has already shown his commitment to tackling some of the biggest challenges facing our world, including climate change and social justice.”

THE CORONATION OF THE KING AND QUEEN

Celebrations in Perth

Here in Perth, Mrs Dawson hosted a morning tea to mark the Coronation of King Charles III and Queen Camilla, a celebration of the significance of the occasion.

The event was attended by representatives of Vice Regal Patronage organisations, Victorian Order recipients and other invited guests.

On the day of the Coronation, the Government House Ballroom was opened to the public to visit and leave a message of well wishes for the King and Queen. Visitors enjoyed viewing historic items on display and entertainment from pianist James Dekleva, including moving renditions of God Save The King.



CONSTITUTIONAL DUTIES

Supporting the Governor in the execution of his constitutional duties is a key function of the Governor's Establishment.

Throughout the year, the Establishment provided advice, information and administrative support to the Governor as Chair of the Executive Council and an arm of the Parliament.

Advice and support were also provided, in consultation with the Solicitor General, to the Governor in accordance with the provisions of the various Acts including the Constitution Act 1889 (WA) and the Letters Patent Act 1986.

Presiding over Executive Council is one of the key constitutional functions of the role of Governor. The Executive Council is the supreme decision making body of Government and comprises the Governor (as Chair) and all Cabinet Ministers.

SNAPSHOT 2022/2023

25 SCHEDULED EXECUTIVE COUNCILS

8 SPECIAL EXECUTIVE COUNCILS

37 MESSAGES SUBMITTED TO PARLIAMENT

21 SWEARING-IN CEREMONIES

2 RECONSTITUTIONS OF THE STATE GOVERNMENT MINISTRY

42 GRANTED ROYAL ASSENT FOR BILLS PASSED BY PARLIAMENT



CELEBRATING THE ACHIEVEMENTS OF WESTERN AUSTRALIANS

The Governor celebrates and showcases the achievements of Western Australians by attending and hosting important celebratory and ceremonial occasions throughout the year.

INVESTITURE CEREMONIES

Twice a year, the Governor celebrates the outstanding service and actions of everyday Australians from all walks of life at official investiture ceremonies.

The recipients are invested with national honours and awards as recognised through the Australian Honours and Awards System, for contributions made to communities locally, nationally, and internationally across a wide range of fields.

Australian Honours and Awards are approved by the Governor-General and announced on Australia Day and the King's official birthday, (usually the second Monday in June). Australian Bravery Decorations are announced in March and August.



CONGRATULATORY MESSAGES

Residents of Western Australia who are celebrating a significant birthday or wedding anniversary can receive a congratulatory message from the Governor. Applications can be made via the Government House website.

628
CONGRATULATORY
MESSAGES

CONNECTION WITH THE COMMUNITY

The Governor supports and encourages Western Australians with their endeavours, and strives to make connections between people and organisations for the betterment of Western Australia.

Engaging with a variety of organisations, businesses, institutions and community groups throughout the year is an important part of the Governor's role.

SNAPSHOT 2022/2023

104

PATRONAGE ORGANISATIONS

85

SPEECHES DELIVERED

139

EXTERNAL FUNCTIONS ATTENDED

10,212

GUESTS TO THE HOUSE

282

FUNCTIONS AT GOVERNMENT HOUSE



REGIONAL AND LOCAL VISITS

BUSSELTON - UNDALUP

The Regional Visit Program enables the Governor to continue to develop a good working relationship with various people, industries and members of the State and learn more about industries, initiatives and projects of significance. The visits are important opportunities to engage with and express appreciation to the many people that make up the fabric of our rural and regional communities. During the year the Governor undertook a program of travel throughout regional Western Australia.

The Governor took a day trip to Busselton to meet with the Busselton Historical Society and return the Bible of his great-great-grandfather, Elijah Dawson, to the museum. Elijah Dawson and his wife, Ann Dawson, were colonial pioneers of the Busselton area. His Excellency the Honourable Chris Dawson APM, Governor of Western Australia was loaned the Bible for use in his swearing-in ceremony.

The trip also provided the opportunity to award Mr William “Bill” Ivory with an Order of Australia Medal for his service to boxing and to youth, with six decades of volunteer work at the Bunbury PCYC. Mr Ivory was unable to attend an investiture ceremony at Government House due to his advanced years and inability to travel far from home.



REGIONAL AND LOCAL VISITS

DOWERIN

Dowerin Field Days is just one of the highlights on the Western Australia Agricultural show circuit, taking place in the Wheatbelt.

In August 2022, the Governor and Mrs Dawson travelled to Dowerin to open the event and take in some of the incredible activity occurring in the region.

“I admire your grit, your perseverance and your commitment to growing our agricultural economy which is vital to our State. The contribution agriculture makes to our State’s prosperity is massive.”

The pandemic and cost of living pressures have been immense on country people and their businesses, but the Governor and Mrs Dawson have witnessed a determination and commitment to investing locally to drive growth and innovation on the land.



REGIONAL AND LOCAL VISITS

ROTTNEST - WADJEMUP



A tourist hotspot for all Western Australians, Wadjemup (colloquially known as Rottnest Island) is also significant to the Whadjuk people.

After a welcome and smoking ceremony, the Governor and Mrs Dawson received an update on the work that has been underway since the 1980's on the Wadjemup Project, to recognise the impact of Aboriginal people and formally acknowledge the island's tragic but significant history.

While on the island, the Governor unveiled a plaque at Kingston Barracks to commemorate the Platinum Jubilee of Her Majesty Queen Elizabeth II, prior to her passing.



REGIONAL AND LOCAL VISITS

FITZROY CROSSING

The Governor travelled to the Kimberley, where he visited some of the communities impacted by the floods and those involved in response and recovery efforts.

On the ground in Fitzroy Crossing the Governor was welcomed to Country by local elder Aunty Mary Aitkin and heard firsthand from local leaders how damage to homes, businesses, roadways and bridges was impacting on the local community.

He also heard stories of the resilience and unity of local people, with everyone working together. Local voices were heard through community led communication and consultation, ensuring the needs of those impacted were being addressed.

Flying over the Fitzroy River the Governor saw the extent of the destruction caused by the flood including the destroyed Fitzroy Crossing Bridge, submerged and damaged roads, as well as isolated and flooded properties.



REGIONAL AND LOCAL VISITS

EAST KIMBERLEY



The Vice Regal couple made their first official visit to the East Kimberley, taking in Kununurra and Kalumburu.

Coinciding with the Ord Valley Muster, the largest community event for the area, the visit had a strong community focus including meeting with the local Community Kitchen volunteers, East Kimberley College, local Aboriginal corporations and a visit to the community of Kalumburu.

Kalumburu is the most remote permanent settlement in Western Australia and is located on the King Edward River, 550 kilometres from Kununurra.

The Governor and Mrs Dawson spent time in the community meeting with local residents and learning more about the work being done to empower and support the community who had only reopened to tourists following COVID-19 restrictions a few weeks prior.



COMMUNITY ACCESS



Government House belongs to the people of Western Australia and is an historic and significant landmark in Perth. The Governor and the Establishment are always working to create opportunities for the public to visit the heritage-listed house and gardens.

SNAPSHOT 2022/2023

10,212

GUESTS ATTENDED EVENTS HOSTED BY THE GOVERNOR

10,644

GUESTS ATTENDED FUNCTIONS IN THE GARDENS

10,979

GUESTS ATTENDED FUNCTIONS IN THE BALLROOM

COMMUNITY ACCESS

POPPY INSTALLATION

To mark the first ANZAC Day in three years that Western Australians were allowed to gather without capacity restrictions, Government House teamed with volunteers from RSLWA to showcase the 'Poppy Ladies' poppy display for the second year.

Over 62,000 poppies were 'planted' on the hill in front of Government House to commemorate our fallen soldiers, sailors, airmen and nurses.

The gardens were open to the public and thousands of people visited over the span of two weeks to view the display.



WORLD OF FOOD FESTIVAL

An annual event that celebrates multicultural Western Australia through food in the Government House Gardens.

With over 30 stalls serving cuisine from more than 20 different countries, the annual event celebrates cultural communities from around Perth through food.

Brought to Government House by the Consular Corps of WA (Perth-based Consulates), the World of Food Festival brings the community together for a day of food, cultural performances, kids and sports activities.



COMMUNITY CHRISTMAS CONCERT

A magical afternoon in the Government House Ballroom with a full house treated to Christmas carols galore thanks to the stunning sounds of Simone Craddock, Solomon Pitt, William Atkins-Walters and the 30-strong Canning City Brass Band.

The Governor and Mrs Dawson, along with 300 guests, enjoyed an afternoon of Christmas cheer in a Ballroom all dressed up for the occasion.



COMMUNITY ACCESS



OPEN DAYS

There hadn't been an open day at Government House since 2017 due to roof restorations and COVID-19, but in April the gates were opened and thousands of people made the most of the perfect weather to tour the House and Gardens.

Aligning with the Boorloo Heritage Festival the weekend was a massive success thanks to the many helpers who volunteered their time.

Both days began with moving smoking ceremonies by Barry Winmar, before the crowds moved into the Ballroom for musical performances, followed by the Humphreys Dance Studio, who took to the floor with a number of dazzling performances throughout both days.

Our House tours were extremely popular, with huge numbers of people enjoying the grandeur of the rooms and learning the history behind them.

The Royal Room had an amazing display of military antiques from John Burridge and the Stirling Sword and cup from the Western Australian Museum.

Just outside the main doors were stalls by the Government House Foundation and Order of Australia Association alongside the Phaeton Carriage from the Revolutions Transport Museum, and Royal Rolls Royce from the WA Motor Museum - a historically significant vehicle having arrived in Perth in 1974, it has transported Monarchs, Heads of State and previous Governors. The Rolls Royce was gifted to the Motor Museum of WA in August 2020.

The Gardens were a hive of activity too, with musical performances by the WA Police Pipe Band and the Royal Australian Navy Band.

Girl Guides WA and Scouts WA kept the kids busy with a raft of activities and games, while St John WA made sure that we're up to date with our CPR and bandaging skills.

Those interested in history were well catered for in the Gardens too, thanks to the Western Australian Genealogical Society (Family History WA) and the Westralian Great War Living History Association who donned historic uniforms to really set the scene.

Rotary Club of Freshwater Bay made sure nobody went hungry with what many described as 'the best sausage sizzle they've ever tasted.'

Open days are a wonderful opportunity for members of the community to visit Government House and tour the beautiful grounds and we look forward to more later in the year.



ESTATE WORKS

The Establishment continuously reviews and updates Conservation and Strategic Asset Management Plans to ensure the maintenance of the heritage listed Government House and Gardens.

FLAG GARDEN AND PERMANENT FLAG RAISING

For the first time, the Aboriginal and Torres Strait Islander flags fly permanently at Government House.

In front of Aboriginal and Torres Strait Islander representatives, parliamentarians, former Governors and community representatives, the new flag poles and Flag Garden were unveiled in April, on the northern facing side of Government House, along St Georges Terrace.

During the ceremony, the Governor spoke of the land, being a place of ceremonial significance and heritage where Aboriginal people walked and gathered for thousands of years. He also spoke of the significant events that took place on these lands, including when the Whadjuk Noongar people met Captain James Stirling, the first Governor of the State of Western Australia.

“This land I am standing on is very special to all West Australians. It is a place of ceremonial significance for all people. It is also a place of our history in the past, present and for the future.”



CONSERVATION AND RESTORATION

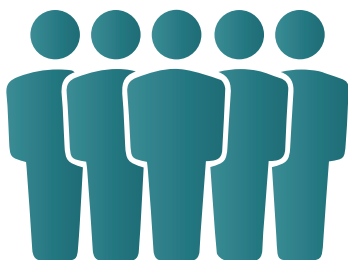
Government House, Ballroom and Gardens were listed on the WA Register of Heritage Places and classified by the National Trust in the early 1990's.

As a 160 year old State heritage asset, works are scheduled throughout the year to ensure all aspects of the Domain remain in a pristine condition for future generations to enjoy.

Works in the last financial year have included: front wall rejuvenation, regular tree maintenance and security upgrades.

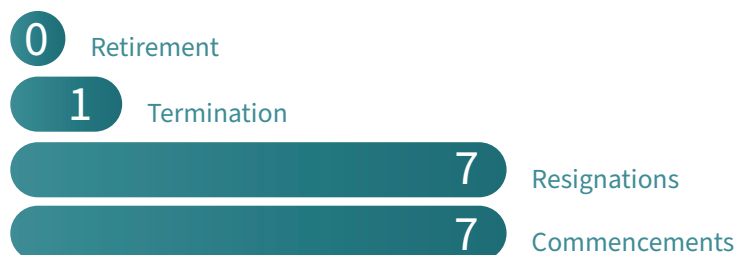
EMPLOYEE RELATED-DATA

The Governor's Establishment is committed to recruiting and maintaining quality staff.



36 FTE

(Full-time equivalent employees)



WORK HEALTH AND SAFETY

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

The Establishment has updated all work health & safety policies to align with the relevant principles of the Work Health and Safety Act 2020 (WA).

To encourage a culture of safe behaviour a number of initiatives have been implemented, including refresher training, a review of systems and processes, purchase of additional safety equipment, safety shares and the appointment of a WH&S Representative.

First Aid training was conducted and over 90% of staff are now fully trained to provide first aid.

The Incident Response process was reviewed, streamlined, and rolled out to staff. All trained first responders are aware of their obligations in the event of a workplace incident occurring.

A new on-line incident reporting system has been implemented. The Line Manager is responsible for investigating the incident and all reports are reviewed by the Risk Committee and remedies are put in place to mitigate future hazards.

A Work Health & Safety Representative has been identified and will shortly undergo training. Representing the health and safety interests of staff, the representative will promote a safety culture, provide a point of contact for staff to raise ideas and concerns and will work with Managers to remedy hazards and unsafe work practices.

An additional defibrillator was purchased for the Ballroom, bringing the total number to four, ensuring the entire House and Grounds are made safer for guests and visitors to the Establishment.

STATISTICS FOR 2022/23:



Fatalities



Lost Time Injury

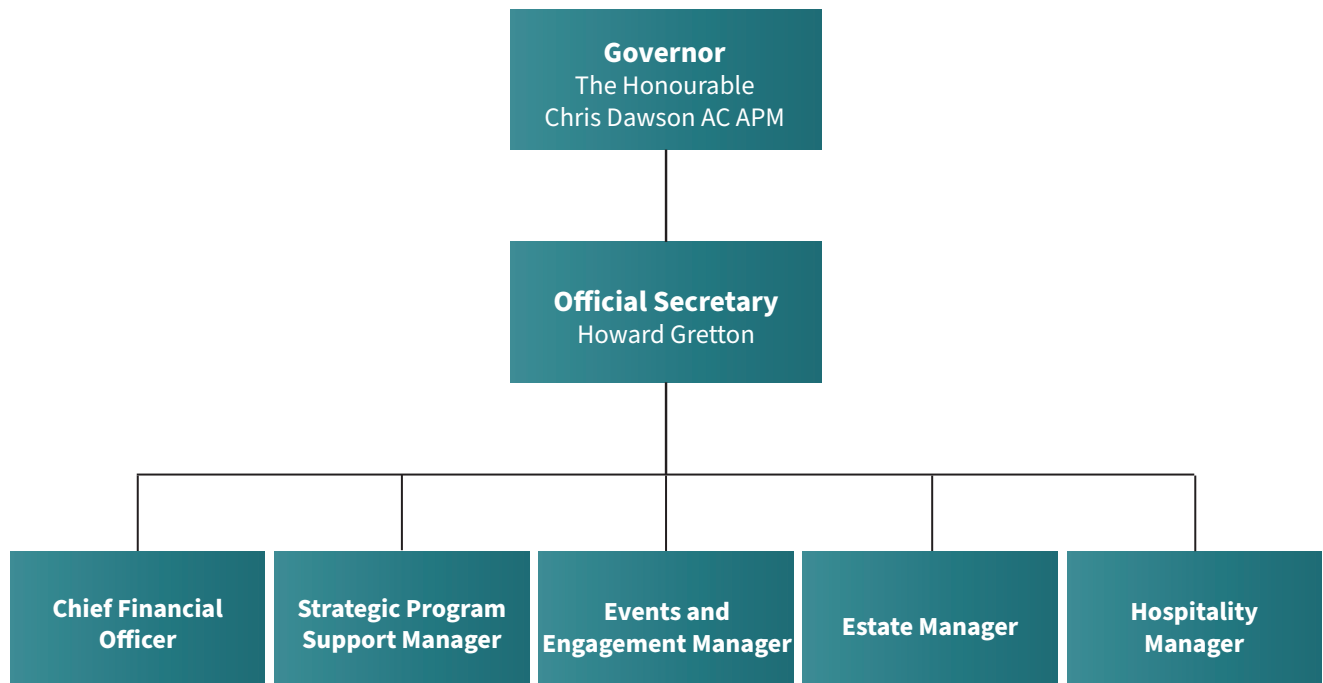


Lost Time Injury
Severity Rate



Fire Drills

ORGANISATIONAL STRUCTURE



SENIOR OFFICERS

Official Secretary - Howard Gretton

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 - Roselyn Hamilton

Responsible for the strategic personnel and financial management of the Governor's Establishment, including preparation of internal and Governmental financial reports and budgets.

Strategic Program Support Manager - Amelia O'Sullivan

Responsible for the development of the Governor's Program and integration of divisions to deliver the Program.

Events and Engagement Manager - Alexandra Rho

Responsible for managing the delivery of all events, functions and ceremonies at Government House.

Hospitality Manager - Claudia Servis

Responsible for managing the delivery of all hospitality provisions at Government House including house keeping, kitchen and floral services and domestic operations.

Estate Manager - Mark Evans

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 King and the Legislative Council and the Legislative Assembly.” In accordance with Section 50(1), “The King’s representative in Western Australia is the Governor who shall hold office during His 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 & Health Act 1984*
- *Public Interest Disclosure Act 2003*
- *Salaries & 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 2023

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 2023 and the financial position as at 30 June 2023.

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.



Howard Gretton
Accountable Authority
Date: 12/09/2023



Roselyn Hamilton
Chief Financial Officer
Date: 12/09/2023



Auditor General

INDEPENDENT AUDITOR'S REPORT

2023

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 (entity) which comprise:

- the Statement of Financial Position at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows 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 2023 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), 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 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 (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 entity.

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 misstatements, 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 Official Secretary are those policies and procedures established 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 the State's financial reporting framework (the overall control objectives).

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 the State's financial reporting framework during the year ended 30 June 2023.

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 Engagement 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 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 2023. 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 entity's performance and fairly represent indicated performance for the year ended 30 June 2023.

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 controls 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 Instructions 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 management relating to the report on financial statements, 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 ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management 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 entity's annual report for the year ended 30 June 2023, but not the financial statements, key performance indicators and my auditor's report.

My opinion on the financial statements, controls and key performance indicators does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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

The auditor's report relates to the financial statements and key performance indicators of the Governor's Establishment for the year ended 30 June 2023 included in the annual report on the entity's website. The entity's management is responsible for the integrity of the entity's website. This audit does not provide assurance on the integrity of the entity'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 the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Tim Sanya
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
13 September 2023

Statement of comprehensive income

For the year ended 30 June 2023

	Notes	2023 (\$000)	2022 (\$000)
Cost of services			
Expenses			
Employee benefits expense	2.1 (a)	5,625	4,847
Supplies and services	2.2	1,714	1,461
Depreciation expense	4.1,4.2	519	461
Finance costs	6.3	1	1
Accommodation expenses	2.3	774	711
Other expenses	2.3	45	135
Total cost of services		8,678	7,616
Income			
Other income	3.2	3	1
Total income		3	1
NET COST OF SERVICES		8,675	7,615
Income from State Government			
Service appropriation	3.1	8,691	7,868
Resources received	3.1	17	29
Total income from State Government		8,708	7,897
Surplus/(deficit) for the period		33	282
OTHER COMPREHENSIVE INCOME			
<i>Items not reclassified subsequently to profit or loss</i>			
Changes in asset revaluation surplus	4.1	4,546	487
Gains/losses recognised directly in equity		-	-
Total other comprehensive income		4,546	487
Total comprehensive income for the period		4,579	769

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

Statement of financial position

As at 30 June 2023

	Note	2023 \$000	2022 \$000
Assets			
Current Assets			
Cash and cash equivalents	6.4	1,121	1,684
Receivables	5.1	46	37
Other Current Assets	5.3	144	147
Total Current Assets		1,311	1,868
Non-Current Assets			
Restricted cash and cash equivalents	6.4	108	82
Amounts receivable for services	5.2	4,558	4,068
Property, plant and equipment	4.1	45,743	40,841
Right-of-use assets	4.2	17	47
Total Non-Current Assets		50,426	45,038
Total assets		51,737	46,906
Liabilities			
Current Liabilities			
Payables	5.4	116	193
Provisions	2.1(b)	560	497
Lease liabilities	6.1	4	30
Total Current Liabilities		680	720
Non-Current Liabilities			
Provisions	2.1(b)	125	143
Lease liabilities	6.1	16	23
Total Non-Current Liabilities		141	166
Total liabilities		821	886
Net assets		50,916	46,020
Equity			
Contributed equity		13,388	13,071
Reserves		34,488	29,942
Accumulated surplus/(deficit)		3,040	3,007
Total equity		50,916	46,020

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

Statement of cash flows

For the year ended 30 June 2023

	Notes	2023 \$000	2022 \$000
Cash flows from the State Government			
Service appropriation		2,340	2,374
Special Acts		5,745	5,039
Capital appropriations		317	777
Holding account drawdowns		116	116
Net cash provided by State Government		8,518	8,306
<i>Utilised as follows:</i>			
Cash flows from operating activities			
Payments			
Employee benefits		(5,560)	(4,811)
Finance costs		(1)	(1)
Supplies and services		(1,790)	(1,460)
Accommodation expenses		(774)	(711)
GST payments on purchases		(327)	(380)
Other payments		(45)	(137)
Receipts			
User charges and fees		(8)	4
GST Receipts on sales		-	1
GST receipts from taxation authority		325	377
Other Receipts		4	1
Net cash provided by/(used in) operating activities		(8,176)	(7,117)
Cash flows from investing activities			
Payments			
Purchase of non-current physical assets		(863)	(1,551)
Receipts			
Proceeds from sale of non-current assets		7	-
Net cash provided by/(used in) investing activities		(856)	(1,551)
Cash flows from financing activities			
Payments			
Principle elements of lease		(33)	(28)
Non-retained revenue distributed to owner		-	(81)
Receipts			
Proceeds from sale of right of use assets		10	-
Net cash provided by/(used in) financing activities		(23)	(109)
Net increase/(decrease) in cash and cash equivalents		(537)	(471)
Cash and cash equivalents at the beginning of period		1,766	2,237
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	6.4	1,229	1,766

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

Statement of changes in equity

For the year ended 30 June 2023

	Contributed equity \$'000	Reserves \$'000	Accumulated surplus/ (deficit) \$'000	Total equity \$'000
Balance at 1 July 2021	12,375	29,455	2,725	44,555
Surplus/(deficit)	-	-	282	282
Other comprehensive income	-	487	-	487
Total comprehensive income for the period	-	487	282	769
<i>Transactions with owners in their capacity as owners:</i>				
Capital appropriations	777	-	-	777
Other contributions by owners	-	-	-	-
Distributions to owners	(81)	-	-	(81)
Total	696	-	-	696
Balance at 30 June 2022	13,071	29,942	3,007	46,020
Balance at 1 July 2022	13,071	29,942	3,007	46,020
Surplus/(deficit)	-	-	33	33
Other comprehensive income	-	4,546	-	4,546
Total comprehensive income for the period	-	4,546	33	4,579
<i>Transactions with owners in their capacity as owners:</i>				
Capital appropriations	317	-	-	317
Other contributions by owners	-	-	-	-
Distributions to owners	-	-	-	-
Total	317	-	-	317
Balance at 30 June 2023	13,388	34,488	3,040	50,916

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

1. Basis of preparation

Governor's Establishment (the Establishment or the Agency) 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 12 September 2023.

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 – Simplified Disclosures
- 4) Where appropriate, those Australian Accounting Standards paragraphs applicable for not-for-profit entities have been applied.

The FMA and the TIs take precedence over Australian Accounting Standards. Several Australian Accounting Standards 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).

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Agency as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

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.

Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;
- Right of Use Asset reconciliations.

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.

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
Employee benefits expense	2.1(a)
Employee related provisions	2.1(b)
Supplies and services	2.2
Other expenditure	2.3

2.1(a) Employee benefits expense

	2023	2022
	(\$000)	(\$000)
Employee benefits	4,408	4,431
Termination benefits	638	-
Superannuation - defined contribution plans	483	404
Other employee expenses	96	12
Employee benefits expense	5,625	4,847
Add: AASB 16 non-monetary benefits (not included in employee benefits expense)	-	7
Less: Employee contributions (per note 3.5 Other income)	-	-
Total employee benefits provided	5,625	4,854

Employee benefits include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Agency is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, other GESB schemes or other superannuation funds.

AASB 16 non-monetary benefits are non-monetary employee benefits, predominantly relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee contributions are 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

	2023 (\$000)	2022 (\$000)
Current		
<u>Employee benefits provisions</u>		
Annual leave	148	243
Long service leave	408	250
	556	493
<u>Other provisions</u>		
Employment on-costs	4	4
Total current employee related provisions	560	497
Non-Current		
<u>Employee benefits provisions</u>		
Long service leave	124	142
<u>Other provisions</u>		
Employment on-costs	1	1
Total non-current employee related provisions	125	143
Total employee related provisions	685	640

Provision is made for benefits accruing to employees in respect of 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.

Annual leave liabilities are classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Annual leave is not expected to be settled within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'.

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.

Long service leave liabilities are unconditional long service leave provisions are classified as current liabilities as the Agency 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.

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.

Employment on-costs involve settlements of annual and long service leave liabilities which 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 premiums, 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 Establishment's 'employee benefits expense'. The related liability is included in 'Employment on costs provision'.

Employment on-costs provision	2023 (\$000)	2022 (\$000)
Carrying Amount at start of year	5	3
Additional provisions recognised	-	2
Carrying amount at end of period	5	5

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 & Services

	2023 (\$000)	2022 (\$000)
Supplies and services		
Communications	44	39
Consultants and Contractors	799	718
Consumables	215	271
Materials	-	3
Vehicle lease and hire	1	3
Minor plant, machinery and equipment	65	71
Plant, machinery and equipment lease	24	36
Equipment repairs and maintenance	42	35
Software Licences, fees & registration	181	114
Other staff related expenses	31	48
Travel	211	18
Insurance costs	47	48
Other Supplies & Services	54	57
Total supplies and services expenses	1,714	1,461

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

2.3 Other expenditure

	2023 (\$000)	2022 (\$000)
Accommodation expenses		
Repairs & Maintenance	564	525
Power and water consumption	137	128
Security	-	-
Rates and taxes	2	2
Cleaning	71	56
Total accommodation expenses	774	711
Other expenses		
Audit fees	23	31
Other operating expense	22	104
Total other expenses	45	135
Total other expenditure	819	846

Accommodation expenses are recognised as expenses as incurred.

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

3. Our funding sources

How we obtain our funding

This section provides additional information about how the 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
Income from State Government	3.1
Other income	3.2

Notes to the Financial Statements

3.1 Income from State Government

	2023 (\$000)	2022 (\$000)
Appropriation received during the period:		
- Service appropriation	8,691	7,868
Total service appropriation	8,691	7,868
Resources received from other public sector entities during the period:		
- Services received free of charge	17	29
Total resources received	17	29
Total Income from State Government	8,708	7,897

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 the appropriated funds at the time those funds are deposited in the bank account or credited to the holding account held at Treasury.

Resources received from other public sector entities is recognised as income equivalent to the fair value of assets received, or the fair value of services received that can be reliably determined and which would have been purchased if not donated.

Summary of consolidated account appropriations
For the year ended 30 June 2023

	2023	2023	2023	2023	2023
	Budget	Supplementary Funding - Travel & Salaries	Revised Budget	Actual	Variance
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
<u>Delivery of services</u>					
Item 8 Net amount appropriated to deliver services	2,722	224	2,946	2,946	-
Amounts authorised by other statutes					
- <i>Salaries and Allowances Act</i> 1975	583	-	583	583	-
- <i>Governor's Establishment Act</i> 1992	4,472	690	5,162	5,162	-
Total provided to deliver services	7,777	914	8,691	8,691	-
<u>Capital</u>					
Item 98 Capital Appropriation	280	-	280	280	-
Total consolidated account appropriations	8,057	914	8,971	8,971	-

Notes to the Financial Statements

3.2 Other income

	2023 (\$000)	2022 (\$000)
Expense Recoveries	4	1
Other income	4	1
<u>Net proceeds from disposal of non-current assets</u>		
Antiques & Artwork	2	6
Right Of Use Asset - Vehicle	10	-
<u>Carrying amount of non-current assets disposed</u>		
Antiques & Artwork	(3)	(6)
Right Of Use Asset - Vehicle	(10)	-
Net gains/(losses) on disposal of non-current assets	(1)	-
Total Other income	3	1

4. Key Assets

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
Property, plant and equipment	4.1
Right-of-use assets	4.2

Notes to the Financial statements

4.1 Property, plant and equipment

Year ended 30 June 2023	Land (\$000)	Buildings (\$000)	Furniture & Fittings (\$000)	Computing Equipment (\$000)	Plant & Equipment (\$000)	Antiques & Artwork (\$000)	Work in Progress (\$000)	Total (\$000)
1 July 2022								
Gross carrying amount	234	39,577	470	340	599	432	282	41,934
Accumulated impairment losses	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	(461)	(315)	(317)	-	-	(1,093)
Carrying amount at start of period	234	39,577	9	25	282	432	282	40,841
Additions	-	48	34	7	110	58	606	863
Transfers	-	-	15	37	72	122	(246)	(0)
Other disposals	-	-	-	-	(5)	(3)	-	(8)
Capital items expensed	-	-	-	-	-	-	-	-
Revaluation increments/(decrements)	21	4,526	-	-	-	-	-	4,547
Impairment losses	-	-	-	-	-	-	-	-
Impairment losses reversed	-	-	-	-	-	-	-	-
Depreciation	-	(396)	(11)	(48)	(44)	-	-	(499)
Carrying amount as at end of period	255	43,755	47	21	415	608	642	45,743
Gross carrying amount	255	43,755	512	384	776	608	642	46,932
Accumulated depreciation	-	-	(465)	(363)	(361)	-	-	(1,189)
Accumulated impairment losses	-	-	-	-	-	-	-	-

(a) The Department of Planning, Lands and Heritage (DPLH) is the only agency with the power to sell Crown land. The land is transferred to DPLH for sale and the Agency accounts for the transfer as a distribution to owner.

(b) Recognised in the Statement of Comprehensive Income. Where an asset measured at cost is written-down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.

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).

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

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 2022 by Landgate. The valuations were performed during the year ended 30 June 2023 and recognised at 30 June 2023. In undertaking the revaluation, fair value was determined by reference to market values for land: \$255,000 (2022: \$234,000) and buildings: \$43,755,419 (2022: \$39,577,221). 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). As at 30 June 2023, there were no indications of impairment to property, plant and equipment

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 2022. The valuations were recognised at 30 June 2022.

As at 30 June 2023, there were no indications of impairment to property, plant and equipment or infrastructure.

Notes to the Financial Statements

Unobservable (level 3) inputs used to determine fair values of property and land are:

Land:	Fair value for restricted use land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuation Services).
Buildings:	<p><i>Historical cost per square metre floor area (m²)</i></p> <p>The costs of constructing specialised buildings with similar utility are extracted from financial records of the Agency, then indexed by movements in CPI.</p> <p><i>Consumed economic benefit/obsolescence of asset</i></p> <p>These are estimated by the Western Australian Land Information Authority (Valuation Services).</p>

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 agency, 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.

4.2 Right-of-use assets

Year Ended 30 June 2023

	Vehicles \$000	Total \$000
Carry amount at beginning of period	47	47
Additions	3	3
Disposals	(13)	(13)
Depreciation	(20)	(20)
Net carrying amount at end of period	17	17

The Agency has leases for vehicles. The lease contracts are typically made for fixed periods of 1-5 years with an option to renew the lease after that date.

Initial recognition

At the commencement date of the lease, the Agency recognises right-of-use assets and a corresponding lease liability for most leases. The right-of-use assets are measured at cost comprising of:

- 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 corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.1.

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.

Notes to the Financial Statements

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.

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
Receivables	5.1
Amounts receivable for Services	5.2
Other assets	5.3
Payables	5.4

Notes to the Financial Statements

5.1 Receivables

	2023 (\$000)	2022 (\$000)
Current		
Receivables	7	-
Sundry receivables	-	-
GST receivables	39	37
Total receivables at end of the period	46	37

5.2 Amounts receivable for services (Holding Account)

	2023 (\$000)	2022 (\$000)
Holding Account	4,558	4,068
Total Amounts receivable for services at end of the period	4,558	4,068

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

	2023 (\$000)	2022 (\$000)
Current		
Prepayments	144	147
Total other assets at end of the period	144	147

5.4 Payables

	2023 (\$000)	2022 (\$000)
Current		
Trade payables	-	1
Accrued expenses	11	107
Accrued salaries	105	85
Total current	116	193

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.

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
Assets pledged as security	6.2
Finance costs	6.3
Cash and cash equivalents	6.4
Capital commitments	6.5

Notes to the Financial Statements

6.1 Lease liabilities

	2023 (\$000)	2022 (\$000)
Not later than one year	4	30
Later than one year and not later than five years	16	19
Later than five years	-	3
	20	52
Current	4	30
Non-current	16	23
	20	53

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.

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.

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.

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.

This section should be read in conjunction with note 4.2.

	2023 (\$000)	2022 (\$000)
Lease expenses recognised in the Statement of comprehensive income		
Lease interest expense	1	1
Total lease expense	1	1

6.2 Assets pledged as security

	2023 (\$000)	2022 (\$000)
The carrying amounts of non-current assets pledged as security are:		
Right of use assets	17	47
Total assets pledged as security	17	47

The Agency has secured the right-of-use assets against the related lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.

6.3 Finance costs

	2023 (\$000)	2022 (\$000)
Interest expense		
Interest expense on lease liabilities	1	1
Total interest expense	1	1

Finance cost includes the interest component of lease liability repayments.

6.4 Cash and cash equivalents

	2023 (\$000)	2022 (\$000)
Cash and cash equivalents	1,121	1,684
Restricted cash and cash equivalents	108	82
Balance at end of period	1,229	1,766

Notes to the Financial Statements

Restricted cash and cash equivalents

	2023 (\$000)	2022 (\$000)
Non-current		
Accrued salaries suspense account ^(a)	108	82
Total Restricted cash and cash equivalents	108	82

(a) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non current for 10 out of 11 years.

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.

The accrued salaries suspense account consists of amounts paid annually, from agency 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.

6.5 Capital commitments

	2023 (\$000)	2022 (\$000)
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	260	724
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

7. Financial Instruments

This note sets out the key risk management policies and measurement techniques of the Agency.

	Notes
Financial instruments	7.1
Contingent assets & liabilities	7.2

Notes to the Financial Statements

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:

	2023 (\$000)	2022 (\$000)
Financial assets		
Cash and cash equivalents	1,121	1,684
Restricted cash and cash equivalents	108	82
Receivables(a)	7	-
Total financial assets	1,236	1,766
Financial liabilities		
Financial liabilities at amortised cost(b)	116	192
Total financial liability	116	192

(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

(b) The amount of financial liabilities at amortised cost excludes GST recoverable from the ATO (statutory payable).

7.2 Contingent assets & liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent assets

There were no contingent assets at year end.

7.2.2 Contingent liabilities

There were no contingent liabilities at year end.

8. Other Disclosures

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

	Notes
Key management personnel	8.1
Related party transactions	8.2
Related bodies	8.3
Affiliated bodies	8.4
Remuneration of auditors	8.5
Explanatory statement	8.6

Notes to the Financial Statements

8.1 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 (\$)	2023	2022
600,001 - 650,000 ^(a)	1	-
250,001 - 300,000	-	1
200,001 - 250,000	1	1
150,001 - 200,000	5	3
100,001 - 150,000	-	1
50,001 - 100,000	-	2
0 - 50,000	-	2
	2023	2022
	(\$000)	(\$000)
Total compensation of senior officers	1,732	1,315

(a) Payment of employee entitlements on exit.

8.2 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 agencies 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.

8.3 Related bodies

Governor's Establishment has no related bodies.

8.4 Affiliated bodies

Governor's Establishment has no affiliated bodies.

8.5 Remuneration of auditors

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

	2023 (\$000)	2022 (\$000)
Auditing the accounts, financial statements, controls, and key performance indicators	25	23

8.6 Supplementary financial information**(a) Write-offs**

During the financial year nil (2022: nil) was written off the Agency's books under the authority of:

	2023 (\$000)	2022 (\$000)
The accountable authority	-	-
The Minister	-	-
The Treasurer	-	-

(b) Losses through theft, defaults and other causes

	2023 (\$000)	2022 (\$000)
Losses of public money, other money and public and other property through theft or default		
Amounts recovered	-	-

(c) Forgiveness of debts

	2023 (\$000)	2022 (\$000)
Forgiveness (or waiver) of debts by the Agency	-	-

(d) Gift of public property

	2023 (\$000)	2022 (\$000)
Gift of public property by the Agency	-	-

9 Explanatory statements

This section explains variations in the financial performance of the Agency.

9.1 Explanatory statement for controlled operations

This explanatory section explains variations in the financial performance of the Agency undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2023, and between the actual results for 2023 and 2022 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of the :

- Total Cost of Services [for the previous year, or current year estimate] for the Statements of comprehensive income and Statement of cash flows (i.e. 1% of \$7,616,000 in the example below); and
- Total Assets [for the previous year, or current year estimate] for the Statement of financial position (i.e. 1% of \$46,906,000 in the example below).

9.1.1 Statement of Comprehensive Income Variances

					Variance between estimate and actual	Variance between actual results for 2023 and 2022
	Variance Note	Estimate 2023 \$000	Actual 2023 \$000	Actual 2022 \$000		
Cost of services						
Expenses						
Employee benefits expense	1,a	5,010	5,625	4,847	615	778
Supplies and services	2,b	1,079	1,714	1,461	635	253
Depreciation and amortisation expense	3	606	519	461	(87)	58
Accommodation expense	4	938	774	711	(164)	63
Finance costs		2	1	1	(1)	-
Other expenses	5,c	133	45	135	(88)	(90)
Total cost of services		7,768	8,678	7,616	910	1,062
Income						
Other Revenue		-	3	1	3	2
Total income		-	3	1	3	2
NET COST OF SERVICES		7,768	8,675	7,615	907	1,060
Income from State Government						
Service appropriation	6,d	7,777	8,691	7,868	914	823
Services received free of charge		30	17	29	(13)	(12)
Total income from State Government		7,807	8,708	7,897	901	811
Surplus/(deficit) for the period		39	33	282	(6)	(249)
OTHER COMPREHENSIVE INCOME						
<i>Items not reclassified subsequently to profit or loss</i>						
Changes in asset revaluation surplus		-	4,546	487	4,546	4,059
Gains/losses recognised directly in equity		-	-	-	-	-
Total other comprehensive income		-	4,546	487	4,546	4,059
Total comprehensive income for the period		39	4,579	769	4,540	3,810

Major estimate and actual (2023) variance narratives:

- 1) Employee benefits increased by \$615,000 (12%) due to an increase in payments of entitlements on employee exit (100% of increase).
- 2) Supplies and services increased by \$635,000 (59%) due to an increase in regional, interstate and international travel (36% of increase), interregnum expenditure (24% of increase) and a movement between accommodation expense and supplies and services (25% of increase).
- 3) Depreciation decreased by \$87,000 (14%) due to delay in the practical completion and capitalisation of the security project (100% of decrease).
- 4) Accommodation expense decreased by \$164,000 (17%) due to the nature of some conservation expenditure moving from "accommodation" to "supplies and services" (100% of decrease).
- 5) Other expenses decreased by \$88,000 (66%) due to a movement between other expenses and supplies and services (100% of decrease).
- 6) Service appropriation increased by \$914,000 (12%) due to the approval of supplementary funding (100% of increase).

Major actual (2023) and comparative (2022) variance narratives:

- a) Employee benefits increased by \$778,000 (16%) due to an increase in payments of entitlements on employee exit (82% of increase).
- b) Supplies and services increased by \$253,000 (17%) due to an increase in regional, interstate and international travel (89% of increase).
- c) Other expenses decreased by \$90,000 (67%) due to a decrease in worker's compensation expense (91% of decrease).
- d) Service appropriation increased by \$823,000 (10%) due to the approval of supplementary funding (100% of increase).

9.1.2 Statement of Financial Position Variances

					Variance between estimate and actual	Variance between actual results for 2023 and 2022
	Variance Note	Estimate 2023 \$000	Actual 2023 \$000	Actual 2022 \$000	and actual \$000	\$000
Assets						
Current Assets						
Cash and cash equivalents	1,a	117	1,121	1,684	1,004	(563)
Receivables		39	46	37	7	9
Other Current Assets		45	144	147	99	(3)
Total Current Assets		201	1,311	1,868	1,110	(557)
Non-Current Assets						
Restricted cash and cash equivalents		95	108	82	13	26
Amounts receivable for services	b	4,558	4,558	4,068	-	490
Property, plant and equipment	c	41,623	45,743	40,841	4,120	4,902
Right-of-use assets		-	17	47	17	(30)
Total Non-Current Assets		46,276	50,426	45,038	4,150	5,388
Total assets		46,477	51,737	46,906	5,260	4,831
Liabilities						
Current Liabilities						
Payables		6	116	193	110	(77)
Provisions		502	560	497	58	63
Lease liabilities		26	4	30	(22)	(26)
Other current liabilities		33	-	-	(33)	-
Total Current Liabilities		567	680	720	113	(40)
Non-Current Liabilities						
Provisions		162	125	143	(37)	(18)
Lease liabilities		54	16	23	(38)	(7)
Total Non-Current Liabilities		216	141	166	(75)	(25)
Total liabilities		783	821	886	38	(65)
Net assets		45,694	50,916	46,020	5,222	4,896
Equity						
Contributed equity		13,432	13,388	13,071	(44)	317
Reserves		29,557	34,488	29,942	4,931	4,546
Accumulated surplus/(deficit)		2,705	3,040	3,007	335	33
Total equity		45,694	50,916	46,020	5,222	4,896

Notes to the Financial Statements

Major estimate and actual (2023) variance narratives:

1) Cash and cash equivalents increased by \$1M (858%) due to carry forwards relating to capital projects (100% of increase).

Major actual (2023) and comparative (2022) variance narratives:

- a) Cash and cash equivalents decreased by \$563,000 (33%) due to capital spending on funds carried forward from 2022 relating to the ongoing security project (100% of decrease).
- b) Amounts receivable for services increased by \$490,000 (12%) due to the drawdown of funds to holding accounts for asset replacement (100% of increase).
- c) Property, plant and equipment increased by \$4.9 million (12%) due to the revaluation of Land & Buildings (92% of increase).

9.1.3 Statement of Cash Flows Variances

		Variance			Variance	Variance
		Note	Estimate	Actual	Actual	between
			2023	2023	2022	estimate
			\$000	\$000	\$000	and
						2023 and
						2022
						\$000
						\$000
Cash flows from State Government						
Service appropriation	1		2,116	2,340	2,374	224
Special Acts	2,a		5,055	5,745	5,039	690
Capital appropriations	b		280	317	777	37
Holding account drawdowns			116	116	116	-
Net cash provided by State Government			7,567	8,518	8,306	951
<i>Utilised as follows:</i>						
Cash flows from operating activities						
Payments						
Employee benefits	3,c		(5,037)	(5,560)	(4,811)	(523)
Finance costs			(2)	(1)	(1)	1
Supplies and services	4,d		(1,044)	(1,790)	(1,460)	(746)
Accommodation expenses	5		(938)	(774)	(711)	164
GST payments on purchases	6		(63)	(327)	(380)	(264)
Other payments	7,e		(133)	(45)	(137)	88
Receipts						
User charges and fees			-	(8)	4	(8)
GST Receipts on sales			63	-	1	(63)
GST receipts from taxation authority	8		-	325	377	325
Other Receipts			-	4	1	4
Net cash provided by/(used in) operating activities			(7,154)	(8,176)	(7,117)	(1,022)
Cash flows from investing activities						
Payments						
Purchase of non-current physical assets	9,f		(366)	(863)	(1,551)	(497)
Receipts						
Proceeds from sale of non-current assets			-	7	-	7
Net cash provided by/(used in) investing activities			(366)	(856)	(1,551)	(490)
Cash flows from financing activities						
Payments						
Principle elements of lease			(30)	(33)	(28)	(3)
Non-retained revenue distributed to owner	g		-	10	(81)	10
Net cash provided by/(used in) financing activities			(30)	(23)	(109)	7
Net increase/(decrease) in cash and cash equivalents			17	(537)	(471)	(554)
Cash and cash equivalents at the beginning of period			195	1,766	2,237	1,571
Cash and cash equivalents at the end of period			212	1,229	1,766	1,017

Major estimate and actual (2023) variance narratives:

- 1) Service appropriation increased by \$224,00 (11%) due to the approval of supplementary funding (100% of increase).
- 2) Special acts increased by \$690,000 (14%) due to the approval of supplementary funding (100% of increase).
- 3) Employee benefits increased by \$523,000 (10%) due to the payment of employee entitlements on exit (100% of increase).
- 4) Supplies and services increased by \$746,000 (71%) due to an increase in regional, interstate and international travel (30% of increase), interregnum expenditure (20% of increase) and a movement between accommodation expense, other expense and supplies and services (34% of increase).
- 5) Accommodation expenses decreased by \$164,000 (17%) due to a movement between accommodation expenses and supplies and services (100% of decrease).
- 6) GST payments on purchases increased by \$264,000 (419%) due to GST on capital payments not taken into account in budget (100% of increase).
- 7) Other payments decreased by \$88,000 (66%) due to a movement between other expenses and supplies and services (100% of decrease).
- 8) GST receipts increased by \$325,000 (100%) due to GST on capital payments not taken into account in budget (100% of increase).
- 9) Purchase of non-current assets decreased by \$497,000 (136%) due to the carry forward of unspent capital funding for the security project which has been delayed (73% of increase) and procurement to replace urgently required assets (13% of increase).

Major actual (2023) and comparative (2022) variance narratives:

- a) Special acts increased by \$706,000 (14%) due to the approval of supplementary funding (98% of increase).
- b) Capital appropriations decreased by \$460,000 (59%) due to a reduction in funding required for capital projects (100%).
- c) Employee benefits increased by \$749,000 (16%) due to an increase in employee entitlements paid on exit during the year of (91% of increase).
- d) Supplies and services increased by \$330,000 (23%) due to an increase in regional, interstate and international travel (58% of increase) and a movement in accruals and prepayments as the agency works to decrease creditor days (35%).
- e) Other payments decreased by \$92,000 (67%) due to a decrease in worker's compensation expense (89% of decrease).
- f) Purchase of non-current assets decreased by \$688,000 (45%) due to decrease in capital spend after the Ballroom roof project was completed in 2022 (100%).
- g) Non-retained revenue distributed to owners decreased by \$81,000 (100%) due to a decrease in collected monies reserved for distribution to owners (100% of decrease).

GOVERNOR'S ESTABLISHMENT

KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2023

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 2023.

A handwritten signature in black ink, appearing to read 'Howard Gretton', followed by a period.

Howard Gretton

Accountable Authority

Date: 12/09/2023

GOVERNOR'S ESTABLISHMENT

KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2023

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 2023.



Howard Gretton

Accountable Authority

Date: 12/09/2023

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

	2019 Actual (\$000)	2020 Actual (\$000)	2021 Actual (\$000)	2022 Actual (\$000)	2023 Actual (\$000)	2023 Target (\$'000)	Variance to 2023 Target (\$000) (a)
Total cost of Service 1	1,869	2,284	2,264	3,141	3,741	3,118	623 (20%)

Service 2 – Management of the Governor's Establishment.

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

	2019 Actual (\$000)	2020 Actual (\$000)	2021 Actual (\$000)	2022 Actual (\$000)	2023 Actual (\$000)	2023 Target (\$'000)	Variance to 2023 Target (\$000) (b)
Total cost of Service 2	4,282	3,708	5,049	4,556	4,937	4,650	287 (6%)

(a) Service 1 Variance to Target

The movement between 2021-22 Target and 2022-23 Actual is attributable to payments of entitlements on exit of employees and an increase in regional, interstate and international travel expenditure.

(b) Service 2 Variance to Target

The movement between 2021-22 Target and 2022-23 Actual is mainly attributable to building and accommodation maintenance during the interregnum period.



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