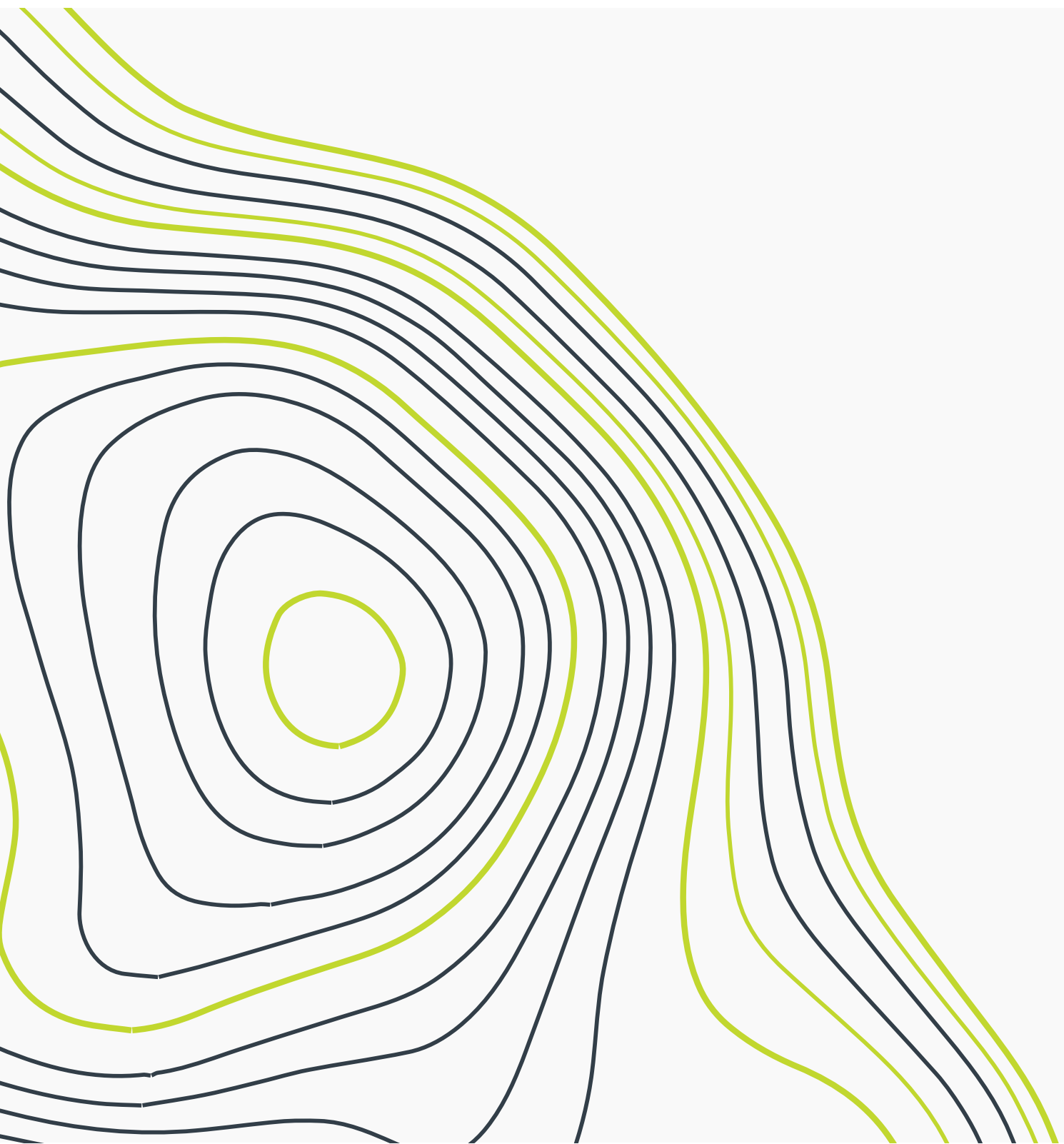
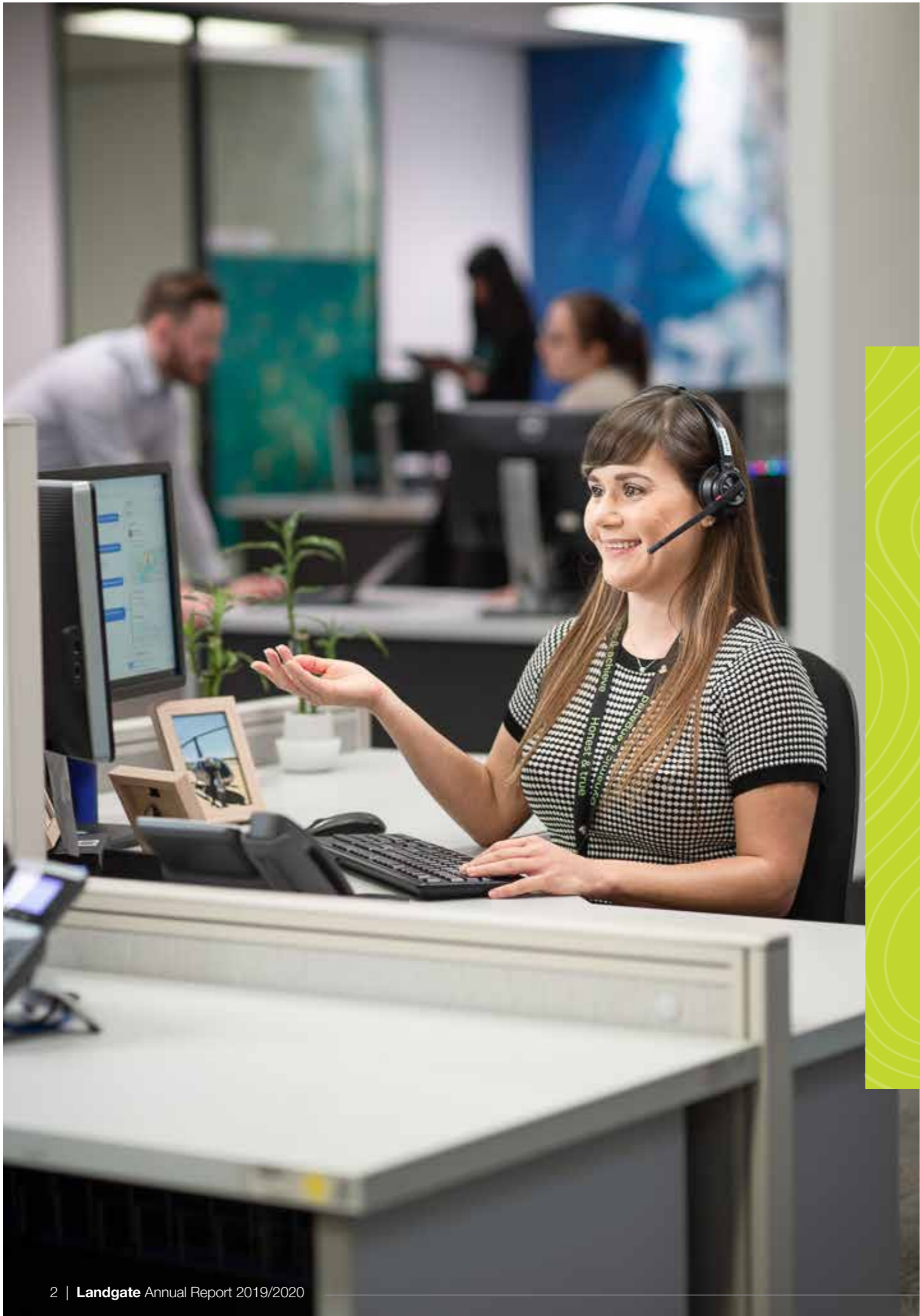


# LANDGATE

## Annual Report 19/20





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Landgate



# Statement of compliance

**For the year ended 30 June 2020**



## Hon Ben Wyatt MLA

**Treasurer; Minister for Finance; Aboriginal Affairs; Lands**

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Western Australian Land Information Authority, trading as Landgate, for the year ended 30 June 2020.

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

The aim of this report is to inform our customers, our people and our community about our organisation, its strategic priorities, performance and governance for the 2019/20 financial year.

**Robert Cole**

**Chair**

5 October 2020

**Graeme Gammie**

**Chief Executive**

5 October 2020

# Executive summary



## Chair's message

This year Landgate achieved an outstanding outcome for the State, realising \$1.41 billion from the partial commercialisation of its Land Titles Register, while protecting its ownership, integrity and security. The State retains the ownership of, and responsibility for, the Land Titles Register and other data. Land Services WA (LSWA) was appointed through an open and competitive market process, and in October 2019, commenced the delivery, improvement and maintenance of Landgate's automated titling services.

The transaction's success demonstrated the agency's capacity to deliver value to the State, and our commitment to innovation with development of the New Land Registry (NLR) in 2015.

While finalisation of the partial commercialisation process was a significant achievement for Landgate and the State, it is equally important that we measure our value in terms of community good. Property market conditions and external factors have challenged Landgate. However, through remaining focused on our core business and the role we play for the community,

Landgate has continued to deliver on our purpose; to locate our place in the world, secure our property interests, and ensure equity through fair and impartial valuations.

In December, the Board welcomed two new members – Pia Turcinov and Melissa Perry. Pia brings her corporate and commercial expertise to Landgate, including experience in facilitating innovation initiatives for State and Federal programs. Melissa has more than 20 years' experience in management, leadership and driving change across various areas.

In June, Caroline de Mori announced she would be stepping down as Chair of the Landgate Board. In the five years Caroline has been in the role, Landgate has achieved a great deal through an ambitious strategic agenda and embracing digitisation. Thank you to Caroline for her excellent leadership during her time as Chair. Thank you also to Claire Poll, who left the Board in December, for her dedication and contributions to the Board over the past nine years.

I'd also like to take this opportunity to thank the Minister for Lands, the Hon Ben Wyatt MLA, for his keen interest in and support of Landgate, and to all Landgate employees for continuing to fulfil the agency's purpose while delivering exceptional customer service.

The Board and I are confident in Landgate's strategic directions and purpose; the agency is positioned well for future success.

**Robert Cole**

Chair



## Chief Executive's message

Landgate is here to make a difference to our community by fulfilling our purpose as Western Australia's land information authority. The past year reflects this, with the finalisation of Landgate's partial commercialisation achieving an outstanding outcome for the State, and strata reform delivering significant benefits to those living and working in strata.

We continue to support a State that earns its living from the land and is rich with opportunity to do more. Through three focus areas, we deliver on our purpose: we locate our place in the world, secure our interests in property and value our homes and investments.

Over the past financial year, we have done just that. We marked a major milestone for those in Western Australia who own, live or invest in, develop or manage strata, with 1 May 2020 marking the commencement date of the most comprehensive changes to strata law in over 20 years.

The amended *Strata Titles Act 1985* provides a much clearer and fairer strata framework. It is also a major milestone for Landgate, having worked so hard over many years to engage with industry, community and government to create a better way forward for dispute resolution, scheme management and buyer information, among many other areas.

Another significant achievement for our team was the culmination of the triennial metropolitan gross rental value (GRV) program. This includes the valuation of over 900,000 properties by around 50 valuers – no mean feat. The new values reflect the sustained downturn in the rental property market and take effect on 1 July 2020.

While responding to the COVID-19 pandemic was certainly challenging, we continued to operate with minimal disruption. In addition to increased hygiene and social distancing measures, we introduced a document self-lodgement process so that our customers could continue to do business.

In addition, we assisted the State Government's response to COVID-19 operations by providing a secure and stable cloud based spatial environment to support mapping for the State Pandemic Centre – an environment designed, built and delivered in 10 working days.

It has been a big year for all Western Australians. I would like to acknowledge and thank our Board and the Landgate team.

Our people play a critical role in fulfilling our purpose, and with our three core areas – locate, secure and value – will continue to take us forward.

Lastly, I would like to thank Caroline de Mori for all she has done for us while Board Chair over the past five years. Caroline's business acumen and strategic engagement expertise has been an asset to Landgate, driving an ambitious digital transformation strategy. On behalf of Landgate, I wish Caroline all the best with her future endeavours.

**Graeme Gammie**

Chief Executive

# + About us

## Landgate is Western Australia's land information authority.

Our role is to support the sustainable economic, social and environmental management and development of land in Western Australia to deliver value for the State.

We honour the deep connection that exists between people and land in Western Australia, particularly our First Nations people, recognising its timeless importance to our communities and to their sense of identity, purpose and belonging.

As the State's trusted source of location information, Landgate's priority is to support the needs of all Western Australians – our customers – across government, industry and community.

Our data, products and services underpin Western Australian land titles, property information and valuations, maps and location-based information.

## Our three core functions are Locate, Secure, Value.

### As a statutory authority

We deliver on our legislated responsibilities and community obligations. This includes advocating for and administering legislative reform within the Lands portfolio to address community and industry needs, Government priorities and technological progress.

Where it adds value to the State, we explore commercial opportunities and actively collaborate with government and industry to further innovate and share WA's location information.

### Enabling legislation

- The *Land Information Authority Act 2006* is the governing legislation that establishes the Western Australian Land Information Authority as a statutory authority with commercial powers.
- The Authority operates under the business name Landgate.
- The Act prescribes Landgate's powers, our functions and links to other Acts.

### Administered legislation

Landgate administers legislation relating to the registration of land transactions and regulation of land surveyors. For example:

- *The Transfer of Land Act 1893, Electronic Conveyancing Act 2014, Strata Titles Act 1985 and Valuation of Land Act 1978* are the principal acts regulating the registration of land transactions, subdivision and valuation of land in WA.
- The *Licensed Surveyors Act 1909* establishes the Land Surveyors Licensing Board and regulates the registration, licensing and practice of land surveyors.

### Further legislation

Additionally, Landgate's operations are affected by more than 100 State and Commonwealth Acts that apply to our commercial operations and regulate the agency's finances, accounts and procurements. They include:

- *Land Administration Act 1997*
- *Fair Trading Act 2010*
- *Financial Management Act 2006*
- *Auditor General Act 2006*
- *State Supply Commission Act 1991.*

### Our values

Landgate's values guide our culture, shaping the way we interact with one another, our customers and the broader community.



#### Commit and act

We do what we say we will do.



#### Dynamic and engaged

We are passionate, proud and enthusiastic.



#### Innovate and achieve

We continually improve and deliver for our customers.



#### Honest and true

Integrity is everything in our business.

Landgate contributes to WA's economic security and prosperity through efficient and contemporary land information services.

# +

## Board



**Robert Cole**  
Chair

Robert Cole is a lawyer and corporate executive with 35 years' experience in the public and private sector. His experience is valuable to Landgate, as a government agency with significant commercial responsibilities.

Robert is currently the Chairperson of Synergy. He is a former Executive Director of Woodside Petroleum Ltd and former Managing Director of Beach Energy Ltd. Robert spent the first 20 years of his career at law firm Mallesons Stephen Jaques where he gained experience in corporate, commercial and property matters for the iron ore, alumina, oil and gas, gas transport and electricity industries.

He is the former Chairperson of the Southern Ports Authority and currently on the Board of charitable organisation St Bartholomew's House Inc., and various mining and resource companies.



**Anne Arnold**  
Deputy Chair

Anne Arnold contributes extensive experience in the real estate and property sector to the Board.

She has chaired Landgate's Audit & Risk Committee for the past three years. She previously held senior positions in several private and government organisations involved in the property sector, most recently as the Chief Executive of the Real Estate Institute of WA.

Anne recently concluded twelve years of service on the Heritage Council of WA, the last four as chair.

She has a long term interest in adaptive reuse of heritage properties for long term sustainability and in affordable housing policy, including the delivery of the first comprehensive housing strategy for the State in the 2000s. She continued to be involved in its implementation over the following decade.



**Graeme Gammie**  
Chief Executive

Graeme joined the State Government in 1997, where he has undertaken a variety of senior and executive roles across departments including the Contract and Management Services; Housing and Works; Local Government, Heritage and Multicultural Interests; Planning, Lands and Heritage.

Graeme was instrumental in the establishment of the State Heritage Office, becoming inaugural Executive Director of the stand-alone department on 1 July 2014, and leading the passage of a new Heritage Act in 2018.

In addition to holding an expanded heritage portfolio, including Aboriginal Heritage, in his role as an Assistant Director General at the Department of Planning, Lands and Heritage from 2017, Graeme took a lead role in delivering the Government's response to an independent review of Western Australia's planning system in 2018. He also worked with the Minister for Aboriginal Affairs on a review of the outdated Aboriginal Heritage Act 1972, with the aim of delivering a contemporary legislation to enhance the protection of Aboriginal places and cultural materials.

Graeme joined Landgate as the Chief Executive in March 2019.



**Ian Callahan**  
Board Member

Ian Callahan brings considerable experience to the board. Ian is a chartered accountant and member of the Australian Institute of Company Directors and is currently the Chief Operating Officer of Curtin University. Additionally, Ian is currently a Board Member of the Australian Higher Education Industrial Association (AHEIA), Innovation Central Perth, a joint initiative of Cisco, Woodside, CSIRO Data 61 and Curtin University as well as the Director of Bright People Technologies Pty Ltd, a start-up business providing web based people logistics, travel, compliance and verification services to a variety of industries.



**Melissa Perry**  
Board Member

Melissa Perry brings a wealth of experience in management and leadership positions to the Board. She has over 20 years' experience driving change in social policy, organisational culture, strategic development and service delivery.

Melissa is a passionate advocate for vulnerable people including those in their early-years, children and youth, family and domestic violence, homelessness, education, family support and employment.

Melissa is the CEO of Communicare, a community sector organisation delivering services across Perth and regional Western Australia. Additionally, she serves as the Interim Leader of White Ribbon Australia, the Chair of the National Jobs Australia Board, and a member of The Executive Connection.



**Monish Paul**  
Board Member

Monish Paul is a strategist and adviser with deep experience in business transformation and growth driven by the intersection of Strategy, Design and Technology.

He has worked in senior advisory roles with IBM, Deloitte, Arthur Andersen and the Australian Federal and State Public Sector. He was appointed to the Board of Landgate in November 2017, appointed as the Founding Curator for the Global Shapers Program - an initiative of the World Economic Forum - in 2014, and has served on various not-for-profit boards in Perth.

Monish specialises in designing and executing growth and turnaround strategy, with particular experience in technology led change in organisation design and customer service delivery.

He has deep experience in the Education, Mining, Energy and Utilities and Public Sector.



**Pia Turcinov**  
Board Member

Pia Turcinov brings significant corporate and commercial expertise to Landgate through her legal background and over 25 years in senior executive and management positions across industries. Having facilitated innovation initiatives for State and Federal government programs, Pia's experience is connected through a common focus on innovation, technology and entrepreneurship.

Her commercial ventures focus on disruptive technologies and businesses looking to scale up and access global markets. In addition to corporate advisory and consulting work, Pia currently also chairs Women in Technology WA and holds a number of non-executive director and advisory board positions. In 2018 Pia was awarded the Excellence in Gender Equity Promotion Award by the United Nations Association of Australia (WA Division) Inc.

# Corporate Executive



**Graeme Gammie**  
Chief Executive



**Trish Scully**  
General Manager  
Location Services

- Data sharing and collaboration
- Aerial and satellite imagery; topography; names and addressing
- Geodetic and cadastral data and systems
- Geospatial and graphic services



**Bruce Roberts**  
General Manager  
Registration  
Services (and  
Registrar of Titles)

- Land titles operations
- Land titles assurance
- Commissioner of Titles Office
- National e-conveyancing



**Grant Goldfinch**  
General Manager  
Valuation Services

- State-wide valuations and property analytics
- Rating and taxing
- Specialist valuations - government property assets



**Travis Beasley**  
General Manager  
Corporate Services

- Strategy, business insights and improvements, risk, innovation, research, legislation and policy
- Customer service
- Finance, procurement and contract management
- People and culture and the workplace environment
- Legal services
- Information technology



**Carol Williams**  
Chief Information  
Officer

- Technology roadmap delivery
- Information and cyber security
- Infrastructure and operational IT services
- Data strategy
- Contracts



**Graeme Dewar**  
Director Finance  
and Procure  
(Chief Finance  
Officer)

- Financial planning and advisory
- Financial performance and outcomes
- Finance services and facilitation
- Procurement and sourcing



**Chris McSwain**  
Director People  
& Culture

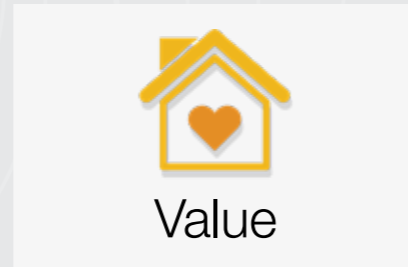
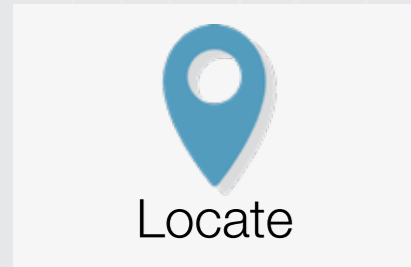
- People and culture
- Diversity and inclusion
- Workforce planning
- Asset management
- Occupational safety and health
- Industrial relations



**Thamis Kint**  
Chief of Staff to  
the Chief Executive

- Strategic communications
- Ministerial and parliamentary liaison
- Landgate Board and Corporate Executive support

# Our core services



We locate our place in the world, connecting people and places through trusted data and services.

Landgate captures, maintains and delivers accurate location information and services for Western Australia.

These services include:

- **Mapping boundaries** for all land in WA to maintain the State's primary location information asset, the spatial cadastral database.
- **Satellite and aerial imagery** to help manage land and map fire hotspots and floods.
- **Naming and addressing** Western Australian streets, suburbs and geographical features.
- **Topographic information** to support the mapping of statewide natural and man-made features.
- **Delivering a reliable geodetic framework** that provides the surveying and spatial industries with the positioning solutions they need anywhere in WA.
- **Delivering Data WA**, the portal to the State Government's open data catalogue and Landgate's shared location information platform (SLIP).
- **Supporting innovation and entrepreneurship** through Landgate's spatial expertise and grants program.

We secure interests in property, as the State's guardian of property ownership.

Landgate maintains the State's Land Titles Register, ensuring the security and integrity of its information.

These services include:

- **Cadastral survey plans**, which define property and land boundaries being registered in WA's Land Titles Register.
- **Certificates of Title** being issued for each new land parcel in the State.
- **Registering interests in land**, such as ownership, mortgages, caveats, leases, memorials and powers of attorney.
- **Land transaction management** to support the sale of tens of thousands of WA properties each year.
- **Supporting digitisation**, like electronic conveyancing, to make transacting in property safer and faster.

We value homes and investments, supporting fair and accurate property rates and taxes.

Landgate provides independent expert valuations and analytics for Western Australian properties.

These services include:

- **Statewide rating and taxing valuations** for over 1.4 million properties each year. These valuations are used by local governments, government agencies and emergency services as a basis to determine property rates, service charges and levies.
- **Specialist valuation services for government departments**, agencies and local authorities, including asset valuations for stamp duty and financial reporting.
- **A pastoral lease rent review every five years**, which is conducted by the Valuer General in consultation with the Pastoral Lands Board and in accordance with the *Land Administration Act 1997*.

# 2019/20 Highlights

**\$1.41b**

returned to WA through partial commercialisation

**1 May 2020**

Clearer, fairer strata law commenced

Over **923,000**

metropolitan properties revalued

**FireWatch** and burnt area mapping supports bushfire relief efforts

**Aboriginal** place naming supported

Updated **pastoral rents** delivered

**6** Native Title land boundary projects delivered

Customer satisfaction at **80%**

**90%** of top 5 land registry documents capable of automated processing



## 2019/20 Financial outcomes

Dividends paid: **\$995.605m**

Net profit: **\$14.227m**

## Outcome based management

**\$51.69** Average cost of maintaining a land information base, certainty of ownership and other interests in land, per Certificate of Title (Target \$57.80)

**\$13.06** Average cost per valuation (Target \$13.40)

**\$1,545** Average cost of maintaining and providing access to land and location datasets, per SLIP datasets (Target \$1,673)



# Delivering on our Statement of Corporate Intent

## We deliver core services better than ever

### Partial commercialisation of Landgate's automated land titling services

In September 2019, the State Government announced the appointment of Land Services WA (LSWA) as the service provider for the Landgate partial commercialisation.

LSWA was appointed through an open and competitive process to provide, maintain and improve the systems that facilitate Landgate's automated land titling services for a 40-year term.

Through this arrangement, the State retains ownership of, and responsibility for, the Land Titles Register and other data. We will continue to operate as a statutory authority and remain responsible for manual titling transaction processing, property valuations and location information. There is no change to the way customers and the community interacts with us.

Following an intensive period of preparation, the commercialised services were successfully transferred to LSWA on 22 October 2019. Landgate achieved this while delivering business as usual.

We have been working closely with LSWA, ensuring a seamless transition of services. The partnership with LSWA will continue to deliver returns to the state, supporting a strong Western Australian economy.

### Developing more efficient land registry services for the community

Landgate continued to invest in the New Land Registry (NLR) system to further increase the level of electronic lodgement and processing of land registry documents. We worked closely with PEXA (currently the only electronic lodgement network operator (ELNO) in WA), to increase the scope for electronic lodgement, ensuring a secure, simple and fast way to lodge documents.

In February, PEXA released additional functionality to support the electronic lodgement of a greater proportion of documents. This release meant 83 per cent of the top five documents (mortgage, discharge of mortgage, transfer, caveat and withdrawals of caveat) were capable of electronic lodgement. In addition, change of name documents can now be lodged electronically. 90 per cent of the top five document types can be processed automatically by the NLR.

Landgate and LSWA will continue to collaborate on further enhancements to the NLR.

To further support the conveyancing industry, work has commenced on developing an e-conveyancing hub in collaboration with RevenueWA. Once complete, the hub will allow a single interface between an ELNO and WA State Government agencies (Landgate and RevenueWA) to perform lodgement and duty verification services in a single, seamless electronic environment. This will facilitate a more efficient conveyancing process, reducing time and cost for government and industry.



### Next steps for electronic conveyancing

PEXA has been the only ELNO in Western Australia since it first transacted in 2014. To support greater competition in the e-conveyancing market, we have completed the system development required to enable the integration of multiple ELN systems.

Landgate has worked with other market entrants to conduct system integration testing and onboarding activities. Sympli has commenced testing of the top five documents and are working with us to develop an operating agreement that will enable them to begin operating in WA. We are committed to continuing this work to support greater competition in the e-conveyancing market.

### Reforming creation, lodgement and examination of survey plans

Landgate has progressed its reform of the way survey plans are created, lodged and examined through the New Land Registry – Plans (NLR-P) system.

The NLR-P enables deposited plans and survey-strata plans to be created and lodged digitally. The aim is to continually improve turnaround times for survey plans and new titles over time to support a more efficient land development process. The turnaround time for plans is the time between a plan being lodged by a surveyor

and examined by Landgate. Reduced turnaround times can significantly reduce holding costs for industry, allowing them to increase their business and reduce overheads.

The 2019/20 NLR-P reforms were largely focused on enabling the new strata legislation to become operational in May 2020. Internal processing improvements were also implemented including examiner workflows and improved validation of incoming plan data. These have improved turnaround times.

Plan turnaround times remained under the target of 2 working days, at 1.5 working days for portal lodged plans. Turnaround times for manual plans decreased from 11.7 days to 10.7 days. The proportion of plans created and lodged within the surveyor's portal increased from 15 per cent in 2018/19 to 25 per cent in 2019/20.

During the year, we finalised the NLR roadmap, which outlines improvements to the NLR titling and plan systems over the next five years. While LSWA will be responsible for implementing system changes, Landgate will be responsible for driving policy and legislative changes and engaging with industry.

**Electronic lodgement networks (ELNs) are systems that allow conveyancing transactions to be completed electronically. This includes the preparation of land registry documents, the settlement of funds and the lodgement of the land registry documents.**

**The partial commercialisation of Landgate's automated land titling services delivered \$1.41 billion to the people of Western Australia, while protecting the ownership, integrity and security of the Land Titles Register.**



## Delivering statewide valuations that meet customer needs

### Pastoral lease rental values

Every five years, the Valuer General independently determines Western Australia's pastoral rents, in accordance with the *Land Administration Act 1997*. These rents are based on current land values, the economic state of the pastoral industry and the potential carrying capacity (PCC) of pastoral land.

The updated pastoral lease rents were released on 1 July 2019. Landgate worked closely with the Department of Planning, Lands and Heritage and the Department of Primary Industries and Regional

Development to deliver the new rents, which cover approximately one-third of the State's land mass.

While the rent for some pastoral leases rose as a result of the review, the main financial impact was seen in the Kimberley and Pilbara. This reflects the strong demand for pastoral leases seen in the State's north over the past three to five years.

Working with pastoralists and relevant associations, the Valuer General issued a three-month extension to the formal objection period (to 30 November).

Landgate is a member of the working group and steering committee undertaking a review of the pastoral rent process requested by the Minister for Lands.



**Gross rental values (GRV) are used by local governments, government agencies and emergency services as a basis to determine property rates, service charges and emergency service levies. Unimproved values are used for the calculation of land tax, and in some instances, are used for property rating purposes.**



### Delivering WA's rating and taxing values

Approximately 923,000 properties across 30 metropolitan local government authorities were included in the Perth metropolitan gross rental values (GRV) revaluation program. The new GRVs took effect on 1 July 2020, with a date of valuation (DoV) of 1 August 2018.

Completed every three years, this is the first time in over 20 years there has been a sustained decrease in the property market resulting in lower GRVs across 96 per cent of all metropolitan properties.

Local governments requested the deferral of the new GRVs for 12 months, due to the economic impact of COVID-19. The *Valuation of Land Act 1978* requires the Valuer General to keep valuations as accurate and up to date as practicable. Due to this obligation the Valuer General was unable to grant this request and the values came into force on 1 July 2020 as scheduled.

The statewide unimproved values (UV) revaluation program – involving approximately 1 million land values across the State – was delivered on schedule on 30 June to RevenueWA.

While the focus of valuers was on completing the GRV and UV valuation programs, a total of 160,158 specialist valuations were completed as part of Landgate's annual valuation program. This includes the provision of other valuation types such as market valuations, stamp duty assessments and government asset valuations.

Landgate continued improvements across its valuations function during the year. As part of this, planning and market sounding for the potential replacement of the valuation system 'Valsys' was completed. The results from this exercise, together with customer feedback and Landgate's business requirements, will inform the specifications in the request for tender which will be released in late 2020. Funding in Landgate's asset investment plan has been set aside for this purpose.



## We deliver trusted location data to support the management and development of our state

### Geocentric Datum of Australia 2020 (GDA2020)

As the earth's tectonic plates shift, Australia is moving north-east about 7 cm every year, Landgate – together with other jurisdictions and Geoscience Australia – has recently developed a more accurate datum, called the Geocentric Datum of Australia 2020 (GDA2020).

GDA2020 is a national initiative that aims to improve the accuracy of location and positioning, and compatibility with future location-based technology such as precision agriculture, committing to 10 cm (or better) accurate positioning. This is a significant improvement from the accuracy currently achieved through navigation system enabled devices.

The Intergovernmental Committee on Surveying and Mapping steers GDA2020 at a national level. In WA, Landgate leads the implementation of GDA2020 to meet the compliance requirement for all Australian states and territories to be ready to deliver and receive foundation spatial data on GDA2020 datum by 30 June 2020.

In June 2018, as part of the GDA2020 implementation project Stage 1, we upgraded the geodetic database to provide GDA2020 coordinates and positional uncertainty on all state geodetic survey marks.

In 2019/20, as part of Stage 2, we focussed on updating SmartPlan and the spatial cadastral database to maintain the WA spatial cadastre in GDA2020, with final implementation scheduled for early 2020/21.

### Mapping for Native Title claims and settlements

During the financial year, Landgate delivered six land boundary capture projects. For each project, this involved the compilation of current land boundaries and the research and digital capture of historical land boundaries (including all supporting documentation such as land titles, lease documents and historical diagrams).

The projects (Tjalkadjara, Kultju, Untiri Pulka, and Nanatadjarra People and Nangaanya-ku, stage 1 for Nyalpa Pirniku and Yugunga Nya) covered approximately 214,363 square kilometres. Historical boundary capture is continuing for Nyalpa Pirniku and Yugunga Nya. The projects are used to assist the State Solicitor's Office, native title applicants and other parties to conduct the determination of the Native Title in Federal Court.

Several native title determinations were completed, which required the production of customised maps, land tenure sweeps and technical descriptions. The Yamatji Nation Indigenous Land Use Agreement and Conservation Maps, which covers 47,964 square kilometres in the Mid-West region, resulted in the delivery of 41 customised maps and 321 technical descriptions.

**Landgate supports native title processes for WA, by providing services to the State Solicitor's Office, National Native Title Tribunal and Australian Government Solicitors, which involve:**

- researching and capturing current and historical land tenure extents to support native title mediation and litigation in the Federal Court of Australia
- maintaining the native title boundary layers of the spatial cadastral database
- delivering native title specific datasets, analysis and customised mapping services.

## We support government priorities and business growth

### Landgate makes strata better for WA

The introduction of a clearer and fairer strata titles law on 1 May 2020 was an important milestone to better support the thousands of Western Australians who own, live in, develop or manage strata properties.

There are currently over 325,000 strata properties across the State. By modernising the way strata is run and managed in WA, Landgate contributed to the Government's priority for 'a liveable environment'.

The commencement of the amended *Strata Titles Act 1985* and new Strata Titles (General) Regulations 2019 followed years of consultation with community, government and industry to understand the most common issues being experienced within strata.

This engagement culminated in August and September 2019 with a period of community education on WA strata titles reform and public consultation on the draft regulations. The Minister for Lands launched Landgate's new strata reform website – [strata.wa.gov.au](http://strata.wa.gov.au) – in August 2019, providing an online gateway to public information and consultation on WA strata reform.

Landgate hosted community strata information sessions in September across regional and metropolitan areas. These sessions were attended by over 1,000 people. A month-long public awareness campaign (across radio, print, digital and outdoor) promoted the availability of these sessions and the consultation opportunity.

Over 200 items of community feedback on the proposed regulations were received and reviewed prior to the regulations being finalised and delivered to Parliament in December. We worked closely with other agencies and the Minister for Lands to arrange consequential amendments to other regulations that were impacted by the strata reforms.



**Landgate maintains physical marks fixed on the ground that are an integral part of the Australian Geospatial Reference System (AGRS) providing the underlying framework for all surveying, mapping and positioning applications in Australia.**



Landgate delivered additional resources and support to help the community, industry and government prepare for the changes, prior to commencement on 1 May 2020. This included new strata information guides, online presentations and answers to frequently asked questions being made available through [strata.wa.gov.au](http://strata.wa.gov.au) and customer service.

Agency representatives also delivered several presentations to industry forums such as the Strata Community Association WA (SCA WA) and the Western Australian Institution of Surveyors (WAIS).

Significant updates to Landgate's systems and processes ensured alignment with the regulatory requirements and new approved forms for strata transactions. These forms are used for strata matters in WA, such as for registering a new strata titles scheme with Landgate.

We collaborated with other agencies, such as the Department of Planning, Lands and Heritage and RevenueWA to ensure their processes and systems were ready prior to the changes taking effect.

Landgate has also been working closely with the Department of Planning, Lands and Heritage and the Parliamentary Counsel's Office on phase two of WA strata reform, with the development of regulations to support the *Community Titles Act 2018*. Landgate anticipates the drafting of the community titles regulations will be completed and delivered to Parliament in 2020/21 so the *Community Titles Act 2018* can take effect.

## Other legislative and policy reform

Landgate re-established its Legislative Reform Committee during the year, which developed an initial list of legislative reform initiatives to help position Landgate's legislative focus for the future.

Landgate will build on this list in 2020/21 and develop a strategic legislative and policy reform program that will include initiatives to reduce red tape and deliver better customer and community outcomes.

## Helping bushfire relief efforts

Landgate's MyFireWatch application helps identify fires burning across all states and territories of Australia. In the first week of 2020, the service reached 1.3 million users per day as national and international users sought information about the catastrophic bushfires burning across Australia. We also provided burnt area mapping over the eastern states to the Australian Defence Force and other agencies assisting with recovery efforts.

MyFireWatch was enhanced during January 2020, following feedback from user groups. These improvements included changing icons and providing prominent information to make the maps easier to interpret, as well as moving to a robust, scalable platform to better cater for instances of extreme user load.

## Assisting Western Australia's COVID-19 response

Landgate provided location data and spatial services to support critical decision-making relating to the State's COVID-19 response.

We designed and delivered a secure, scalable and efficient cloud based spatial platform that enabled the State Emergency Coordination Directorate (SECD) to produce strategic location insights. These insights were used to inform the pandemic situation in Western Australia.

The SECD leveraged the platform for analysis and delivery of mapping products to support WA Police quarantine checks, Aboriginal communities and aged care facilities.

Landgate provided datasets and technical support from the shared location information platform (SLIP), along with geographic information system (GIS) expertise.

As at 30 June 2020, Landgate continues to support the environment for SECD's use. This demonstrates the wide application and value that spatial data provides in supporting decision-making to benefit Western Australians.

## Supporting METRONET

Landgate has provided valuation expertise and updated the geodetic network to support the delivery of METRONET.

### Upgrading the geodetic survey network

The geodetic survey network controls were upgraded along the METRONET corridors and areas to support other key infrastructure projects. These upgrades provide surveyors with geodetic marks that support the correct positioning of infrastructure.

The upgrades were carried out within the

- Byford extension area
- Yanchep rail extension area
- Proposed Morley-Ellenbrook railway line area.

### Providing property valuation advice

Landgate provided accurate and impartial valuation advice assessing land acquisition costs for properties required for the Morley-Ellenbrook railway line.

In addition to values determined for the rail corridor, land was also valued in relation to the Yanchep rail extension.

The strata reforms introduced a number of new capabilities that allow strata companies to manage their affairs electronically, which was of benefit in the COVID-19 environment. For example, the amended *Strata Titles Act 1985* allows for:

- electronic meetings of the strata company to be held
- voting to be conducted outside of a general meeting
- voting to be conducted electronically
- strata companies to make, keep and distribute records electronically
- strata companies to execute their documents electronically instead of having to physically apply the common seal, or sign a piece of paper
- sellers to provide buyers the required disclosures in an electronic format.



MyFireWatch is an online map-based platform where users can interactively browse satellite observed 'hotspots' across Australia. It is part of Landgate's FireWatch suite of fire monitoring services, which use satellite imaging to support fire identification and management nationally.



## Supporting official Aboriginal place naming

Aboriginal naming actions are important from a cultural and historical perspective. Geographical features and places in Western Australia were named by our First Nations people long before the arrival of non-Aboriginal people. These original place names have an integral role in preserving Aboriginal language, heritage, culture, and connection to land.

Landgate is committed to assisting WA local governments in the recognition and official use of Aboriginal place names. Recording and using Aboriginal names for Western Australian place names is an important part of preserving Aboriginal heritage and contributing to the reconciliation of Aboriginal and non-Aboriginal people.

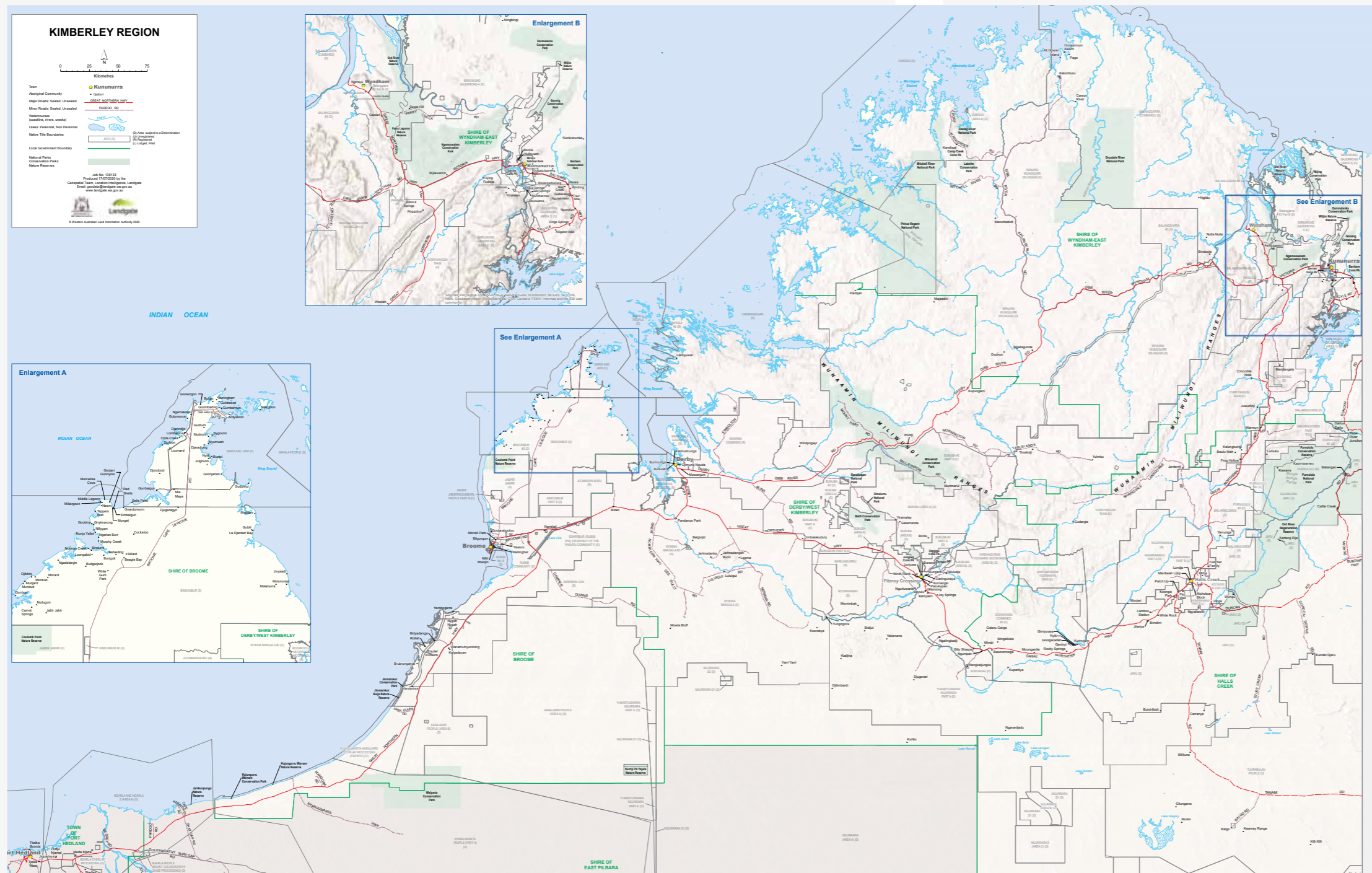
In 2019, the Ministers for Lands and Local Government encouraged local governments to consider Aboriginal naming and dual naming options. Following their invitation, Landgate engaged with local governments, state agencies and organisations to promote the use of Aboriginal place names across Western Australia.

Landgate developed the Aboriginal and Dual Naming Guidelines in consultation with key stakeholders to provide local governments, Aboriginal communities and the community with greater clarity around the process and requirements for applying Aboriginal place names.

Landgate collaborated with several local governments, providing policy and process support for community driven proposals for Aboriginal place naming.

Mindeerup, a newly developed area at the Mend St Jetty in South Perth and part of the City of South Perth's \$7.5 million Connect South Project, is just one example of our assistance.

In June 2020, Landgate implemented a significant name change on behalf of the Minister for Lands to rename the King Leopold Ranges in the Kimberley region as the Wunaamin Miliwundi Ranges. This name change recognises the traditional names for the Bunuba and Ngarinyin native title groups and honours the rich history of the Aboriginal peoples and Traditional Owners' connection to the ranges.



**Under the *Land Administration Act 1997*, Landgate, under delegated authority from the Minister for Lands, administers all official place naming actions for Western Australia. This includes town sites, districts, localities, roads, parks, reserves and other geographic features.**

## Our data creates efficiencies across government

### Capture WA

Landgate's Capture WA program coordinates the capture, procurement and delivery of location data for public sector agencies. Operating under the key principle of 'capture once, use many', the program covers a broad range of location data, innovative products and online services.

For the 2019/20 program, 107 capture requests for location data were delivered, including aerial imagery for Aboriginal community sites and the south west railway network.

Additionally, Landgate coordinated a whole of government contract for a State satellite imagery service to provide current imagery in remote and urban areas to benefit regional local governments and state agencies, maximising the investment of public sector funds.

The availability of this free service to government reduces any potential duplication in purchasing individual satellite services.

### Data WA

Landgate implements and maintains the WA Whole of Government Open Data policy on behalf of the State Government. The policy aims to improve the management and use of public sector data to deliver value and benefits for all Western Australians. Sharing data across government and the community has the potential to drive better government, innovation, business growth and new employment opportunities.

Over the year, datasets available through the Data WA portal ([data.wa.gov.au](http://data.wa.gov.au)) grew to over 1,900 discoverable datasets, an 8 per cent increase on 2018/19. The new datasets include data relating to local government, smart cities, utilities, emergency management, natural resources and environment.

In addition to new datasets, Landgate enriched existing historical aerial photography boundaries from more than 9,000 linked flight diagrams through Data WA and SLIP's Locate map.

Throughout the year Landgate supported many events to promote Data WA, including providing data and training at the National Indigenous Mapping Workshop, working with First Nations people to build geospatial capacity.

In collaboration with the Office of Digital Government and the Department of Transport, Landgate participated in an 'International Open Data Day' event to promote the use and sharing of public sector data.



**In supporting the State Government's priority to 'Create a Bright Future', Landgate continued to assist WA's start-up network, which in turn contributes to diversifying the WA economy and creating jobs.**

## Providing access to data that stimulates local businesses

Landgate supported 42 WA start-ups through services including SPURonWA grant funding, sponsorship to the Curtin Ignition program, co-working with our geospatial experts and access to Landgate's property and location data.

In October, the Minister for Lands announced recipients of the fourth round of SPURonWA grants, which helps start-ups contribute to local economic growth and/or

improve government service delivery. Six local start-ups received a share of \$92,700, working on location data-based products and services across the property, community services, environment and tourism industries.

This year the SPURonWA program introduced an award for best innovative use of Landgate and/or Government location data. The winner was uDrew, who use Landgate's cadastral data to deliver a world-first building technology platform making designing, planning and building projects faster and more affordable.

## Case studies

SPURonWA recipients



### Case study 1: uDrew

uDrew is a world leading building technology platform to make designing and planning custom-built projects faster and more affordable. It offers home owners and builders the ability to create their own customisable, interactive, compliant building plans. uDrew checks the project for compliance against the latest local and national building codes in real-time, and allows the customer to submit, store and print finished building plans for future use. uDrew used their SPURonWA grant to build capability into their site inspector tool, which uses Landgate cadastral data and local government geospatial data to understand environmental implications to approval calculations. uDrew saves time and money for government and consumers. Based on results from the pilot, uDrew promises a dramatic reduction in turnaround times for approvals, a significant reduction in design costs and human error.



### Case study 2: Matter

Matter is a leader in the sustainable technology industry, helping waste management track, measure and manage their waste at scale. Using real-time and verified data, their patented technology provides in-depth insights helping local government councils to increase efficiencies, reduce operational and landfill costs, and influence consumer behaviour. The team used their SPURonWA grant to develop volumetric sensors at a size and price point usable in every public space and residential bin in Australia.



## We deliver returns to the State

### Using performance data and business acumen to improve cost effectiveness and returns to the State

#### Capturing cost effectiveness

Landgate commenced a program to update the tools and methodology it uses to capture corporate costs.

The Corporate Cost Model program comprises eight individual projects to enable Landgate to better assess the financial performance of different business areas and facilitate the continuous improvement and the cost effectiveness of the business. The program is anticipated to be completed in 2021/22.

#### Investing in our culture

In September 2019, Landgate achieved a staff engagement score of 58 per cent through our Way of Working (WoW) survey. 92 per cent of staff participated in the survey – the highest participation rate since the survey began in 2016.

Our level of engagement is measured against an Australian all organisation baseline. The agency saw a meaningful increase in staff understanding how their work relates to Landgate's strategic directions and purpose. The level of engagement has progressively increased over the last four years.

Workplace action plans were developed to target opportunities from the survey results to strengthen our culture and support the agency to achieve a staff engagement target of 69 per cent by 2023.

### Deriving value from our assets

#### Defining our future

Despite the subdued property market, Landgate delivered a strong return, with the outcome of Landgate's partial commercialisation contributing \$1.41 billion to the State.

Following partial commercialisation, Landgate focussed on defining our vision for the future and

developed the agency's 2020/21 Statement of Corporate Intent (SCI) and five-year Strategic Directions Plan (SDP) in September.

We launched our 'New Horizons' to all staff to outline our strategic directions and the priorities of our three core services: locate, secure and value.

Landgate's SCI and SDP were endorsed by the Minister for Lands in December.

In June, a revised organisational structure that better aligns to each of our core services was announced to staff, with implementation to take place on 1 July 2020.

#### Spatial WA

As part of Landgate's future vision, the agency further examined how we can maximise the value of our trove of location data for the benefit of the State. From this work, the Spatial WA concept emerged.

Spatial WA proposes the development of a collaborative digital environment to better deliver the State's location information, creating the foundation to enable the State to leverage greater benefits from digital technology.

Spatial WA would provide an interactive 4D enabled environment allowing users to share and access layers of data from various sources in a single, real-time environment. Bringing this data together will streamline approval processes, improve service delivery and reduce duplication across government agencies platforms. In addition, the State's decision makers will have greater access to information and analytics relating to infrastructure development and delivery, asset and emergency services management.

Strengthening data-sharing between agencies by creating one source of truth for the Government's spatial data was a recommendation of the Service Priority Review. Spatial WA could also support other significant State Government initiatives seeking to gain efficiencies and improve services.

Landgate engaged with key public sector agencies as part of the preliminary investigation of Spatial WA. Landgate began work on developing the strategic justification for Spatial WA by further developing the concept and potential benefits to the State. This is anticipated to be completed by the end of 2020.

## We innovate and find new opportunities

### Prioritising strategic innovation

Innovation is a key part of Landgate's history and our future, ensuring we evolve our services in a way that is responsive to industry and digital developments.

The agency's innovation function was created in 2007 and has been important for propelling Landgate's culture. Our achievements in innovation have been recognised by our peer government agencies and through the Australian Financial Review's rankings of Australia's most innovative companies.

Landgate made some key changes to the program this year to support more strategic, innovative opportunities being identified and to align the program more closely with our research, commercialisation and performance improvement functions.

Although the approach has shifted, the original core principles of the program remain. These include innovation time for our people, peer review of projects, crowdsourcing ideas and solutions and having a dedicated team driving innovation and facilitating ideas from the business.

### Supporting diversity

Landgate implemented initiatives within its Aspire strategy and its Workforce and Diversity Plan, as part of its ongoing commitment to ensure the agency's workforce best represents the community we serve.

### Aspire

Landgate recognises the value that Aboriginal knowledge, experience and perspectives deliver for our community and within our role as WA's land information authority.

We contributed to the Government's priority of 'Aboriginal wellbeing' through our Aspire strategy, which encourages employment and business opportunities for First Nations people.

This year through Aspire:

- Landgate appointed two Aboriginal graduates, out of four new graduate recruits for the year.
- We achieved the whole of government Aboriginal procurement policy target of 2 per cent. Our Aboriginal stationery provider, Kulbardi, was successfully onboarded.
- Our Midland office spaces were renamed to Noongar names with a local Aboriginal artist engaged to tell the story of Landgate through Noongar language and 35 reflective Aboriginal artworks. The renaming scheme culminated during NAIDOC week with the artist leading a Welcome to Country and storytelling.

Landgate also commenced work on a Reconciliation Action Plan (RAP). Our RAP will broaden and build on the commitments and progress we have already made through our ASPIRE strategy to improve Aboriginal economic participation.





### Workforce and diversity plan

During the year, Landgate improved the diversity of its workforce, particularly among Aboriginal Australians and youth, whose representation almost doubled from 2018/2019. Landgate's representation of almost all diversity groups is now above the targets set by the Public Sector Commission.

Guided by our workforce and diversity plan, Landgate's achievements included the:

- Creation of entry level opportunities through the appointment of an additional six candidates from the graduate pool into non-graduate roles across the business. Five of these individuals fell within the youth demographic (under 25) and one identifies as an Aboriginal and Torres Strait Islander. This was in addition to the four graduates that were employed as part of the annual program.
- Engagement of two interns, as part of an arrangement with Murdoch University.
- Commencement of an Aboriginal trainee in our customer service team, as part of the Public Sector Commission traineeship program.
- Increased emphasis on events to celebrate culturally and linguistically diverse and disabled communities, as well as women and First Nations people.
- Commenced the roll out of Disability Access Inclusion Plan training, helping to ensure when we are serving customers or preparing forward facing documentation, we are considering the needs of those individuals with a disability.

### Community initiatives

#### International women's day

Landgate hosted its 25th International Women's Day morning tea on 4 March. The event was well attended by over 160 members of our staff and the local community.

This year's theme was #EachForEqual to highlight how everyone is responsible for our thoughts and actions each day, to help fight stereotypes and improve situations. Guest speaker Marissa Verma from Bindi Bindi dreaming shared her journey to achieving equality and success.

Donations from guests attending the event went to Koolkuna, a Midland based not-for-profit organisation who provide crisis accommodation and support services for people affected by domestic violence.

#### Swan Aboriginal community Christmas party

Landgate supported the 10th annual drive for the Swan Aboriginal Community Christmas party. Our employees donated presents and food and prepared hampers to provide to local families in need.



**As an example of the diversity of our workforce – the Strategy, Insights, Risk, Innovation and Improvements (SIRII) team comprises 11 people from eight countries, including Denmark, Brunei, Pakistan, China, France, Ukraine, Australia and the United Kingdom.**

### Foodbank food drive

As a result of COVID-19, demand for emergency food assistance soared through March leaving Foodbank WA's shelves stripped bare. In response to this Landgate partnered with Foodbank to hold a food drive, where staff donated funds and non-perishable food items to help those most vulnerable in our community.

### We support the needs of our customers

#### Improving customer satisfaction

Landgate is committed to always improving our service – we want to make interacting with our agency as quick, easy and positive as possible. Our measures help us to understand customer's needs and emerging trends. This year saw a positive increase across our customer engagement and service targets. Customer metrics have improved across four key measures, ensuring our land and property information is more accessible to customers:

1. Customer Satisfaction (CSAT) 80% (+4%)
2. Customer Effort 80% (+3%)
3. Net Promoter Score (NPS) +48 (+1%)
4. Grade of Service (GOS) 85% (+13%)

**As the State's trusted source of location information, our priority is to meet the needs of all Western Australians – our customers – across government, industry and community.**

We also experienced an 80 per cent increase in the uptake of the digital customer channel. The customer metrics improvements and digital uptake are, in part, due to improvement in Landgate's online services, which included:

- Developing internal customer profiles for 250 stakeholders including government agencies, industry bodies and commercial clients. This work will support stronger stakeholder relationships by ensuring purposeful, timely and transparent engagement to achieve state government and agency priorities.
- Updating MyLandgate to be simpler and more accessible, with added capability to allow self-service. This benefited approximately 12,000 customers.
- Moving 3,500 customers to Map Viewer Plus, enabling the decommissioning of the previous iteration in November. Map Viewer Plus provides a single spatial platform for all Landgate customers, with an enhanced user experience and greater functionality including access to more data and new widgets and the ability to measure and export feature data attributes.

### Putting customer and community safety first

Landgate has a statutory responsibility under the *Transfer of Land Act 1893* to keep the State's Land Titles Register open for settlement agents, conveyancers and self-represented parties to lodge documents relating to transfers of land.

After closely monitoring developments and health advice surrounding COVID-19, we implemented a self-lodgement process for customers whereby documents are placed in a secure lodgement box and processed without physical interaction. This enabled Landgate to ensure compliance to restrictions around physical distancing and maximum occupancy of both the Midland and Perth lodgement sites, while ensuring customer and staff safety and minimal disruption to usual service.



## Feedback management

Landgate maintains a robust complaints management process to ensure service offerings can be adapted to satisfy consumer expectations and meet the requirements of the WA Ombudsman.

Landgate is certified to ISO-9001:2015, which is the international standard that specifies requirements for a Quality Management System. Listening to and acting on feedback is an essential part of improving customer experience. This valuable information provides us with the opportunity to identify service improvements, increase customer satisfaction, strengthen customer input into services and acknowledge areas of excellence.

In line with our customer feedback and complaints policy and customer service charter, provision of feedback is received in person, writing, telephone, online and through comments via surveys and focus groups.

We aim to resolve all feedback within 10 working days of acknowledgement. Feedback is logged and assigned via a Customer Relationship Management system,

monitored and managed by the compliance and quality assurance officer. If this is not possible, the customer is provided an estimated resolution date. A monthly summary report of all incidents is published on the Landgate intranet.

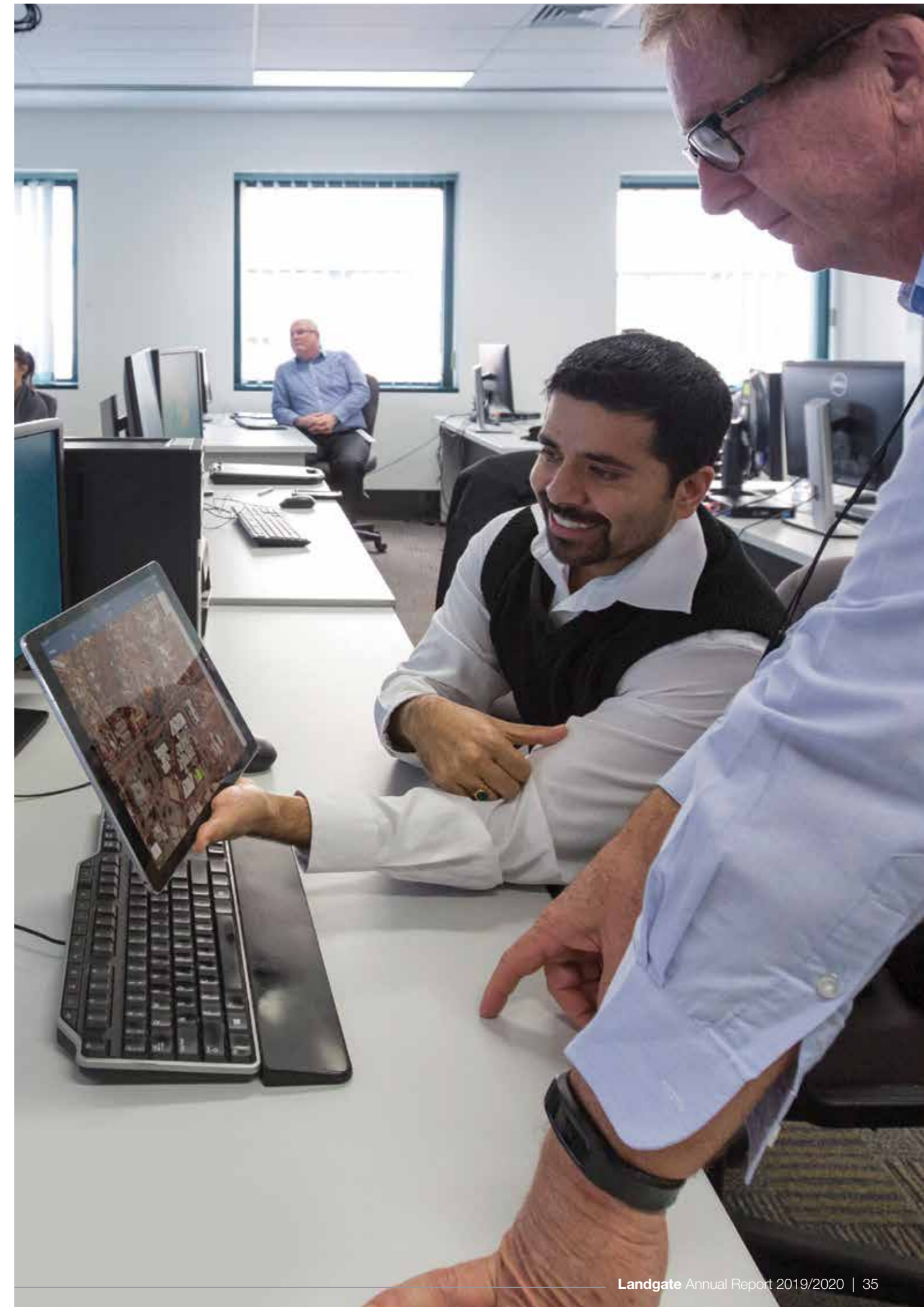
### Feedback received

During the year, Landgate received 364 compliments, primarily praise for customer service representatives who assisted with the ease of doing business with Landgate, provided empathy during interactions and clarity and relevancy of advice.

There were 427 complaints received throughout the year; all have been responded to and resolved.

The major theme was in relation to outages and user experience issues with customer systems.

Another theme was in relation to strata titles act reform, in particular, the requirements of the new form and the final stage of consultation and communication to the community, which was disrupted by COVID-19 restrictions. Lessons learned will be applied to the commencement of the Community Titles Act, expected in 2021.



# Disclosures and legal compliance



Auditor General

## INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

WESTERN AUSTRALIAN LAND INFORMATION AUTHORITY

### Report on the financial statements

#### *Opinion*

I have audited the financial statements of the Western Australian Land Information Authority (Authority) which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Authority for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

#### *Basis for opinion*

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of my report. I am independent of the Authority in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### *Responsibility of the Board for the financial statements*

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Board 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 Board is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

Page 1 of 4

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### **Auditor's responsibility for the audit of the financial statements**

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

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of my auditor's report.

### **Report on controls**

#### **Opinion**

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Western Australian Land Information Authority. The controls exercised by the Authority are those policies and procedures established by the Board to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Western Australian Land Information Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2020.

#### **The Board's responsibilities**

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

#### **Auditor General's responsibilities**

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

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

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

#### **Limitations of controls**

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or 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 key performance indicators**

#### **Opinion**

I have undertaken a reasonable assurance engagement on the key performance indicators of the Western Australian Land Information Authority for the year ended 30 June 2020. The key performance indicators are the key effectiveness indicators and the 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 Western Australian Land Information Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2020.

#### **The Board's responsibility for the key performance indicators**

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Board 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 Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

#### **Auditor General's responsibility**

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 Authority's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

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

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

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

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

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

This auditor's report relates to the financial statements and key performance indicators of the Western Australian Land Information Authority for the year ended 30 June 2020 included on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. 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 of the financial statements and key performance indicators.



CAROLINE SPENCER  
AUDITOR GENERAL  
FOR WESTERN AUSTRALIA  
Perth, Western Australia  
8 October 2020

## Financial statements

### Certification of financial statements

The accompanying financial statements of the Western Australian Land Information Authority have been prepared in compliance with the provisions of the *Financial Management Act 2006*, from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2020 and the financial position as at 30 June 2020.

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



**Robert Cole**

**Chair**

Board  
Western Australia Land Information Authority  
5 October 2020



**Graeme Gammie**

**Chief Executive**

Member, Board  
Western Australia Land Information Authority  
5 October 2020



**Graeme Dewar**

**Chief Finance Officer**

Western Australia Land Information Authority  
5 October 2020



## Financial report for the year ended 30 June 2020

The Authority is pleased to present its audited general purpose financial statements for the financial reporting period ended 30 June 2020 which provides users with the information about the Authority's stewardship of resources entrusted to it. The financial information is presented in the following structure.

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## Western Australian Land Information Authority (Landgate)

### Statement of Comprehensive Income For the year ended 30 June 2020

	Note	2020 (\$'000)	2019 (\$'000)
<b>INCOME</b>			
<b>Revenue</b>			
Provision of services	2.1	66,001	93,489
Partial Commercialisation	2.3	24,404	0
Sale of land information, data and imagery	2.4	4,847	5,787
Interest revenue	2.5	1,392	3,473
Other revenue	2.5	1,930	1,137
<b>Gains</b>			
Gain on equity accounted investments	2.6	0	153,496
Gain on disposal of subsidiary	2.6	0	7,236
Foreign currency exchange	2.6	12	58
<b>TOTAL INCOME</b>		<b>98,586</b>	<b>264,676</b>
<b>EXPENSES</b>			
Employee benefits	3.1	55,482	52,902
Supplies and services	3.2	28,713	33,635
Other expenses	3.2	6,850	5,570
Depreciation and amortisation	4.1, 4.2 & 4.3	14,850	14,688
Finance costs	6.2	581	934
Accommodation	3.2	4,347	4,289
Loss on impairment	4.3	1,203	2,057
Loss on equity accounted investments	2.6	0	1,234
Net loss on disposal of property, plant, equipment and intangibles	2.6	3	10
<b>TOTAL EXPENSES</b>		<b>112,029</b>	<b>115,319</b>
<b>Profit/(loss) before grants and subsidies from State Government</b>		<b>(13,443)</b>	<b>149,357</b>
<b>GRANTS AND SUBSIDIES FROM STATE GOVERNMENT</b>			
Service appropriation	2.2	34,248	35,629
Services received free of charge	2.2	231	383
<b>TOTAL GRANTS AND SUBSIDIES FROM STATE GOVERNMENT</b>		<b>34,479</b>	<b>36,012</b>
<b>Profit before income tax equivalent</b>		<b>21,036</b>	<b>185,369</b>
Income tax equivalent (expense)/benefit	5.6	(6,809)	(55,922)
<b>PROFIT FOR THE PERIOD</b>		<b>14,227</b>	<b>129,447</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Changes in asset revaluation surplus	2.6 & 8.9	38	1,930
<b>Items that will be reclassified subsequently to profit or loss</b>			
Changes in fair value reserve	2.6 & 8.9	267	407
Income tax on items that will be reclassified	5.6 & 8.9	(202)	0
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>103</b>	<b>2,337</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>14,330</b>	<b>131,784</b>

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



## Western Australian Land Information Authority (Landgate)

Statement of Financial Position As at 30 June 2020

		2020	2019
	Note	(\$'000)	(\$'000)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.3	10,879	11,214
Restricted cash and cash equivalents	6.3	292	232
Receivables	5.1	26,690	14,093
Financial investments	5.3	57,118	36,439
Amounts receivable for services	5.4	4,740	3,981
Other assets	5.5	2,422	3,755
<b>Total Current Assets</b>		<b>102,141</b>	<b>69,714</b>
<b>Non-Current Assets</b>			
Restricted cash and cash equivalents	6.3	870	640
Receivables	5.1	1,727	0
Equity accounted investments	5.2	2,937	2,670
Financial investments	5.3	0	36,478
Amounts receivable for services	5.4	30,652	29,792
Property, plant and equipment	4.1	9,688	52,945
Intangible assets	4.3	42,444	42,550
Right-of-use assets	4.2	40,899	0
Deferred tax assets	5.6(c)	419,057	2,636
Other assets	5.5	133	56
<b>Total Non-Current Assets</b>		<b>548,407</b>	<b>167,767</b>
<b>TOTAL ASSETS</b>		<b>650,548</b>	<b>237,481</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.7	8,304	4,763
Current tax liabilities		0	0
Lease liabilities	6.1	3,517	4,500
Employee related provisions	3.1(b)	11,900	10,381
Deferred revenue	5.9	35,532	0
Other current liabilities	5.8	2,989	2,816
<b>Total Current Liabilities</b>		<b>62,242</b>	<b>22,460</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	6.1	111	3,409
Deferred revenue	5.9	1,351,473	0
Employee related provisions	3.1(b)	2,960	2,639
<b>Total Non-Current Liabilities</b>		<b>1,354,544</b>	<b>6,048</b>
<b>TOTAL LIABILITIES</b>		<b>1,416,786</b>	<b>28,508</b>
<b>NET ASSETS</b>		<b>(766,238)</b>	<b>208,973</b>
<b>EQUITY</b>			
Contributed equity	8.9	99,773	90,379
Reserves		23,629	23,526
Retained earnings		(889,640)	95,068
<b>EQUITY DEFICIT</b>		<b>(766,238)</b>	<b>208,973</b>

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

## Western Australian Land Information Authority (Landgate)

Statement of Changes in Equity For the year ended 30 June 2020

		2020	2019
	Note	(\$'000)	(\$'000)
<b>BALANCE OF EQUITY AT START OF PERIOD</b>			
		<b>208,973</b>	<b>219,530</b>
<b>Contributed Equity</b>			
	8.9		
Balance at start of period		90,379	90,379
Transactions with owners in their capacity as owners:			
Capital appropriation		9,396	0
Other contributions by owners		2	0
Distributions to owners		(4)	0
<b>Balance at end of period</b>		<b>99,773</b>	<b>90,379</b>
<b>Reserves</b>			
	8.9		
Balance at start of period		23,526	21,189
Asset revaluation reserve		38	1,930
Fair value reserve		65	407
<b>Balance at end of period</b>		<b>23,629</b>	<b>23,526</b>
<b>Retained Earnings</b>			
	8.9		
Balance at start of period		95,068	110,225
Initial application of Australian Accounting Standards	8.3	(3,330)	(8)
Balance at start of period		91,738	110,217
Movement in equity attributable to Consolidated Entity:			
Profit/(loss) for period		14,227	129,447
Distribution to owners		(995,605)	(144,596)
<b>Balance at end of period</b>		<b>(889,640)</b>	<b>95,068</b>
<b>BALANCE OF EQUITY AT END OF PERIOD</b>		<b>(766,238)</b>	<b>208,973</b>

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



## Western Australian Land Information Authority (Landgate)

Statement of Cash Flows For the year ended 30 June 2020

		2020	2019
	Note	(\$'000)	(\$'000)
		Inflows (Outflows)	Inflows (Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Provision of services		54,060	92,369
Sale of land information, data and imagery		4,304	6,961
Interest received		2,485	2,833
GST receipts on sales		142,302	1,098
GST receipts from taxation authority		7,269	4,787
Other receipts		2,073	1,068
<b>Payments</b>			
Employee benefits		(52,966)	(52,820)
Supplies and services		(28,768)	(35,380)
Other expenses		(5,646)	(4,873)
Accommodation		(4,545)	(4,219)
Finance costs		(683)	(941)
GST payments on purchases		(9,533)	(5,850)
GST payments to taxation authority		(140,640)	0
<b>Net cash (used in) / provided by operating activities</b>		<b>(30,288)</b>	<b>5,033</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Receipts</b>			
Sale of -	Property, plant and equipment	11	4
	Financial investments	44,139	42,642
	Equity accounted investments - PEXA Ltd	0	185,501
	Subsidiary - Advava Ltd	0	7,236
	Proceeds from Partial Commercialisation arrangement	1,410,000	0
<b>Payments</b>			
Purchase of -	Property, plant and equipment and intangible assets	(12,900)	(11,876)
	Financial investments	(28,400)	(52,939)
	Equity accounted investments - PEXA Ltd	0	(212)
<b>Net cash provided by investing activities</b>		<b>1,412,850</b>	<b>170,356</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Payments</b>			
Lease liability		(4,556)	(4,057)
<b>Net cash used in financing activities</b>		<b>(4,556)</b>	<b>(4,057)</b>

## Western Australian Land Information Authority (Landgate)

Statement of Cash Flows For the year ended 30 June 2020 (Cont).

		2020	2019
	Note	(\$'000)	(\$'000)
		Inflows (Outflows)	Inflows (Outflows)
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
<b>Receipts</b>			
Service Appropriation		28,648	30,150
Drawdowns from Amounts receivable for services (Holding Account)		3,981	830
Capital Appropriations		9,396	0
<b>Payments</b>			
Income tax equivalents - payments		(427,230)	(55,637)
Income tax equivalents - refunds		2,759	0
Dividends paid to Consolidated Account	8.9	(995,605)	(144,596)
<b>Net cash from State Government</b>		<b>(1,378,051)</b>	<b>(169,253)</b>
Net change in cash and cash equivalents		(45)	2,079
Cash and cash equivalents at the start of the period		12,086	10,007
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	6.3	<b>12,041</b>	<b>12,086</b>

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





## Western Australian Land Information Authority (Landgate)

Summary of Consolidated Account Appropriations For the year ended 30 June 2020

	Notes	2020	2020	Revised Budget (\$'000)	2020	2020
		Budget Estimate (\$'000)	Supplementary Funding (\$'000)		Actual (\$'000)	Variance (\$'000)
<b>DELIVERY OF SERVICES</b>						
Item 86 Net amount appropriated to deliver services	1	33,407	504	33,911	33,911	0
Amount Authorised by Other Statutes - <i>Salaries and Allowances Act 1975</i>		337	0	337	337	0
<b>Total appropriations provided to deliver services</b>		<b>33,744</b>	<b>504</b>	<b>34,248</b>	<b>34,248</b>	<b>0</b>
<b>CAPITAL</b>						
Capital appropriations	2	0	4,396	4,396	4,396	0
<b>ADMINISTERED TRANSACTIONS</b>						
Item 111 Administered capital appropriations	3	7,490	(2,490)	5,000	5,000	0
<b>Total administered transactions</b>		<b>7,490</b>	<b>(2,490)</b>	<b>5,000</b>	<b>5,000</b>	<b>0</b>
<b>GRAND TOTAL</b>		<b>41,234</b>	<b>2,410</b>	<b>43,644</b>	<b>43,644</b>	<b>0</b>

- Supplementary funding totalling \$0.504 million was received during 2020. This included an adjustment of \$0.521 million to fund the contract management for the Partial Commercialisation arrangement, net of the reduction of \$0.017 million for the termination of the Floreat premises lease.
- The \$4.396 million represents an increase in capital funding to contribute to Landgate's Asset Investment Program and thereby enable cash reserves to fund service fees paid to Land Services WA as its share of customer revenue under the terms of the Commercialised Services Agreement.
- The \$2.490 million variance in Administered capital appropriations reflects the reassessment of 2020 capital requirements for the *Strata Titles Act 1985* reform program.

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

### 1 Basis of Preparation

The Western Australian Land Information Authority (Landgate) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. Although the Authority is required to operate on prudent commercial principles, Treasurer's Instruction 1101 *Application of Australian Accounting Standards and Other Pronouncements* deems it to be a not-for-profit entity for reporting under Australian Accounting Standards (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Agency on 5 October 2020.

### Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- The *Financial Management Act 2006* (FMA);
- The Treasurer's Instructions (the Instructions or TIs);
- Australian Accounting Standards (AASs) - Reduced Disclosure Requirements;
- Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied; and
- Where no applicable AAS exists, the Authority will account for such transactions by adopting existing AAS paragraphs with similar and related issues, and consider the Framework and Statement of Accounting Concepts.

The *Financial Management Act 2006* and the Treasurer's Instructions take precedence over AASs. Several AASs are modified by the 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 except for land and buildings and the investment in PSMA Australia Limited which are measured at fair value. All values are rounded to the nearest thousand dollars (\$'000).

### Commercial arrangement

On 22 October 2019 the Authority entered into a Partial Commercialisation arrangement with Land Services WA (LSWA) for a maximum term of 40 years. In consideration of this arrangement the Authority received an upfront lump sum payment of \$1.41 billion. The terms and conditions of this arrangement are included in the Commercialised Services Agreement (CSA) between both parties.

Under the CSA, the Authority collects customer fees for digital land registry services and pass onto LSWA their share of these fees. The information technology systems that deliver the digital services remain under the control of the Authority, however, the ongoing support and maintenance including enhancements to the existing digital services and delivery systems are the responsibility of LSWA.

On the commencement date, as there was no AAS that explicitly addresses this arrangement, the Authority has adopted existing AASs and considered the Framework and Statement of Accounting Concepts. From 1 July 2020 the Authority will account for this arrangement under AASB 1059 '*Service Concession Arrangements: Grantors*'. The applicable accounting policies adopted by the Authority are disclosed in the notes to the financial statements.



## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

### Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

### Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital appropriations are designated as contributions by owners by Treasurer's Instruction 955 *Contributions by Owners made to Wholly-Owned Public Sector Entities* and have been credited directly to Contributed Equity.

## 2 Our funding sources

### How we obtain our funding

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

		2020	2019
	Note	(\$'000)	(\$'000)
Provision of services	2.1	66,001	93,489
Grants and subsidies from State Government	2.2	34,479	36,012
Partial commercialisation	2.3	24,404	0
Sale of land information, data and imagery	2.4	4,847	5,787
Interest and other revenue	2.5	3,322	4,610
Gains and Losses	2.6		

		2020	2019
	Note	(\$'000)	(\$'000)
<b>2.1 Provision of services</b>			
Land title management fees (i) & (iii)			
Search		8,820	28,384
Transfer		10,772	15,603
Mortgage		5,493	11,022
Discharge		5,923	11,795
Other (plan lodgements, caveats, applications, etc.)		6,391	12,640
		<b>37,399</b>	<b>79,444</b>
Other services			
Valuation services fees (ii)		27,164	12,638
Electronic Advice of Sale fees		1,193	1,112
Property Interest Report		245	295
		<b>28,602</b>	<b>14,045</b>
<b>Total provision of services</b>		<b>66,001</b>	<b>93,489</b>

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

- (i) Includes revenue from government-related entities of \$0.669m (2019: \$1.662m).
- (ii) Includes revenue from government-related entities of \$8.153m (2019: \$5.224m).
- (iii) Under the terms of the Commercialised Services Agreement (CSA) with Land Services Western Australia (LSWA) the Authority collects customer fees for title document lodgements, plan, search and lodgement support services and passes on to LSWA its component of the fees in the form of Service Fees paid per transaction as per the CSA. The Provision of Services therefore reflects the Authority's share of these fees, net of service fees payable to LSWA (representing LSWA's share of revenue derived from those services). Refer Note 5.9 for further details.

Until 30 June 2019, revenue was recognised and measured at the fair value of consideration received or receivable. Revenue was recognised on delivery of the service to the customer or by reference to the stage of completion of the transaction. Where rendering the service could not be estimated reliably, revenue was recognised only to the extent of costs incurred that are expected to be recoverable.

From 1 July 2019, revenue is recognised at the transaction price when the Authority transfers control of the services to customers. The majority of the Authority's services will be recognised at a point in time (or over a relatively short period of time). The performance obligations of these services are satisfied when the services have been provided.

Valuation services fees for the Metropolitan Triennial Revaluation Program are now recognised fully at the end of the 3rd year of the Triennium and not progressively over the 3 years of the Program.

	Note	2020 (\$'000)	2019 (\$'000)
<b>2.2 Grants and subsidies from State Government</b>			
Appropriation revenue received during the reporting period:			
Service appropriation		<b>34,248</b>	<b>35,629</b>
<b>Services received free of charge</b>			
Services were received free of charge from:			
<b>State government-related entities:</b>			
Department of Justice (provision of legal services)		166	334
Department of Primary Industries and Regional Development (provision of mapping/data services)		25	13
Department of Finance (provision of accommodation)		38	36
Commissioner of Main Roads (provision of planning and technical services)		2	0
<b>Total services received free of charge</b>		<b>231</b>	<b>383</b>
<b>Total grants and subsidies from State Government</b>		<b>34,479</b>	<b>36,012</b>

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

Service appropriations fund services delivered. Appropriation revenue comprises the following:

- Cash component; and
- A receivable (asset)



## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

### 2.2 Grants and subsidies from State Government - continued

**Services or assets received free of charge** or for nominal cost that the Authority would have purchased if not donated, are recognised as income at the fair value of the services or assets where they can be reliably measured. A corresponding expense is recognised for services received. Receipt of assets are recognised in the Statement of Financial Position.

The application of AASB 15 and AASB 1058 from 1 July 2019 has had no impact on the treatment of income from State Government.

	2020	2019
Note	(\$'000)	(\$'000)
<b>2.3 Partial Commercialisation</b>		
Revenue Recognition - upfront proceeds (i)	24,404	0
<b>Total Partial Commercialisation revenue</b>	<b>24,404</b>	<b>0</b>

- (i) On 22 October 2019 LSWA made an upfront payment of \$1.41 billion to the Authority as consideration of the Partial Commercialisation arrangement and this has been accounted for as a deferred revenue liability. This revenue will be recognised by the Authority evenly over the term of the arrangement. Refer Note 5.9 'Deferred revenue.'

	2020	2019
Note	(\$'000)	(\$'000)
<b>2.4 Sale of land information, data and imagery</b>		
Property information and services (i)	1,756	1,984
Land information and services (i)	1,989	2,109
Consultancy services	6	679
Imagery	1,096	1,015
<b>Total sale of land information, data and imagery</b>	<b>4,847</b>	<b>5,787</b>

- (i) Includes revenue from government-related entities of \$1.653m (2019: \$1.358m).

Up to 30 June 2019, revenue was recognised from the sale of land information, data and imagery when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

From 1 July 2019, revenue is recognised at the transaction price when the Authority transfers control of the goods to customers.

	2020	2019
Note	(\$'000)	(\$'000)
<b>2.5 Interest and other revenue</b>		
<b>Interest revenue</b>		
Financial investments	1,130	1,810
Operating bank account	262	1,663
	<b>1,392</b>	<b>3,473</b>
<b>Other revenue</b>		
Recovery of costs (i)	1,067	551
Project revenue (i)	818	522
Government Vehicle Scheme	45	64
	<b>1,930</b>	<b>1,137</b>
<b>Total interest and other revenue</b>	<b>3,322</b>	<b>4,610</b>

- (i) Includes revenue from government-related entities of \$0.783m (2019: \$0.636m).

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

**Interest** on the operating bank account and financial investments is recognised as the interest accrues. For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate. The effective interest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset. The amortisation of the premium (discount) on buying bonds or floating rate notes is deducted (added) to interest on financial investments.

Up to 30 June 2019 **Other revenue** is recognised from the sale of goods and services when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably. Where rendering of services cannot be estimated reliably, revenue is recognised only to the extent of costs incurred that are expected to be recoverable.

From 1 July 2019, Other revenue is recognised at the transaction price when the Authority transfers control of the goods to customers.

	2020	2019
Note	(\$'000)	(\$'000)
<b>2.6 Gains and Losses</b>		
<b>(a) Gain on equity accounted investments</b>		
Gain on sale of shares in PEXA Ltd (i)	0	153,496
<b>(b) Loss on equity accounted investments</b>		
Share of PEXA Ltd loss (i)	0	1,234
<b>(c) Gain on disposal of subsidiary</b>		
Gain on sale of shares in Advara Ltd (i)	0	7,236
(i) The Authority fully disposed of its shareholdings in PEXA Ltd and Advara Ltd in 2019.		
<b>(d) Gain/(Loss) on disposal of property, plant, equipment and intangibles</b>		
Proceeds from sale of non-current assets	11	4
Non-current assets disposed:		
Cost	727	10,314
Less accumulated depreciation	(713)	(10,300)
Carrying amount of non-current assets disposed	14	14
<b>Net loss on disposal of property, plant, equipment and intangibles</b>	<b>(3)</b>	<b>(10)</b>
<b>(e) Foreign exchange</b>		
Gain on foreign currency exchange	12	58
<b>Total foreign exchange gain/(loss)</b>	<b>12</b>	<b>58</b>
<b>(f) Other gains</b>		
<b>Asset revaluation surplus</b>	8.9	
Net revaluation increments/(decrements)		
- Right-of-use assets - building	4.2	0
- Right-of-use assets - land	4.2	0
- Land reserves	4.1	38
	<b>38</b>	<b>1,930</b>
<b>Fair value reserve</b>	8.9	
Net change in fair value	5.2	267
- PSMA Ltd		407
<b>Total Other Gains - Other comprehensive income</b>	<b>305</b>	<b>2,337</b>



## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

Realised and unrealised gains or losses are usually recognised on a net basis. These include gains or losses arising on the disposal of non-current assets and some revaluations of non-current assets.

Gains and losses on the disposal of non-current assets are presented by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses. Gains and losses are recognised in profit or loss in the statement of comprehensive income (from the proceeds of sale).

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and building.

### 3 Use of our funding

#### Expenses incurred in the delivery of services

This section provides additional information about how the Authority'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 Authority in achieving its objectives and the relevant notes are:

		2020	2019
	Note	(\$'000)	(\$'000)
Employee benefits expenses	3.1(a)	55,482	52,902
Employee related provisions	3.1(b)	14,860	13,020
Other expenditure	3.2	39,910	43,494

#### 3.1 (a) Employee benefits expenses

		2020	2019
	Note	(\$'000)	(\$'000)
Salaries (i), (ii)		50,388	47,306
Termination benefits		203	837
Superannuation - defined contribution plans (iii)		4,891	4,759
<b>Total employee benefits</b>		<b>55,482</b>	<b>52,902</b>

- (i) Includes recoup of costs of \$0.177m (2019: \$0.196m) from government-related entity.
- (ii) This includes a superannuation contribution component. Employment on-costs such as workers compensation insurance and payroll tax are included at Note 3.2 'Other expenses'. The employment on-costs liability is included at Note 3.1(b) 'Employee related provisions'.
- (iii) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Scheme (GESBs) and other eligible funds.

#### Salaries

Employee expenses include wages, salaries and social contributions, fringe benefits tax, accrued and paid leave entitlements and paid sick leave; and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for employees.

#### Termination benefits

These 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 Authority 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.

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

#### Superannuation

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

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for the Authority's purposes because the concurrent contributions (defined contributions) made by the Authority to GESB extinguishes the Authority's obligations to the related superannuation liability.

The Authority does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Authority to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

#### 3.1 (b) Employee related provisions

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

		2020	2019
	Note	(\$'000)	(\$'000)
<b>Current</b>			
<u>Employee benefits provisions</u>			
Annual leave (a)		4,710	4,110
Long service leave (b)		6,549	5,680
Deferred salary scheme (c)		0	32
		<b>11,259</b>	<b>9,822</b>
<u>Other provisions</u>			
Employment on-costs (d)		641	559
<b>Total current employee related provisions</b>		<b>11,900</b>	<b>10,381</b>
<b>Non-current</b>			
<u>Employee benefits provisions</u>			
Long service leave (b)		2,800	2,496
<u>Other provisions</u>			
Employment on-costs (d)		160	143
<b>Total non-current employee related provisions</b>		<b>2,960</b>	<b>2,639</b>
<b>Total employee related provisions</b>		<b>14,860</b>	<b>13,020</b>



3.1 (b) Employee related provisions

(a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual liability settlement will occur as follows:

	2020	2019
Note	(\$'000)	(\$'000)
Within 12 months of the end of the reporting period	3,439	2,966
More than 12 months after the end of the reporting period	1,271	1,144
	<b>4,710</b>	<b>4,110</b>

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

(b) **Long service leave liabilities:** have been classified as current where there is no unconditional right to defer settlement 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 Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service. Assessments indicate that actual liability settlement is expected to occur as follows:

	2020	2019
Note	(\$'000)	(\$'000)
Within 12 months of the end of the reporting period	1,977	1,753
More than 12 months after the end of the reporting period	7,372	6,423
	<b>9,349</b>	<b>8,176</b>

The provision for long service leave is calculated at present value as the Authority 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. The 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 to match, as closely as possible, the estimated future cash outflows.

(c) **Deferred salary scheme liabilities:** classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for deferred leave relates to the Authority's employees who have entered into an agreement to self-fund an additional 12 months leave in the fifth year of the agreement. This liability is measured on the same basis as annual leave. Deferred leave is reported as a current provision as employees can leave this scheme at their discretion at any time. Actual settlement of the liabilities is expected to occur as follows:

	2020	2019
Note	(\$'000)	(\$'000)
Within 12 months of the end of the reporting period	0	32
More than 12 months after the end of the reporting period	0	0
	<b>0</b>	<b>32</b>

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

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of Note 3.2 'Other expenditures' and are not included as part of the Agency's 3.1(a) 'Employee benefits expense'. The related liability is included in Note 3.1(b) 'Employee related provisions'.

	2020	2019
Note	(\$'000)	(\$'000)
Carrying amount at start of the reporting period	702	712
Additional provisions recognised	361	350
Reductions as employees take leave	(262)	(360)
<b>Carrying amount at end of the reporting period</b>	<b>801</b>	<b>702</b>

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 estimations and assumptions were used in calculating the Authority'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.



	2020	2019
	(\$'000)	(\$'000)
<b>3.2 Other expenditures</b>		
<b>Supplies and services</b>		
Services and contracts - Information Technology	19,789	24,926
Services and contracts - other	7,372	7,155
Communications	765	603
Consultancy (including legal)	489	506
Travel	163	325
Consumables, other supplies and services	135	120
<b>Total supplies and services expenses</b>	<b>28,713</b>	<b>33,635</b>
<b>Accommodation expenses (i)</b>		
Building maintenance and operation	3,024	3,036
Rental	458	521
Contingent rent - building and land	562	512
Minor works and alterations	175	99
Other outgoings	99	65
Utility and statutory charges	29	56
<b>Total accommodation expenses</b>	<b>4,347</b>	<b>4,289</b>
(i) Includes payments of \$3.739m (2019: \$4.179m) to a government-related entity.		
<b>Other expenses</b>		
Employment on-costs (including payroll tax and workers' compensation insurance)	3,008	2,857
Grants and subsidies	1,543	252
Insurance	298	441
Other staffing costs	289	654
Staff recruitment	264	295
Minor purchases	237	83
Advertising	212	103
Board and committee fees	152	139
Bank charges	145	131
Postage	135	152
Fringe benefits tax	87	89
Books, magazines, Acts, and subscriptions	62	63
Repairs and maintenance	49	26
Legal costs	26	40
Membership fees	23	78
Hire charges (equipment, venues, etc.)	15	29
Sponsorship	14	23
Printing costs	11	49
Compensation (Transfer of Land Act and Act of Grace payments)	2	12
Other minor expenses	278	54
<b>Total other expenses</b>	<b>6,850</b>	<b>5,570</b>
<b>Total other expenditures</b>	<b>39,910</b>	<b>43,494</b>

### 3.2 Other expenditures - continued

#### Supplies and services:

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

#### Accommodation expenses:

Rental expenses include variable lease payments, recognised in the period in which the event or condition that triggers those payments occurs. Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

#### Other expenses:

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. A significant component is Employment on-costs. Employment on-cost includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 3.1(b) 'Employee related provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

**Expected credit losses expense** is recognised as the movement in the allowance for expected credit losses.

The allowance for expected credit losses of trade receivables is measured at the lifetime expected credit losses at each reporting date. The Authority has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to Note 5.1 'Movement of the allowance for impairment of receivables'.

The Authority also recognised expected credit losses on financial investments. Please refer to Note 5.3 'Financial investments'.

## 4 Key assets

### Assets the Authority utilises for economic benefit or service potential

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

		2020	2019
	Note	(\$'000)	(\$'000)
Property, plant and equipment	4.1	9,688	52,945
Right-of-use assets	4.2	40,899	0
Intangible assets	4.3	42,444	42,550

4.1 Property, plant and equipment

	Building (i) (\$'000)	Land (ii) (\$'000)	Furniture (ii) (\$'000)	Plant (\$'000)	Plant (\$'000)	Work in Progress Plant (\$'000)	Equipment (\$'000)	Computer Equipment (\$'000)	Leasehold Improvements (\$'000)	Work in Progress Leasehold Improvements (\$'000)	TOTAL (\$'000)
<b>Year ended 30 June 2020</b>											
At 30 June 2019											
Open net book amount	33,604	12,154	4	950	2	655	1,116	3,756	704	52,945	
Adjustment for change in accounting policy - AASB 16 (i)	(33,604)	(8,476)	0	0	0	0	0	0	0	(42,080)	
Restated opening net book amount	0	3,678	4	950	2	655	1,116	3,756	704	10,865	
1 July 2019											
Gross carrying amount	0	3,678	116	1,587	2	2,412	7,839	17,572	704	33,910	
Accumulated depreciation/amortisation	0	(112)	(637)	(898)	(2)	(1,757)	(6,723)	(13,816)	(1,434)	(23,045)	
<b>Carrying amount at start of period</b>	<b>0</b>	<b>3,678</b>	<b>4</b>	<b>950</b>	<b>2</b>	<b>655</b>	<b>1,116</b>	<b>3,756</b>	<b>704</b>	<b>10,865</b>	
Additions	0	0	0	2	0	107	696	1,434	889	3,128	
Transfers (ii)	0	(2)	0	(898)	(2)	(232)	0	0	(1,434)	(2,568)	
Disposals	0	0	0	0	0	(8)	(6)	0	0	(14)	
Revaluation increments / (decrements)	0	38	0	0	0	0	0	0	0	38	
Depreciation / amortisation	0	0	(1)	(54)	(90)	(90)	(479)	(1,137)	(1,761)	(1,761)	
Impairment loss	0	0	0	0	0	0	0	0	0	0	
Adjustments	0	0	0	0	0	0	0	0	0	0	
<b>Carrying amount at 30 June 2020</b>	<b>0</b>	<b>3,714</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>432</b>	<b>1,327</b>	<b>4,053</b>	<b>159</b>	<b>9,688</b>	
Gross carrying amount	0	3,714	116	0	0	1,912	7,918	19,005	159	32,824	
Accumulated depreciation	0	(113)	(113)	0	0	(1,480)	(6,591)	(14,952)	(23,136)	(23,136)	

(i) The application of AASB 16 has resulted in the reclassification of finance leased assets to right-of-use assets. Refer Note 4.2.

(ii) (a) Land includes reserves that were administered by the Department of Planning, Lands and Heritage (DPLH) and transferred to the Authority from 1 July 2008. This amount represents the net transfer of reserves between DPLH and the Authority. Reserves transferred to DPLH are recognised by the Authority as a distribution to owners whilst reserves transferred from DPLH to the Authority are recognised as a contribution by owners.

(b) In 2020 the CORS geostation sites were transferred to Geoscience Australia and has been recognised as grant of asset expense (\$1.13m) under Other expenses.

4.1 Property, plant and equipment - continued

Initial recognition

Items of property, plant and equipment (land, building, furniture, plant, equipment, computer equipment, and leasehold improvements) costing \$1,000 or more are recognised 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 costing less than \$1,000 are expensed directly to the Statement of Comprehensive Income (except where they form part of a group of similar items that are significant in total, in which case they are capitalised).

The initial cost for a non-financial physical asset under a finance lease is measured at amounts equal to their fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Subsequent measurement

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

- land; and
- buildings.

Land is carried at fair value less accumulated impairment losses.

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

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

From 1 July 2019 the Midland land and building are recognised as Right-of-use assets. Please refer Note 4.2 "Right-of-use assets".

The land reserves are valued annually by the Valuer General (Valuation Services, Landgate) 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. The land reserves were revalued as at 1 July 2019 by the Valuer General. The valuations were performed during the year and recognised at 30 June 2020. The fair values of the land reserves have been determined by reference to recent market transactions.

Derecognition

On disposal or derecognition of an item of land and building, any revaluation surplus relating to that item is retained in the asset revaluation surplus.

Revaluation model:

- Fair Value where market-based evidence is available:
 

The fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions.

This is typically the case for land within the Perth metropolitan area. On revaluing buildings, the accumulated depreciation is eliminated against the asset cost amount and the amount is then restated to the revalued amount.
- Fair Value in the absence of market-based evidence: Land outside the Perth metropolitan area is valued on the basis of existing use, where market based evidence is not available.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of land and building assets on a class of assets basis.



**Depreciation, amortisation and impairment**

	2020	2019
Note	(\$'000)	(\$'000)
<i>Depreciation</i>		
Property, plant and equipment	624	799
Buildings	0	1,306
	624	2,105
<i>Amortisation</i>		
Leasehold Improvements	1,137	1,107
<b>Total depreciation and amortisation for the period</b>	<b>1,761</b>	<b>3,212</b>
<i>Impairment</i>		
Leasehold Improvements	0	258
<b>Total impairment for the period</b>	<b>0</b>	<b>258</b>

As at 30 June 2020, there were no indications of impairment to property, plant and equipment.

**Finite useful lives**

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

Depreciation or amortisation is calculated using the straight line method, using rates that are reviewed annually. Estimated useful lives or each class of depreciable asset are:

Asset Class	Years
Building	50
Furniture	11
Plant	15 to 20
Equipment	5 to 15
Computer equipment	3 to 5
Leasehold improvements	8 to 15

Leasehold improvements are depreciated over the shorter of the lease term and their useful life. Leasehold improvements under development are classified as 'Work in Progress'.

Land is considered to have an indefinite life and is not depreciated. Depreciation is not recognised in respect of this asset because its service potential has not, in any material sense, been consumed during the reporting period.

**Impairment**

Property, plant and equipment are tested for indications of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. If this 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 the Authority is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

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 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.

Leasehold improvements under development are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

	2020	2019
Note	(\$'000)	(\$'000)
<b>4.2 Right-of-use assets</b>		
Buildings	32,218	0
Land	8,476	0
Vehicles	205	0
<b>Net carrying amount at 30 June 2020</b>	<b>40,899</b>	<b>0</b>

Additions to right-of-use assets during the 2020 financial year were \$46,601.

**Initial recognition**

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

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset

This includes all leased assets other than investment property ROU assets, which are measured in accordance with AASB 140 'Investment Property'.

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

**Subsequent Measurement**

The cost model is applied for subsequent measurement of right-of-use assets (vehicles), 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.

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

- Midland land; and
- Midland building.

Land is carried at fair value less accumulated impairment losses.

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





## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

The Midland building and land are valued annually by the Valuer General (Valuation Services, Landgate) and will be assessed by the Authority each year. Where the Midland building valuation differs materially (more than 5%) from its carrying amount, the valuation of the Midland building will be brought to account. Otherwise Midland building and land is revalued at least every 5 years.

The Midland building and land was revalued at 1 July 2019 by an independent valuer (McGees Property). The valuations were performed during the year ended 30 June 2020. As the valuations were not materially different to the carrying amounts the valuations have not been adopted. In undertaking the revaluation, fair value was determined by reference to market values for land and buildings.

### 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.

If ownership of the leased asset transfers to the Authority at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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 'Property, plant and equipment'.

The following amounts relating to leases have been recognised in the Statement of Comprehensive Income:

	2020	2019
Note	(\$'000)	(\$'000)
Buildings	1,385	0
Land	0	0
Vehicles	170	0
<b>Total right-of-use asset depreciation for the period</b>	<b>1,555</b>	<b>0</b>
Lease interest expense	581	0
Expenses relating to variable lease payments not included in lease liabilities	563	0
Short term leases	0	0
Low-value leases	0	0
Losses arising from sale transactions - vehicles	6	0

The total cash outflow for leases in 2020 was \$5.239m.

The agency has leases for the Midland land and building, and vehicles.

The Authority has also entered into a Memorandum of Understanding Agreements (MOU) with the Department of Finance for the leasing of the Perth and Bunbury office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

Up to 30 June 2019, the Authority classified leases as either finance leases or operating leases. From 1 July 2019, at 1 July 2019, the Authority recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in Note 6.1. 'Lease liabilities'.

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

### 4.3 Intangible assets

	Service Delivery Intangible	Work in Progress Intangible	Commercialised	TOTAL
	Assets	Assets	Assets	
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>Year ended 30 June 2020</b>				
<b>1 July 2019</b>				
Gross carrying amount	146,594	6,368	0	152,962
Accumulated depreciation/amortisation	(110,412)		0	(110,412)
<b>Carrying amount at start of period</b>	<b>36,182</b>	<b>6,368</b>	<b>0</b>	<b>42,550</b>
Additions (i)	3,051	11,221	12,863	27,135
Transfers	(27,704)	(14,504)	27,704	(14,504)
Disposals	0	0	0	0
Revaluation increments / (decrements)	0	0	0	0
Depreciation / amortisation	(5,830)		(5,704)	(11,534)
Impairment loss	0	(1,203)	0	(1,203)
Adjustments	0	0	0	0
<b>Carrying amount at 30 June 2020</b>	<b>5,699</b>	<b>1,882</b>	<b>34,863</b>	<b>42,444</b>
Gross carrying amount	94,432	1,882	68,076	164,390
Accumulated depreciation	(88,733)		(33,213)	(121,946)

(i) The Commercialised asset additions includes completed works transferred from Works in Progress and expenditure incurred by LSWA.

### Initial recognition

#### Service Delivery Intangible assets

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

Under the Partial Commercialisation arrangement, Service Delivery Intangible assets are those assets that will remain the responsibility of the Authority.

The value of Service Delivery intangible assets includes:

- major computer software packages acquired plus costs associated with preparing the software for its intended use; and
- major internally developed software plus the associated development costs.

An internally generated Service Delivery intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefit;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Acquired and internally generated Service Delivery intangible assets costing \$5,000 or more are capitalised. Costs incurred below these thresholds are expensed directly to the Statement of Comprehensive Income.



## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

Costs incurred in the research phase of a project are immediately expensed.

Assets under development are classified as 'Works in Progress' - Service delivery software under development. On completion the asset will be classified as an Service Delivery Intangible asset if it remains the responsibility of the Authority otherwise it will be recognised as a Commercialised asset.

### Commercialised assets

Under the Partial Commercialisation arrangement (Refer Note 5.9) where an existing Service Delivery intangible asset was subject to the arrangement, the Authority shall reclassify the existing Service Delivery intangible asset as a Commercialised asset and shall measure the asset at current replacement cost in accordance with AASB 13 *Fair Value Measurement* as at the date of reclassification. The Authority is of the opinion that the net book value of the Service Delivery intangible assets at the date of reclassification fairly represents the current replacement cost of the Commercialised assets.

The Authority shall recognise an upgrade or a major component replacement for an existing Service Delivery intangible asset that was reclassified as a 'Commercialised asset' under the arrangement once the asset is constructed or the upgrade is provided to the Authority.

The Authority shall initially measure the commercialised asset at current replacement cost in accordance with AASB 13 *Fair Value Measurement*.

The Authority is of the opinion that the cost of the upgrade or major component replacement will fairly represent the current replacement cost.

### Subsequent measurement

#### Service Delivery Intangible assets

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

#### Commercialised assets

The Authority shall account for a Commercialised asset during the term of the Partial Commercialisation arrangement as follows:

- (i) amortise the depreciable amount of the asset over the useful life in accordance with AASB 138 *Intangible Assets*, with any impairment recognised in accordance with AASB 136 *Impairment of Assets*; and
- (ii) reference to fair value shall be read as reference to current replacement cost for commercialised assets.

At the end of the Partial Commercialisation arrangement the Authority shall reclassify any remaining commercialised assets based on its nature or function and will derecognise a commercialised asset only when the Authority loses control of the asset.

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

### 4.3 Intangible assets - continued

#### Amortisation and impairment

		2020	2019
	Note	(\$'000)	(\$'000)
<b>Charge for the period</b>			
<b>Amortisation</b>			
Intangible assets		5,830	11,476
Commercialised assets		5,704	0
<b>Total amortisation for the period</b>		<b>11,534</b>	<b>11,476</b>

		2020	2019
	Note	(\$'000)	(\$'000)
<b>Impairment</b>			
Service delivery software under development		1,203	1,799
<b>Total impairment for the period</b>		<b>1,203</b>	<b>1,799</b>

As at 30 June 2020, there were no indications of impairment to intangible assets.

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

All assets have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The expected useful lives for intangible assets are:

- Service delivery software and related project costs	2 - 12 years
- Commercialised assets	5 - 10 years

#### Impairment of intangible assets

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

Service delivery software under development is also tested for impairment annually or when an indication of impairment is identified. The impairment loss is recognised in the reporting period and no accumulated impairment loss is reported.

The policy in connection with testing for impairment is outlined in Note 4.1. 'Property, plant and equipment'.



## 5 Other assets and liabilities

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

		2020	2019
	Note	(\$'000)	(\$'000)
Receivables	5.1	28,417	14,093
Equity accounted investments	5.2	2,937	2,670
Financial investments	5.3	57,118	72,917
Amounts receivable for services	5.4	35,392	33,773
Other assets	5.5	2,422	3,755
Taxation equivalent including Deferred tax assets	5.6		
Payables	5.7	(8,304)	(4,763)
Other liabilities	5.8	(2,989)	(2,816)
Deferred revenue	5.9	(1,387,005)	0

		2020	2019
	Note	(\$'000)	(\$'000)
<b>5.1 Receivables</b>			
<u>Current</u>			
Trade receivables (i)		20,003	7,286
Income Tax Refund Receivable		2,336	1,298
Accrued revenue (ii)		2,626	4,694
Goods and services tax		1,729	822
		<b>26,694</b>	<b>14,100</b>
Less: Allowance for impairment of trade receivables		4	7
<b>Total current</b>		<b>26,690</b>	<b>14,093</b>
<u>Non-current</u>			
Accrued revenue (ii)		1,727	0
<b>Total non-current</b>		<b>1,727</b>	<b>0</b>
<b>Total receivables</b>		<b>28,417</b>	<b>14,093</b>

(i) Amounts owed by government-related entities of \$0.582m (2019: \$0.856m)

(ii) Amounts owed by government-related entities of \$4.239m (2019: \$1.293m)

Trade receivables are recognised at original invoice amount less any allowances for expected credit losses. The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days. The Authority does not hold any collateral or other credit enhancements as security for receivables with the exception of Bank Guarantees for selected high volume customers.

The Accrued Revenue receivable relates primarily to work completed by the Valuer General (Valuation Services, Landgate) at 30 June 2020 in valuing all Western Australian properties in the Perth metropolitan area but not yet invoiced. No allowance for impairment is made for accrued revenue as the amounts are owed by government customers. In addition, no credit risk is calculated for government receivables as collection is imminent.

		2020	2019
	Note	(\$'000)	(\$'000)
<b>Movement of the allowance for impairment of receivables</b>			
<b>Reconciliation of changes in the allowance for impairment of trade receivables:</b>			
Balance at start of period		7	7
Expected credit losses expense		12	7
Amounts written off during the year - trade receivables	8.8	(15)	(7)
<b>Balance at end of period</b>		<b>4</b>	<b>7</b>

See Note 7.1 'Financial Risk Management'.

The maximum exposure to credit risk at the end of the reporting period for trade receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table at Note 7.1 (c) 'Financial instruments disclosures'.

## 5.2 Equity accounted investments

Under the equity method the investment is recorded initially at cost, including the value of any goodwill on acquisition. In subsequent periods, the carrying amount of the investment is adjusted to reflect the Authority's share of its post-acquisition profit or loss and other comprehensive income. Dividends received from the investee reduce the carrying amount of the investment.

Where the carrying amount of the investment is zero after having applied equity accounting principles, the Authority discontinues recognising its share of any further losses. If the investee subsequently reports profits, the Authority then recognises its share of profits only after its share of profits equals the share of losses not recognised.

After application of the equity method, the value of the investment is assessed for impairment to determine if there is objective evidence that an impairment of the investment may have occurred.

Name of Financial Instrument	Principal Place of Business	Principal Activity	Ownership Interest (%) 2020	Ownership Interest (%) 2019
PSMA Australia Limited	Australia	Building national data sets and licensing use of the data from those sets.	11%	11%

The Authority has a financial instrument of one ordinary share in PSMA Australia Limited (PSMA), an unlisted public company limited by shares, incorporated under the *Corporations Act 2001*. PSMA has 9 shareholders: the Commonwealth of Australia and each Australian State and Territory Government, each of whom holds one fully paid \$1 share. The Authority represents the Government of Western Australia on the Board of PSMA. As the Authority owns only one-ninth of the issued capital it does not have control or significant influence over the financial and operating policy decisions of PSMA.

PSMA's primary purpose is to build national data sets. All shareholders contribute data at no cost and PSMA's activities are funded from the revenues it receives from data licensing and data supply contracts with third parties. Part of this revenue is distributed back to the shareholders at a rate determined by the Directors of PSMA.

From 2018, the Authority recognised for the first time the equal one ninth share of PSMA at fair value in accordance with AASB 9 *Financial Instruments*. Fair value was determined by using the Authority's ownership interest of 11% against the PSMA net asset value at 30 June 2018 balance date (30 June 2019 audited net asset value was not available). Any unrealised gains and losses will be recognised through Other Comprehensive Income.



## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

		2020	2019
	Notes	(\$'000)	(\$'000)
Equity accounted investments - recognition of PSMA at fair value			
<b>Investment held at start of period</b>		2,670	0
Initial application of Australian Accounting Standards - 2019		0	2,263
Change in fair value	2.6 & 8.9	267	407
<b>Investment held at end of period</b>		<b>2,937</b>	<b>2,670</b>
The Authority received distributions (royalties) over the last two financial years of:			
Received in 2018/19 in respect of the 2017/18 financial year			120
Received in 2019/20 in respect of the 2018/19 financial year		121	
		<b>121</b>	<b>120</b>

Royalties revenue is reported in the Statement of Comprehensive Income under Note 2.4 'Sale of land information, data and imagery'.

		2020	2019
	Notes	(\$'000)	(\$'000)
<b>5.3 Financial investments</b>			
Held-to-maturity financial assets are:			
<u>Current</u>			
Term deposits		44,700	28,939
Bonds		5,001	0
Floating rate notes		7,500	7,500
		57,201	36,439
less: Expected Credit Loss		83	0
		<b>57,118</b>	<b>36,439</b>
<u>Non-current</u>			
Term deposits		0	24,000
Bonds		0	5,018
Floating rate notes		0	7,499
		0	36,517
less: Expected Credit Loss		0	39
		<b>0</b>	<b>36,478</b>
<b>Total financial investments</b>		<b>57,118</b>	<b>72,917</b>
<b>Reconciliation of changes in the expected credit loss for investments:</b>			
Balance at start of period		39	27
Expected credit losses expense		44	12
<b>Balance at end of period</b>		<b>83</b>	<b>39</b>

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

The Authority classifies financial investments as 'held-to-maturity financial assets' or 'available-for-sale financial assets'. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at the end of each reporting period. Investments not at fair value are initially recognised at cost, being the fair value of consideration given, including directly attributable transaction costs.

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates are classified as held-to-maturity financial assets when management has a positive intention and ability to hold the assets to maturity. Investments intended to be held for an undefined period are not included in this classification.

Held-to-maturity financial assets, such as bonds and floating rate notes, are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

After initial recognition, investments classified as available-for-sale are measured at fair value. Gains or losses on available-for-sale investments are recognised in other comprehensive income, except for impairment losses, until the investment is derecognised. At that time, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

The Authority assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. From 2018, based on the implementation of AASB 9, the Authority recognised a loss allowance for expected credit loss to reflect the risk of a credit event.

	2020	2019
	(\$'000)	(\$'000)
<b>5.4 Amounts receivable for services</b>		
Current	4,740	3,981
Non-current	30,652	29,792
<b>Total amounts receivable for services</b>	<b>35,392</b>	<b>33,773</b>

**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).

The Authority receives appropriation funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable). The accrued amount receivable may be accessed as cash funding to cover asset replacement.



## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

		2020	2019
	Note	(\$'000)	(\$'000)
<b>5.5 Other assets</b>			
<b>Current</b>			
Prepayments			
Information and technology services		2,078	2,459
Other		155	30
		<b>2,233</b>	<b>2,489</b>
Accrued interest			
Interest on financial investments		164	590
Interest on operating bank account		25	676
		<b>189</b>	<b>1,266</b>
<b>Total current</b>		<b>2,422</b>	<b>3,755</b>
<b>Non-current</b>			
Prepayments			
Information and technology services		133	56
Other		0	0
		<b>133</b>	<b>56</b>
<b>Total non-current</b>		<b>133</b>	<b>56</b>
<b>Total other assets</b>		<b>2,555</b>	<b>3,811</b>

Other non-financial assets include prepayments and accrued interest.

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period. Accrued interest is the amount of interest earned on the operating bank account and financial investments but not yet collected.

### 5.6 Taxation equivalent

The Authority operates within the National Tax Equivalent Regime (NTER) whereby an amount equivalent to company income tax, calculated as if the Authority were a private sector business, is paid to the Western Australian Department of Treasury. The calculation of the income tax liability is governed by NTER guidelines and directions approved by the State Government.

As a consequence of paying company income tax, the Authority must report under AASB 112 *Income Taxes*.

The income tax expense, or income tax expense equivalent is the tax payable on the current period's taxable income adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

		2020	2019
	Note	(\$'000)	(\$'000)
Major components of income tax expense as at 30 June 2020 and 30 June 2019 are:			
<b>(a) Income tax expense</b>			
<b>Current income tax</b>			
Current income tax charge (i) & (ii)		423,430	53,853
Adjustments in respect of current income tax of previous year		2	(1)
<b>Deferred income tax</b>			
Relating to origination and reversal of temporary differences (i)		(416,621)	2,071
Benefit from previously unrecognised tax loss used to reduce deferred tax expense		(2)	(1)
<b>Total income tax expense (ii)</b>		<b>6,809</b>	<b>55,922</b>
<p>(i) 2020 includes the income tax expense associated with the proceeds received by the Authority under the Partial Commercialisation arrangement with LSWA.</p> <p>(ii) 2019 includes income tax expense associated with the Authority's disposal of its equity investment (Property Exchange Australia Ltd) and subsidiary (Advava Ltd).</p>			
<b>(b) Numerical reconciliation of income tax expense to prima facie tax payable</b>			
Reconciliations of income tax expense/(benefit) applicable to accounting profit before income tax equivalents (at the statutory income tax rate) to income tax expense at the effective income tax rate for the periods ended 30 June 2020 and 30 June 2019 are as follows:			
<b>Profit/(loss) before income tax equivalents</b>		<b>21,036</b>	<b>185,369</b>
Tax at the statutory income tax rate of 30%		6,311	55,611
Non-deductible expenses		440	313
Temporary differences not recognised		58	0
Adjustments in respect of previous current income tax		2	(1)
Adjustments in respect of previous deferred income tax		(2)	(1)
<b>Income tax expense/(benefit)</b>		<b>6,809</b>	<b>55,922</b>

The income tax expense for 2020 includes the tax on the 2020 Partial Commercialisation revenue (Refer Note 2.3). The tax associated with this revenue has been paid as part of the NTER tax payment (\$423 million) on the upfront proceeds to the State Government.

### (c) Deferred income tax

The Authority's deferred income tax assets and liabilities are attributable to the following:

	ASSETS		LIABILITIES		NET	
	2020	2019	2020	2019	2020	2019
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Receivables	0	(2)	10	203	10	201
Financial investments	(39)	(20)	0	2	(39)	(18)
Equity accounted investments	0	0	202	0	202	0
Subsidiary set up costs	0	(87)	0	0	0	(87)
Property, plant & equipment	(3,651)	(2,312)	4,769	3,289	1,118	977
Right-of-use-assets	(44)	0	105	0	61	0
Payables	(16)	(5)	0	0	(16)	(5)
Provisions	(5,126)	(4,592)	900	888	(4,226)	(3,704)
Lease liabilities	(33)	0	0	0	(33)	0
Deferred revenue	(416,134)	0	0	0	(416,134)	0
<b>Tax (assets) liabilities</b>	<b>(425,043)</b>	<b>(7,018)</b>	<b>5,986</b>	<b>4,382</b>	<b>(419,057)</b>	<b>(2,636)</b>
Tax set off	5,986	4,382	(5,986)	(4,382)	0	0
<b>Net tax (assets) liabilities</b>	<b>(419,057)</b>	<b>(2,636)</b>	<b>0</b>	<b>0</b>	<b>(419,057)</b>	<b>(2,636)</b>



5.6 Taxation equivalent - continued

Movement in temporary difference during the year	Balance 30 June 2018	Recognised in income	Recognised in equity	Balance 30 June 2019	Recognised in income	Recognised in equity	Balance 30 June 2020
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Receivables	18	183	0	201	(191)	0	10
Financial investments	(74)	56	0	(18)	(21)	0	(39)
Equity accounted investments	(1,754)	1,754	0	0	0	202	202
Subsidiary set up costs	(115)	28	0	(87)	87	0	0
Property, plant & equipment	925	52	0	977	141	0	1,118
Right-of-use-assets	0	0	0	0	61	0	61
Payables	(16)	11	0	(5)	(11)	0	(16)
Provisions	(3,690)	(14)	0	(3,704)	(522)	0	(4,226)
Lease liabilities	0	0	0	0	(33)	0	(33)
Deferred revenue	0	0	0	0	(416,134)	0	(416,134)
<b>Tax (assets) liabilities</b>	<b>(4,706)</b>	<b>2,070</b>	<b>0</b>	<b>(2,636)</b>	<b>(416,623)</b>	<b>202</b>	<b>(419,057)</b>

There are no unrecognised deferred tax assets.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rate expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to use those temporary differences and losses.

Current and deferred income tax equivalents are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, and when the tax balances relate to the same taxation authority.

On 22 October 2019, the Authority received proceeds of \$1.41 billion in consideration of the Partial Commercialisation arrangement with LSWA. The proceeds were returned to Government via a NTER income tax payment totalling \$423 million and the balance of the proceeds, net of transactions costs, as an interim dividend of \$985 million. The NTER income tax payment of \$423 million has been recognised as a deferred tax asset in the Authority's Statement of Financial Position.

	2020	2019
Note	(\$'000)	(\$'000)
<b>5.7 Payables</b>		
Accrued expenses (i)	6,674	2,987
Trade payables	1,046	1,587
Accrued salaries	584	189
<b>Total payables</b>	<b>8,304</b>	<b>4,763</b>

(i) Includes balances relating to government-related entities of \$1.835m (2019: \$1.874m).

**Payables** are recognised at the amounts payable when the Authority 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. The Authority considers the carrying amount of accrued salaries to be equivalent to its fair value.

	2020	2019
Note	(\$'000)	(\$'000)
<b>5.8 Other liabilities</b>		
Unearned project revenue (i)	1,264	1,214
Electronic advice of sale - fees payable to other parties (ii)	953	849
Payroll tax	224	215
Service revenue received in advance	250	315
Other liabilities	298	223
<b>Total other liabilities</b>	<b>2,989</b>	<b>2,816</b>

(i) Includes balances of \$0.141m (2019: \$0.153m) from government-related entities.

(ii) During the 2020 year, government-related entities were paid \$3.335m (2019: \$3.154m) through this account. At 30 June 2020, \$0.210m (2019: \$0.186m) was owed to a government-related entity.

	2020	2019
Note	(\$'000)	(\$'000)
<b>5.9 Deferred revenue</b>		
<u>Current</u>		
Commercialisation arrangement - upfront payment	35,250	0
Commercialisation arrangement - commercialised assets	282	0
<b>Total current</b>	<b>35,532</b>	<b>0</b>
<u>Non-current</u>		
Commercialisation arrangement - upfront payment	1,350,346	0
Commercialisation arrangement - commercialised assets	1,127	0
<b>Total non-current</b>	<b>1,351,473</b>	<b>0</b>
<b>Total deferred revenue</b>	<b>1,387,005</b>	<b>0</b>



## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

The Authority entered into a Partial Commercialisation arrangement with Land Services WA (LSWA) that commenced on 22 October 2019 for a maximum term of 40 years. A Commercialised Services Agreement (CSA) between the Authority and LSWA sets out the rights and responsibilities that govern the arrangement.

The arrangement provides LSWA the exclusive right to provide digital land registry services to the Authority that includes:

- Document
- Plan
- Search
- Commercial products; and
- Information technology services.

Under the CSA the Authority will continue to collect total customer fees for digital land registry services and pass on LSWA's revenue share calculated on a service fee per transaction basis, the fee rates for which are to be annually pre-determined in accordance with the CSA provisions. The Authority will therefore only recognise its remaining share of customer fees as revenue. Refer Note 2.1 'Provision of services'

In exchange for the above rights, LSWA paid an upfront fee of \$1.41 billion to the Authority and this has been accounted for as deferred revenue. This revenue will be recognised by the Authority evenly over the term of the arrangement.

The information technology systems that deliver digital land registry services will remain under the control of the Authority and be recognised by the Authority as Commercialised assets and any upgrades and/or enhancements that LSWA makes to these systems will be recognised by the Authority. Expenditure incurred by LSWA on the upgrade or major component replacement of commercialised assets will also be accounted for as deferred revenue. This deferred revenue will be recognised in a manner consistent with amortisation of the expenditure incurred on the upgrades to the Commercialised assets. Refer Note 4.3 'Intangible assets'.

The Authority also granted LSWA a revocable and non-exclusive licence to reproduce, modify and create derivative works of the land and property data for the sole purpose of LSWA developing, marketing and commercialising new products and services that are approved by the Authority. The Authority will receive an ongoing royalty on the new revenue generated from this licence.

If this arrangement is terminated or if the disengagement date has passed as per the CSA, LSWA shall grant at the Authority's option, at an agreed fee, a perpetual, non-exclusive, irrevocable licence to use, reproduce, maintain, support, modify and create derivative works of LSWA's material but not for commercial exploitation purposes.

## 6 Financing

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

		2020	2019
	Note	(\$'000)	(\$'000)
Lease liabilities	6.1	3,628	7,909
Finance costs	6.2	581	934
Cash and cash equivalents	6.3	12,041	12,086
Commitments	6.4	37,265	67,277

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

		2020	2019
	Note	(\$'000)	(\$'000)
<b>6.1 Lease liabilities</b>			
<b>Current</b>			
Building		3,267	4,313
Land		142	187
Vehicles		108	0
<b>Total current</b>		<b>3,517</b>	<b>4,500</b>
<b>Non-current</b>			
Building		0	3,267
Land		0	142
Vehicles		111	0
<b>Total non-current</b>		<b>111</b>	<b>3,409</b>
<b>Total lease liabilities</b>		<b>3,628</b>	<b>7,909</b>

The lease payments are made to a government-related entity.

The Authority 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 Authority uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Authority 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.

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

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

This section should be read in conjunction with Note 4.2 'Right-of-use assets'.



### 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.

### Land and building

The land under the building is owned by the State of Western Australia and is leased to a private sector entity until 14 March 2021. The private sector entity has leased the land and building to the Authority until 14 March 2021 after which full control passes to the Authority on behalf of the State.

The lease contains an escalation clause under which the minimum lease payments are increased by the movement in the Consumer Price Index (CPI) every six months. Any excess of lease payments above the minimum lease payments set at lease inception in 15 September 1993 is deemed contingent rent and is expensed each year.

In September 2013, the lease payments (minimum lease payments plus contingent rent) were reset to an equivalent market rent. Any excess of the lease payments above the minimum lease payments set at the lease inception will continue to be accounted for as contingent rent. The new lease payments will then increase by the movement in the CPI every 6 months until the lease expires.

Apart from the September 2013 reset of lease payments, the lease has a 'ratchet clause' that prevents the lease payments from falling. In the event of payment default, the remaining lease payments become due and payable. The lease does not impose restrictions on the Authority's financial operations such as dividends, debt, or further leasing.

Lease rights and obligations are initially recognised, at the start of the lease term, as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments, determined at the inception of the lease. The leased assets are disclosed as Right-of-use assets in Note 4.2 'Right-of-use assets'. The building asset is depreciated over the period during which the Authority is expected to benefit from its use.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability, according to the interest rate implicit in the lease.

	2020	2019
	(\$'000)	(\$'000)
<b>6.2 Finance costs</b>		
Lease interest expense - Building	552	895
Lease interest expense - Land	24	39
Lease interest expense - Vehicles	5	0
<b>Finance costs expensed</b>	<b>581</b>	<b>934</b>

Finance costs includes the interest component of lease liability repayments and are paid to a government-related entity.

	2020	2019
Notes	(\$'000)	(\$'000)
<b>6.3 Cash and cash equivalents</b>		
<b>Reconciliation of cash</b>		
Cash and cash equivalents	7.1	
Operating bank account		10,868
Cash on hand		11
<b>Total cash and cash equivalents</b>		<b>10,879</b>
Restricted cash and cash equivalents	7.1	
<u>Current</u>		
Rental bond (i)		7
Paid Parental Leave (i)		3
Indian Ocean Territories (i)	8.12	282
<u>Non-current</u>		
Accrued salaries suspense (ii)		870
<b>Total restricted cash and cash equivalents</b>		<b>1,162</b>
<b>Balance at end of period</b>		<b>12,041</b>

- (i) Funds are held in the operating bank account and are restricted in that they can only be used for a designated purpose.
- (ii) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. The next 27th pay will occur on 29 June 2028. 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.

	2020	2019
Notes	(\$'000)	(\$'000)
<b>6.4 Commitments</b>		
<b>6.4.1 Capital expenditure commitments</b>		
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	0	26
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	<b>0</b>	<b>26</b>
<b>6.4.2 Other expenditure commitments</b>		
Expenditure commitments relating to general administration expenses including IT services, software, licensing and maintenance, photographic services, and building maintenance, are payable as follows:		
Within 1 year (i)	10,542	16,791
Later than 1 year and not later than 5 years (i)	26,723	50,460
Later than 5 years	0	0
	<b>37,265</b>	<b>67,251</b>
<b>Total commitments</b>	<b>37,265</b>	<b>67,277</b>

- (i) The majority of these commitments are with the Authority's main IT service provider Advara Ltd.

The commitments above are GST inclusive.





## 7 Risks and Contingencies

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

	Notes
Financial risk management	7.1
Contingent assets	7.2.1
Contingent liabilities	7.2.2
Fair value measurements	7.3

### 7.1 Financial risk management

Financial instruments held by the Authority are cash and cash equivalents, restricted cash and cash equivalents, receivables, investments, amounts receivable for services, payables, lease liabilities, and other current liabilities. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

#### (a) Summary of risks and risk management

##### Credit risk

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

Credit risk associated with the Authority's financial assets is minimal because the main receivable is the amounts receivable for services (State holding account). For receivables other than Government, the Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. Debt will be written-off against the allowance account when it is improbable or uneconomical to recover the debt. At the end of the reporting period there were no significant concentrations of credit risk.

##### Liquidity risk

Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due. The Authority is exposed to liquidity risk through its trading in the normal course of business. The Authority has appropriate procedures to manage cash flows, including drawdowns of appropriations, and by monitoring forecast cash flows to ensure that sufficient funds are available when required to meet its commitments.

##### Market risk

Market risk arises when changes in market prices, such as foreign exchange rates and interest rates, will affect the Authority's income or the value of its holdings of financial instruments.

The Authority has minimal exposure to foreign exchange risk. The Authority manages foreign exchange risk arising from agreements or arrangements in foreign currencies through its Foreign Exchange Risk Policy. In addition the Authority has a Foreign Exchange and Derivatives Master Agreement with the Western Australian Treasury Corporation (WATC).

The Authority is exposed to interest rate risk primarily on financial investments. There is no Treasurer's Advance or borrowings, other than finance leases (with fixed interest rates).

	2020	2019
Notes	(\$'000)	(\$'000)
<b>(b) Categories of financial instruments</b>		
The carrying amounts of each of the categories of financial assets and financial liabilities at the end of the reporting period are:		
<b>Financial assets</b>		
Cash and cash equivalents	10,879	11,214
Restricted cash and cash equivalents	1,162	872
Financial investments	57,118	72,917
Amounts receivable for services	35,392	33,773
Receivables (i)	26,688	13,271
<b>Total financial assets</b>	<b>131,239</b>	<b>132,047</b>
<b>Financial liabilities</b>		
Payables	8,304	4,763
Lease liabilities - Building	3,267	7,580
Lease liabilities - Land	142	329
Lease liabilities - Vehicles	219	0
Other current liabilities	2,989	2,816
<b>Total financial liabilities</b>	<b>14,921</b>	<b>15,488</b>

(i) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

#### (c) Credit risk exposure

The following table details the credit risk exposure on the Authority's trade receivables using a provision matrix.

	Carrying	Current	Days past due				
			<30 days	31-60 days	61-90 days	91-180 days	>181 days
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>30 June 2020</b>							
Expected loss rate (i)		0.0094%	0.0418%	0.1086%	3.3310%	-1.3081%	28.9461%
Estimated total gross carrying amount at default	20,003	19,876	89	30	2	0	6
Expected credit loss	(4)	1.8584	0.0373	0.0326	0.0666	-	1.7368
<b>30 June 2019</b>							
Expected loss rate (i)		0.0094%	0.0418%	0.1086%	3.3310%	-1.3081%	28.9461%
Estimated total gross carrying amount at default	7,286	7,169	89	21	3	(16)	20
Expected credit loss	(7)	0.6703	0.0373	0.0224	0.1071	(0.2118)	5.7760

(i) Negative loss rate is due to cumulative effect of overall credit balances on customer accounts that were paid in advance or are yet to be applied.

7.1 Financial risk management - continued  
(d) Liquidity risk and interest rate exposure

The following table details the Authority's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted average effective interest rate %	Carrying amount (\$'000)	Interest rate exposure				Maturity dates											
			Fixed interest rate (\$'000)	Variable interest rate (\$'000)	Non-interest bearing (\$'000)	Nominal amount (\$'000)	Up to 1 month (\$'000)	1-3 months (\$'000)	3 months to 1 year (\$'000)	1-5 years (\$'000)	More than 5 years (\$'000)							
<b>2020</b>																		
<b>Financial assets</b>																		
Cash and cash equivalents	0.92	10,879	0	10,868	11	10,879	10,879	0	0	0	0	0	0	0	0	0	0	0
Restricted cash & cash equivalents	0.92	1,162	0	1,162	0	1,162	10	0	282	0	870	0	0	0	0	0	0	0
Financial investments	1.49	57,118	49,701	7,417	0	57,743	5,047	3,012	49,684	0	0	0	0	0	0	0	0	0
Receivables (i)		26,688	0	0	26,688	26,688	24,961	0	0	1,727	0	0	0	0	0	0	0	0
Amounts receivable for services		35,392	0	0	35,392	35,392	395	790	3,555	30,652	0	0	0	0	0	0	0	0
		<b>131,239</b>	<b>49,701</b>	<b>19,447</b>	<b>62,091</b>	<b>131,864</b>	<b>41,292</b>	<b>3,802</b>	<b>53,521</b>	<b>32,379</b>	<b>870</b>							
<b>Financial liabilities</b>																		
Payables		8,304	0	0	8,304	8,304	8,304	0	0	0	0	0	0	0	0	0	0	0
Lease liabilities - Building	8.46	3,267	3,267	0	0	3,446	405	811	2,230	0	0	0	0	0	0	0	0	0
Lease liabilities - Land	8.46	142	142	0	0	150	18	35	97	0	0	0	0	0	0	0	0	0
Lease liabilities - Vehicles	2.36	219	0	219	0	227	23	19	70	109	6	0	0	0	0	0	0	0
Other liabilities		2,989	0	0	2,989	2,989	2,989	0	0	0	0	0	0	0	0	0	0	0
		<b>14,921</b>	<b>3,409</b>	<b>219</b>	<b>11,293</b>	<b>15,116</b>	<b>11,615</b>	<b>618</b>	<b>2,768</b>	<b>109</b>	<b>6</b>							

(i) The amount of receivables excludes the GST recoverable from the Australian Taxation Office (statutory receivable).

7.1 Financial risk management - continued  
Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted average effective interest rate %	Carrying amount (\$'000)	Interest rate exposure				Maturity dates											
			Fixed interest rate (\$'000)	Variable interest rate (\$'000)	Non-interest bearing (\$'000)	Nominal amount (\$'000)	Up to 1 month (\$'000)	1-3 months (\$'000)	3 months to 1 year (\$'000)	1-5 years (\$'000)	More than 5 years (\$'000)							
<b>2019</b>																		
<b>Financial assets</b>																		
Cash and cash equivalents	2.08	11,214	0	11,203	11	11,214	11,214	0	0	0	0	0	0	0	0	0	0	0
Restricted cash & cash equivalents	2.08	872	0	872	0	872	8	0	224	0	640	0	0	0	0	0	0	0
Financial investments	2.48	72,917	57,956	14,961	0	75,006	0	14,366	22,881	37,759	0	0	0	0	0	0	0	0
Receivables (i)		13,271	0	0	13,271	13,271	13,271	0	0	0	0	0	0	0	0	0	0	0
Amounts receivable for services		33,773	0	0	33,773	33,773	332	664	2,986	29,791	0	0	0	0	0	0	0	0
		<b>132,047</b>	<b>57,956</b>	<b>27,036</b>	<b>47,055</b>	<b>134,136</b>	<b>24,825</b>	<b>15,030</b>	<b>26,091</b>	<b>67,550</b>	<b>640</b>							
<b>Financial liabilities</b>																		
Payables		4,763	0	0	4,763	4,763	4,763	0	0	0	0	0	0	0	0	0	0	0
Finance lease liability - Building	8.46	7,580	7,580	0	0	8,310	405	811	3,648	3,446	0	0	0	0	0	0	0	0
Finance lease liability - Land	8.46	329	329	0	0	362	18	35	159	150	0	0	0	0	0	0	0	0
Other liabilities		2,816	0	0	2,816	2,816	2,816	0	0	0	0	0	0	0	0	0	0	0
		<b>15,488</b>	<b>7,909</b>	<b>0</b>	<b>7,579</b>	<b>16,251</b>	<b>8,002</b>	<b>846</b>	<b>3,807</b>	<b>3,596</b>	<b>0</b>							

(i) The amount of receivables excludes the GST recoverable from the Australian Taxation Office (statutory receivable).



(e) Interest rate sensitivity analysis

The tables below represent a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the end of the reporting period on the profit/(loss) for the period and equity for a 0.5% change in interest rates (after tax). It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying amount	-0.5% After tax		+0.5% After tax	
		Profit	Equity	Profit	Equity
<b>2020</b>	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<i>Financial Assets</i>					
Cash and cash equivalents	10,868	(38)	(38)	38	38
Restricted cash and cash equivalents	1,162	(4)	(4)	4	4
Financial investments	7,417	(26)	(26)	26	26
<b>Total increase / (decrease)</b>	<b>19,447</b>	<b>(68)</b>	<b>(68)</b>	<b>68</b>	<b>68</b>

	Carrying amount	-0.5% After tax		+0.5% After tax	
		Profit	Equity	Profit	Equity
<b>2019</b>	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<i>Financial Assets</i>					
Cash and cash equivalents	11,203	(39)	(39)	39	39
Restricted cash and cash equivalents	872	(3)	(3)	3	3
Financial investments	14,961	(52)	(52)	52	52
<b>Total increase / (decrease)</b>	<b>27,036</b>	<b>(94)</b>	<b>(94)</b>	<b>94</b>	<b>94</b>

(f) Fair value hierarchy

The following hierarchy is used for determining and disclosing the fair value of financial instruments:

- (i) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date;
- (ii) Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; or
- (iii) Level 3 - Unobservable inputs for the asset or liability.

The following tables show the financial assets measured at fair value:

	Level 1	Level 2	Level 3	Total	Fair Value
<b>2020</b>	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Term deposits	0	44,700	0	44,700	45,094
Bonds	5,001	0	0	5,001	5,073
Floating rate notes	7,417	0	0	7,417	7,542
<b>Total</b>	<b>12,418</b>	<b>44,700</b>	<b>0</b>	<b>57,118</b>	<b>57,709</b>

	Level 1	Level 2	Level 3	Total	Fair Value
<b>2019</b>	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Term deposits	0	52,939	0	52,939	53,853
Bonds	5,017	0	0	5,017	5,140
Floating rate notes	14,961	0	0	14,961	15,156
<b>Total</b>	<b>19,978</b>	<b>52,939</b>	<b>0</b>	<b>72,917</b>	<b>74,149</b>

7.2 Contingent assets and contingent liabilities

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

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

7.2.1 Contingent assets

In addition to the assets reported in the financial statements, the Authority has one contingent asset in relation to a counterclaim against a party who committed fraud. Landgate paid compensation to the affected party and has sought recompense from the perpetrator of the fraud. The amount claimed is \$1.625m.

7.2.2 Contingent liabilities

In addition to the liabilities reported in the financial statements, the Authority has pending or potential litigation arising from the administration of the Western Australian Land Titles Register that may effect its financial position to the value of \$0.856m.

7.3 Fair value measurements

Land reserves measured at fair value:

	Level 1	Level 2	Level 3	Fair Value
<b>2020</b>	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Opening balance at 1 July 2019	0	240	3,438	3,678
Reserves transferred to/from Landgate	0	2	(4)	(2)
Transfers from Level 2 to Level 3	0	0	0	0
Revaluation increments/(decrements) recognised in Other Comprehensive Income	0	(5)	43	38
<b>Closing balance at 30 June 2020</b>	<b>0</b>	<b>237</b>	<b>3,477</b>	<b>3,714</b>

	Level 1	Level 2	Level 3	Fair Value
<b>2019</b>	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Opening balance at 1 July 2018	0	223	3,418	3,641
Reserves transferred to/from Landgate	0	0	0	0
Transfers from Level 2 to Level 3	0	0	0	0
Revaluation increments/(decrements) recognised in Other Comprehensive Income	0	17	20	37
<b>Closing balance at 30 June 2019</b>	<b>0</b>	<b>240</b>	<b>3,438</b>	<b>3,678</b>

Refer Note 4.1 'Property, plant and equipment' for further details pertaining to Land reserves.



### Valuation process

There were no changes in valuation techniques during the period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as 'non-current assets held for sale', as the Treasurer's Instructions require valuations of land and buildings to be categorised within Level 3 where the valuations will utilise Level 3 inputs on a recurring basis.

Land reserves have restrictions placed on their use and disposal due to the land being held to deliver specific community services. Accordingly, the fair value of land reserves is measured as follows:

#### Level 2

Land reserves designated as 'low restricted use land' (high level utility) are valued using Level 2 valuation inputs. Level 2 fair value is based on market value, using market evidence of sales of comparable unrestricted land less restoration costs to restore the site to a vacant and marketable condition.

#### Level 3

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility is selected by the Valuer General (Valuation Services, Landgate) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Significant Level 3 inputs used by the Authority are derived and evaluated as follows:

Location of Land Reserves	Fair Value 2020	Fair Value 2019
	(\$'000)	(\$'000)
Perth and Surrounds	2,939	2,988
Rest of State	538	450
	<b>3,477</b>	<b>3,438</b>

## 8 Other disclosures

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

	Notes
Intellectual property	8.1
Events occurring after the end of the reporting period	8.2
Initial application of Australian Accounting Standards	8.3
Key management personnel	8.4
Related party transactions	8.5
Affiliated bodies	8.6
Remuneration of auditor	8.7
Supplementary financial information	8.8
Equity	8.9
Services provided free of charge	8.10
Special purpose accounts	8.11
Indian Ocean Territories	8.12
Explanatory Statements	8.13

### 8.1 Intellectual property

The Authority's intellectual property consists of software, data, records created and processes developed by the Authority as a result of its activity and transactions, publications, products, trademarks, and know-how, in the categories listed below. At the end of the reporting period the intellectual property cannot be reliably measured and accordingly has not been recognised as an asset in the financial statements. Moreover, AASB 138 *Intangible Assets* does not allow internally generated brands, mastheads, publishing titles, customer lists, and items similar in substance to be recognised as assets in the financial statements:

- 1) *Aerial Photography*  
Images and mosaics of Western Australia collected from 1948.
- 2) *Spatial Cadastral Database*  
Includes information about land parcel boundaries (including freehold and Crown lots), lodged cadastral boundaries, control marks, easements, surveyed mining tenements, and administrative boundaries.
- 3) *Geodetic Survey Marks Database*  
Information and metadata about the State's geodetic survey marks including three dimensional coordinates that provide the common geographic reference framework for the State's spatial data sets.
- 4) *GEONOMA Database*  
Place, feature and road name information for Western Australia, including position, origin, meaning and classification of names.
- 5) *Authority's Branding and Ownership*  
Various registered trade marks, business names, internet domain names, and unregistered trade mark rights.
- 6) *Mapping Products*  
Copyright, design, artwork, and know-how related to mapping products and publications (digital and analogue, including internet design).



- 7) *Application and Web Services*  
Copyright in the software code for various application and web services and the associated documents and process maps used for their specification and description (including for such key applications as SmartPlan and SmartRegister).
- 8) *Tenure*
  - \* Tenure Systems - systems containing descriptions of how land is held, e.g. freehold or reserve.
  - \* Title and Document Images and hardcopy - digital and historical hard copies of titles, surveys, and documents that are held in a central location.
- 9) *Topographic Database/Geodatabase*  
Repository of all geographic land information stored in terms of relief, cultural, transport, road centreline, hydrography, coastlines, and points of interest.
- 10) *Satellite Imagery*  
Digital datasets of satellite value-added images maintained in a catalogue archive.
- 11) *Native Title Database*  
Spatial data depicting external boundaries of Native Title Applications and Indigenous Land Use Agreements (ILUAs).
- 12) *Thematic Databases*  
Data fundamentally used in the preparation of thematic mapping products.
- 13) *Land and Property Improvements Database*  
A repository that contains a description of the physical characteristics of land and improvements to land.
- 14) *Land Valuations Database*  
A database of current and previous values determined by the Valuer General.
- 15) *Property Sales and Rentals Database*  
A repository of historical sales and rental information integrated with land and property descriptions.
- 16) *Computer Assisted Valuation Methodology*  
A suite of integrated software that assists with the mass appraisal of values.
- 17) *Work Management System Database*  
A suite of software that provides the recording and allocation of human resources across services.
- 18) *Property/Valuation GIS*  
Integrated spatial and textual data displayed via a customised suite of software.
- 19) *Customer Information*  
A collection of lists and databases that make up the Authority's information, location data, commercial activity, and interactions.
- 20) *TRIM Database and Content Manager*  
A register of the Authority's hard copy records, and storage of digital copies of surveys and related documents.
- 21) *Property Street Address Database*  
A database of current property street address details and geocodes of all property in Western Australia.

- 22) *Soil Grade Classification Sketches*  
Analogue Soil Classification Sketches for agricultural land throughout Western Australia used for rating valuations.
- 23) *Algorithms and Techniques*  
Confidential customised and novel algorithms and techniques for work processes, assessments, and analysis to generate, depict, and manipulate land and auxiliary information, digital geographic information, valuation and property information (including such tools and methodology to automate the thematic presentation of data).
- 24) *Innovation Forum Database*  
The Innovation Forum database of material (text and drawings) around opportunities or issues related to the location information domain, and associated markets.
- 25) *Licences*  
Copyright in the compilation and design or a suite of licences to disseminate the Authority's products and services, including the license framework and 'Find a License' decision tree.
- 26) *Publications*  
Copyright in the imagery, design, and compilation of the Authority's key documentation, including its reports, policies, frameworks, guidelines, manuals, and application forms.
- 27) *Marketing material and collateral*  
Includes the copyright in marketing created photography, imagery, newsletters, videos, presentations, and website (including all code, design and content).
- 28) *Training*  
Copyright in developed modules and training presentations.
- 29) *State Capture and Advice Register (SCAR)*  
An application to manage the Capture WA program.
- 30) *Shared Location Information Platform (SLIP)*  
Software, applications (DUET and WFS Translator), custom scripts, data dictionaries, and custodian instruction manuals.
- 31) *A System and Method for Multi-Tenanted Land Tenure Registration*  
Software, system design, and methodologies for a cloud based multi-tenanted land registration platform.
- 32) *Location Information Product Suite*  
Group and non-Group databases and location information together (including such products as the Property Interest Report).

## 8.2 Events occurring after the end of the reporting period

There have been no significant events occurring after 30 June 2020 that effect these financial statements.



### 8.3 Initial application of Australian Accounting Standards

#### (a) AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 *Revenue from Contracts with Customers* replaces AASB 118 *Revenue* and AASB 111 *Construction Contracts* for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue when or as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 *Income of Not-for-Profit Entities*. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners related to an asset (such as cash or another asset) recognised by the Agency.

The Authority adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information is restated under this approach, and the Authority recognises the cumulative effect of initially applying the Standards as an adjustment to the opening balance of retained earnings at the date of initial application (1 July 2019).

Under this transition method, the Authority elects to not to apply the standards retrospectively to non-completed contracts at the date of initial application.

Refer note 2.2 - 2.6 for the revenue and income accounting policies adopted from 1 July 2019.

The effect of adopting AASB 15 and AASB 1058 are as follows:

	30 June 2020	Adjustments	30 June 2020 under AASB 118 and 1004
	(\$'000)	(\$'000)	(\$'000)
Provision of services	66,001	3,344	62,657
Partial commercialisation	24,404	0	24,404
Income from State Government	34,479	0	34,479
Sale of land information, data and imagery	4,847	0	4,847
Interest, other revenue and gains	3,334	0	3,334
<b>Net result</b>	<b>133,065</b>	<b>3,344</b>	<b>129,721</b>

#### (b) AASB 16 Leases

AASB 16 *Leases* supersedes AASB 117 *Leases and related interpretations*. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

The Authority applies AASB 16 from 1 July 2019 using the modified retrospective approach. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of retained earnings.

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (where the underlying asset is valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16, the Authority takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2.5%) on 1 July 2019;
- depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income; and
- the total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the Statement of Cash Flows.

In relation to Midland building and land leases that were previously classified as finance leases, their carrying amount before transition is used as the carrying amount of the right-of-use assets and the lease liabilities as of 1 July 2019.

The Authority measures concessionary leases that are of low value terms and conditions at cost at inception. There is no financial impact as the Authority is not in possession of any concessionary leases at the date of transition.

The right-of-use assets are assessed for impairment at the date of transition and the Authority has not identified any impairments to its right-of-use assets.

On transition, the Authority has elected to apply the following practical expedients in the assessment of their leases that were previously classified as operating leases under AASB 117:

- A single discount rate has been applied to a portfolio of leases with reasonably similar characteristics;
- The Authority has relied on its assessment of whether existing leases were onerous in applying AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* immediately before the date of initial application as an alternative to performing an impairment review. The Authority has adjusted the right-of-use asset at 1 July 2019 by the amount of any provisions included for onerous leases recognised in the Statement of Financial Position at 30 June 2019;
- Where the lease term at initial application ended within 12 months, the Authority has accounted for these as short-term leases;
- Initial direct costs have been excluded from the measurement of the right-of-use asset;
- Hindsight has been used to determine if the contracts contained options to extend or terminate the lease.

The Authority has not reassessed whether existing contracts are, or contained a lease at 1 July 2019. The requirements of paragraphs 9-11 of AASB 16 are applied to contracts that came into existence post 1 July 2019.



**8.3 (b) AASB 16 Leases - continued**

**a. Measurement of lease liabilities**

	(\$'000)
Operating Lease Commitments disclosed as at 30 June 2019	323
Discounted using incremental borrowing rate at date of initial application (i)	316
Add:	
Finance lease liabilities recognised as at 30 June 2019	0
Less:	
Short-term leases not recognised as liability	0
Low value leases not recognised as liability	0
<b>Lease liability recognised at 1 July 2019</b>	<b>316</b>
Current lease liabilities	143
Non-current lease liabilities	173

(i) The WATC incremental borrowing rate was used for the purposes of calculating the lease transition opening balance.

**b. Adjustment to retained earnings**

The Authority adopts the modified retrospective approach on transition to AASB 16. No comparative information is restated under this approach, and the Authority recognises the cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings at the date of initial application (1 July 2019).

On application, the right-of-use asset and lease liabilities for State Fleet vehicles at 1 July 2019 were equal in value however this was based on the assumption that the June 2019 State Fleet invoice was not pre-paid at 30 June 2019. As the Authority paid the June 2019 invoice before 30 June 2019, an adjustment of \$0.014m against retained earnings at 1 July 2019 was required with the offset against the vehicle lease liability at 1 July 2019. This will recognise the payment of the June 2019 State Fleet invoice as if it was paid after 1 July 2019. Please refer Note 8.9 'Equity'.

**8.4 Key Management Personnel**

The Authority has determined that Key Management Personnel includes the responsible Minister, members of the accountable authority (Landgate's board of management) and executive management of the Authority. The Authority 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 Authority for the reporting period are presented within the following bands:

**(a) For the accountable authority:**

	2020		2019
<b>Compensation Band (\$)</b>			
310,001 - 320,000	1	(i)	0
120,001 - 130,000	0		1 (i)
110,001 - 120,000	0		1 (i)
60,001 - 70,000	0		0
50,001 - 60,000	1		1
40,001 - 50,000	1		2 (i)
30,001 - 40,000	1		2
10,001 - 20,000	3		0
0 - 10,000	1		1
	<b>8</b>		<b>8</b>

(i) Includes the Chief Executive and the acting Chief Executive who are both members of the accountable authority and members of executive management.

**(b) For Key Management Personnel, who were part of the executive management of the Authority, other than the Chief Executive and acting Chief Executive:**

	2020	2019
<b>Compensation Band (\$)</b>		
230,001 - 240,000	1	0
220,001 - 230,000	0	1
210,001 - 220,000	1	0
200,001 - 210,000	1	0
190,001 - 200,000	0	0
180,001 - 190,000	0	1
170,001 - 180,000	1	0
160,001 - 170,000	2	0
150,001 - 160,000	0	1
130,001 - 140,000	1	0
100,001 - 110,000	0	1
90,001 - 100,000	0	1
60,001 - 70,000	1	0
50,001 - 60,000	0	1
30,001 - 40,000	0	2
20,001 - 30,000	1	1
	<b>9</b>	<b>9</b>

**(c) The total compensation of Key Management Personnel (excluding Cabinet Ministers) was:**

	2020	2019
	(\$'000)	(\$'000)
<b>Compensation</b>		
Short-term employee benefits	1,540	1,122
Post-employment benefits	167	113
Other long-term benefits	159	119
Termination benefits	0	0
<b>Total compensation</b>	<b>1,866</b>	<b>1,354</b>

The total compensation includes superannuation expense incurred by the Authority. No Key Management Personnel are members of the Pension Scheme.

**8.5 Related Party Transactions**

**(a) Related parties of the Authority**

The Authority is a wholly-owned public-sector entity controlled by the State of Western Australia.

Related parties of the Authority include:

- \* all Cabinet Ministers and their close family members, and their controlled or jointly controlled entities;
- \* all members of the accountable authority and their close family members, and their controlled or jointly controlled entities;
- \* all members of executive management and their close family members, and their controlled or jointly controlled entities;
- \* departments and other statutory authorities, including their related bodies, that are included in the whole-of-government consolidated financial statements;
- \* associates and joint ventures of the Authority and those also included in the whole-of-government consolidated financial statements; and
- \* the Government Employees Superannuation Board (GESB).



**(b) Significant transactions with Government-related entities**

Significant transactions with government-related entities for 2019/20 were:

- \* land title services and valuation services (Note 2.1 'Provision of services'), sale of land information, data and imagery (Note 2.4 'Sale of land information, data and imagery), recovery of costs and project revenue (Note 2.5 'Interest and other revenue'), and recoup of salary costs (Note 3.1(a) 'Employee benefits')
- \* superannuation payments to the Government Employees Superannuation Board (Note 3.1(a) 'Employee benefits' - Superannuation)
- \* lease payments to the Department of Finance for motor vehicle fleet leasing (Note 6.1 'Lease liabilities', Note 6.2 'Finance costs')
- \* lease payments to the Department of Finance for the Midland building and land (Note 6.2 'Finance costs', Note 3.2 'Other expenditures' - Accommodation expenses, Note 6.1 'Lease liabilities')
- \* building maintenance, property rentals, and minor works payments to the Department of Finance for the Midland building and other offices (Note 3.2 'Other expenditures' - Accommodation expenses)
- \* service appropriation (Note 2.2 'Service appropriation') and amounts receivable for services (Note 5.4 'Amounts receivable for services')
- \* services received free of charge (Note 2.2 'Services received free of charge')
- \* trade debtors and accrued revenue (Note 5.1 'Receivables')
- \* accrued expenses (Note 5.7 'Payables') and unearned project revenue and amounts owed under Electronic Advice of Sale (Note 5.8 'Other liabilities - current')
- \* contributions by owners and distributions to owners (Note 8.9 'Equity' - Contributed equity)
- \* amounts due to the Treasurer for income tax payable and dividends paid (Note 5.6 'Taxation equivalent' and Note 8.9 'Equity' - Retained earnings)
- \* services provided free of charge to other government agencies (Note 8.10 'Services provided free of charge')
- \* remuneration for services provided by the Auditor General (Note 8.7 'Remuneration of auditor')

	2020	2019
	(\$'000)	(\$'000)

**(c) Transactions with related parties**

Apart from the transactions below, the Authority is not aware of any other significant transactions between related parties and the Authority.

The following transactions occurred with related parties:

Sale of goods and services		
PEXA Ltd - Lodgement Support Service charges (i)	0	592
Purchase of goods/services		
Advara Ltd - IT services (i)	0	31,215

(i) Due to the Authority disposing of its shareholdings in Advara Ltd and PEXA Ltd prior to 30 June 2019, there are no related party transactions or outstanding balances with related Parties.

**(d) Subsidiaries, Associates, and Joint Ventures**

The Authority disposed of all shareholdings in its Subsidiary, Associate and Joint venture before 30 June 2019.

**(e) Material transactions with other related parties**

Outside of normal citizen type transactions with the Authority, 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.

	2020	2019
	(\$'000)	(\$'000)
<b>8.6 Affiliated body</b>		
Resources provided to the Land Surveyors' Licensing Board:		
Administrative support	161	212
Grant	24	24
<b>Total</b>	<b>185</b>	<b>236</b>

The Land Surveyors' Licensing Board is an affiliated body as it receives more than half of its resources from the Authority but it is not subject to the Authority's operational control. The Board reports to Parliament separately.

	2020	2019
	Notes (\$'000)	(\$'000)
<b>8.7 Remuneration of auditor</b>		
Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:		
Auditing the accounts, financial statements, controls, and key performance indicators	181	238
<b>8.8 Supplementary financial information</b>		
(a) Write offs by the Accountable Authority		
Bad debts		
- trade receivables	15	7
- employee benefit overpayments	11	0
	<b>26</b>	<b>7</b>
(b) Losses through theft, defaults and other causes		
Losses of public moneys and public and other property by theft or default	0	0
Amounts recovered	0	0
	<b>0</b>	<b>0</b>
(c) Gifts of public property by the Authority	0	0





## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

### 8.9 Equity

The Government holds the controlling equity interest in the Authority on behalf of the community. Equity represents the residual interest in the net assets of the Authority. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

	Notes	2020 (\$'000)	2019 (\$'000)
<b>Contributed equity</b>			
Balance at start of period		90,379	90,379
Contributions by owner			
Capital appropriation		9,396	0
Other contributions by owner			
Land reserves transferred from the Department of Planning, Lands and Heritage to the Authority	4.1	2	0
Distributions to owner			
Land reserves transferred from the Authority to the Department of Planning, Lands and Heritage	4.1	(4)	0
<b>Balance at end of period</b>		<b>99,773</b>	<b>90,379</b>
<b>Reserves</b>			
Balance at start of period		23,526	21,189
Asset Revaluation Surplus	2.6(f)		
- Right-of-use assets - building		0	1,917
- Right-of-use assets - land		0	(24)
- Land reserves		38	37
		38	1,930
Fair Value Reserve	2.6(f)		
- recognition of PSMA at fair value	5.2	267	407
- Deferred tax asset	5.6	(202)	0
		65	407
<b>Balance at end of period</b>		<b>23,629</b>	<b>23,526</b>
<b>Retained earnings</b>			
Balance at start of period, unadjusted		95,068	110,225
Initial application of Australian Accounting Standards (i)	8.3	(3,330)	(8)
Retained earnings, adjusted		91,738	110,217
- Profit for period		14,227	129,447
- Distributions to owner - dividends (ii)		(995,605)	(144,596)
<b>Balance at end of period</b>		<b>(889,640)</b>	<b>95,068</b>
<b>Total equity attributable to equity holder of Landgate</b>		<b>(766,238)</b>	<b>208,973</b>
(i) Adjustments pertain to the implementation of new AASs:			
- AASB 9 <i>Financial Instruments</i>		0	(8)
- AASB 15 <i>Revenue from Contracts with Customers</i>		(3,344)	0
- AASB 16 <i>Leases</i>		14	0
		<b>(3,330)</b>	<b>(8)</b>

(ii) Dividends payable by the Authority to the State are provided for in the reporting period in which the dividends recommended by the Landgate Board of Management are accepted by the Minister for Lands, with the concurrence of the Treasurer of Western Australia.

In 2020, the State was paid an interim dividend (\$984.972m) representing the return of the lump sum proceeds (after payment of NTER income tax) received as consideration for the Partial Commercialisation arrangement with LSWA, and the final dividend (\$10.633m) based on the 2018/19 after tax profit.

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

	Notes	2020 (\$'000)	2019 (\$'000)
<b>8.10 Services provided free of charge</b>			
During the reporting period, the Authority provided services free of charge to:			
<b>(a) More than \$10,000 per general government-related entity</b>			
Department of Finance (Office of State Revenue)		11,319	11,381
Department of Planning, Lands and Heritage		5,822	6,918
Department of Mines, Industry Regulation and Safety		2,104	740
Department of Fire and Emergency Services		915	943
Department of Water and Environmental Regulations		373	862
Department of Justice		385	367
Department of Treasury		332	284
Department of Education		325	184
Western Australia Police Service		242	553
Main Roads Western Australia		219	1,034
Department of Biodiversity, Conservation and Attractions		206	531
Department of Health		132	180
Department of Primary Industries and Regional Development		84	162
Department of Transport		45	199
Office of the Director of Public Prosecutions		30	30
Western Australian Electoral Commission		12	0
		<b>22,545</b>	<b>24,368</b>
<b>(b) More than \$10,000 per non-general government entity</b>			
Horizon Power		506	276
Western Power		475	1,018
Water Corporation		369	247
Public Transport Authority of Western Australia		24	8
		<b>1,374</b>	<b>1,549</b>
<b>(c) Less than \$10,000 per State Government agency</b>			
		<b>25</b>	<b>75</b>
<b>(d) Non-State government agencies</b>			
		<b>802</b>	<b>2,713</b>
<b>Total services provided free of charge</b>		<b>24,746</b>	<b>28,705</b>
<b>8.11 Special purpose accounts</b>			
<b>Payroll deductions</b>			
Special Purpose Accounts can be created under section 16(1)(c) of the <i>Financial Management Act 2006</i> . This account holds income tax instalments deducted from employee salaries pending payment to the Australian Taxation Office.			
<b>Balance at start of period</b>		<b>0</b>	<b>0</b>
Receipts		12,511	12,197
Payments		(12,511)	(12,197)
<b>Balance at end of period</b>		<b>0</b>	<b>0</b>



## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

	Notes	2020 (\$'000)	2019 (\$'000)
<b>8.12 Indian Ocean Territories</b>			
The Authority provides services to the Indian Ocean Territories and recovers the cost from the Commonwealth government. Transactions for the reporting period were:			
<b>Balance at start of period</b>		<b>224</b>	<b>224</b>
Receipts		104	70
Payments		(46)	(70)
<b>Balance at end of period (i)</b>		<b>282</b>	<b>224</b>

(i) Funds are held in the operating bank account and are restricted in that they can only be used for a designated purpose.

### 8.13 Explanatory statement

All variances between estimates (original budget) and actual results for 2020, and between the actual results for 2020 and 2019 are shown below. Narratives are provided for key major variances, which are greater than 10% and \$1 million for the Statements of Comprehensive Income and Cash Flows, and the Statement of Financial Position.

#### Partial Commercialisation Arrangement

The 2020 Budget did not contain estimates of the Partial Commercialisation arrangement. Therefore the 2020 Actuals are compared to zero in both 2020 Estimates and 2019 Actuals, in all relevant categories. Land Services WA (LSWA) is the private sector proponent in the arrangement.

## Western Australian Land Information Authority (Landgate)

Notes to the Financial Statements For the year ended 30 June 2020

### (a) Statement of Comprehensive Income Variances

	Variance	Estimate 2020	Actual 2020	Actual 2019	Variance between Estimate and Actual 2020	Variance between Actual 2019 and Actual 2020
	Note	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>INCOME</b>						
<b>Revenue</b>						
Provision of services	1,A	109,838	66,001	93,489	(43,837)	(27,488)
Partial commercialisation	2,B	0	24,404	0	24,404	24,404
Sale of land information, data and imagery	3	7,670	4,847	5,787	(2,823)	(940)
Interest revenue	C	1,506	1,392	3,473	(114)	(2,081)
Other revenue	4	855	1,930	1,137	1,075	793
<b>Gains</b>						
Gain on equity accounted investments	D	0	0	153,496	0	(153,496)
Gain on disposal of subsidiary	D	0	0	7,236	0	(7,236)
Foreign currency exchange		0	12	58	12	(46)
<b>TOTAL INCOME</b>		<b>119,869</b>	<b>98,586</b>	<b>264,676</b>	<b>(21,283)</b>	<b>(166,090)</b>
<b>EXPENSES</b>						
Employee benefits		59,420	55,482	52,902	(3,938)	2,580
Supplies and services	5,E	36,312	28,713	33,635	(7,599)	(4,922)
Other expenses	F	7,805	6,850	5,570	(955)	1,280
Depreciation and amortisation		15,446	14,850	14,688	(596)	162
Finance costs		753	581	934	(172)	(353)
Accommodation		4,212	4,347	4,289	135	58
Loss on impairment	6	0	1,203	2,057	1,203	(854)
Loss on equity accounted investments	G	0	0	1,234	0	(1,234)
Net loss on disposal of property, plant, equipment and intangibles		0	3	10	3	(7)
<b>TOTAL EXPENSES</b>		<b>123,948</b>	<b>112,029</b>	<b>115,319</b>	<b>(11,919)</b>	<b>(3,290)</b>
<b>Profit/(loss) before grants and subsidies from State Government</b>		<b>(4,079)</b>	<b>(13,443)</b>	<b>149,357</b>	<b>(9,364)</b>	<b>(162,800)</b>
<b>GRANTS AND SUBSIDIES FROM STATE GOVERNMENT</b>						
Service appropriation		33,744	34,248	35,629	504	(1,381)
Services received free of charge		460	231	383	(229)	(152)
<b>TOTAL GRANTS AND SUBSIDIES FROM STATE GOVERNMENT</b>		<b>34,204</b>	<b>34,479</b>	<b>36,012</b>	<b>275</b>	<b>(1,533)</b>
<b>Profit before income tax equivalent</b>		<b>30,125</b>	<b>21,036</b>	<b>185,369</b>	<b>(9,089)</b>	<b>(164,333)</b>
Income tax equivalent (expense)/benefit	7, H	(8,299)	(6,809)	(55,922)	1,490	49,113
<b>PROFIT FOR THE PERIOD</b>	<b>8, I</b>	<b>21,826</b>	<b>14,227</b>	<b>129,447</b>	<b>(7,599)</b>	<b>(115,220)</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
<b>Items not reclassified subsequently to profit or loss</b>						
Changes in asset revaluation surplus		0	38	1,930	38	(1,892)
<b>Items that will be reclassified subsequently to profit or loss</b>						
Changes in fair value reserve		0	267	407	267	(140)
Income tax on items that will be reclassified		0	(202)	0	(202)	(202)
		0	65	407	65	(342)
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>0</b>	<b>103</b>	<b>2,337</b>	<b>103</b>	<b>(2,234)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>21,826</b>	<b>14,330</b>	<b>131,784</b>	<b>(7,496)</b>	<b>(117,454)</b>



### 8.13 Explanatory statement - continued

#### Major Estimate and Actual (2020) Variance Narratives

- 1 As a result of the Partial Commercialisation arrangement the provision of services reflects the Authority's revenue net of the payment of a service fee to Land Services WA (LSWA) for revenue streams in-scope of the Commercialised Services Agreement (CSA). These include document registrations, searching actions, plans and lodgement support service fees. The Partial Commercialisation arrangement was not included in the estimate when it was set, hence a component of the variance in the provision of services when comparing 2020 actual to the estimate has arisen as a result of this contract.  
  
Land Titling activity has also continued on a subdued path during 2020 with the estimate set expecting improvement in property market activity during 2020. However, whilst activity was 1.7% higher than 2019, it did not achieve estimated activity levels with actual activity 8% below the target. Indications of an improvement in activity following the announcement of government incentives to home buyers/renovators was reflected during June 2020, with expectations that this will continue into 2021. Valuations revenue was above the estimate as a result of more than planned activity and revenue from the metropolitan revaluation program which partially offset the lower than target land titling revenue.
- 2 As a result of the Partial Commercialisation arrangement the Authority received proceeds of \$1.41 billion, which it paid to Government via both an NTER income tax payment and an interim dividend. The \$1.41 billion has been reflected as a deferred revenue liability, which is to be amortised over the 40 year life of the CSA, commencing from the start day of the agreement 22 October 2019. The \$24.4 million non-cash revenue is the amortisation of the deferred revenue liability in the first year of the arrangement. This was not budgeted for.
- 3 The 2020 sale of land information, data and imagery was below the estimated amount due to a decrease in the sale of commercial products and services as a result of general economic uncertainty in the Western Australian property market.
- 4 Other revenue was higher than forecast as a result of higher than planned project revenue and revenue recoups, partially related to the CSA for rental of LSWA's premises and other outgoings. As the Partial Commercialisation arrangement was not budgeted for, these recoups were not included in the estimate.
- 5 Supplies and services expense was lower than the estimate due to the partial split of the Authority's Master Services Agreement with Advava Ltd, with LSWA taking responsibility for a portion of this contract. The Partial Commercialisation arrangement, and therefore this contract split, was not contemplated at the time when the budget estimate was set. Sourcing problems attributed to the COVID-19 pandemic resulting in the deferral in implementing new IT related initiatives whilst the agency focused on delivery of services, also contributed to this variance. The State-wide pandemic travel restrictions have also resulted in the deferral of the 2021 regional revaluation program preliminary work, scheduled for late 2020, due to the inability to recruit rural valuation consultants. This work is now deferred to 2022.
- 6 An unbudgeted loss on impairment was a result of capital spending incurred during the 2019 financial year, which was charged to work in progress but could not be capitalised as an asset under Australian Accounting Standards due to the nature of the activity undertaken.
- 7 Income tax equivalent was lower than the estimate as a result of the payment of service fees to LSWA (its share of the Authority's customer revenue under the terms of the CSA) and lower revenue generally due to the ongoing subdued property market. The Partial Commercialisation transaction was not contemplated at the time the Budget was set.
- 8 Profit for the period was lower than the estimate as a result of the payment of service fees to LSWA under the terms of the CSA together with the impact of a subdued property market. This lower revenue was offset partially by a general underspend in expenditure. The Partial Commercialisation transaction was not contemplated at the time the Budget was set.

#### Major Actual (2020) and Comparative (2019) Variance Narratives

- A Following the commencement of the Partial Commercialisation arrangement on 22 October 2019, the provision of services reflects the Authority's revenue net of the payment of a service fee to LSWA for revenue streams in-scope of the CSA. These include document registrations, searching actions, plans and lodgement support service fees.  
  
Valuations revenue was \$14.5 million higher than 2019 as a result of the 2020 year being the third and final year of the triennial metropolitan revaluation program in which revenue for the entire triennium is brought to account. The implementation of AASB15 *Revenue from Contracts with Customers* has impacted the recognition of valuation services revenue as the revenue is now recognised on delivery of the final product (a valuation) to customers such as a local government compared to the previous methodology of recognising revenue as work is undertaken over the three year program.
- B As a result of the Partial Commercialisation arrangement the Authority received proceeds of \$1.41 billion which it returned to Government via both an NTER income tax payment and an interim dividend. The \$1.41 billion has been reflected as a deferred revenue liability, which is amortised over the life of the contract. The \$24.4 million amortisation of the lump sum proceeds from the date the agreement was entered into (22/10/19), is reflected as non-cash revenue.
- C Interest revenue is lower than 2019 as a result of lower balances invested in held to maturity financial assets. Lower interest rates also impacted on interest earned on the operating bank account and financial investments.
- D The gains on equity accounted investments and the disposal of subsidiary were nil in 2020 as a result of the share sales in 2019 of both the Authority's 11.84% shareholding in PEXA Ltd, and 77.78% shareholding in Advava Ltd at which time the gains were recognised. These shareholdings were both held by the Authority on behalf of the State Government.
- E Supplies and services expense was lower than 2019 mainly due to expenditure savings as a result of the separation of the Authority's Master Services Agreement with Advava Ltd as LSWA has taken responsibility for a portion of this contract from 22 October 2019 the date of commencement of the CSA.
- F Other expenses were higher than 2019 as a result of a grant of assets expense as a consequence of WA Continuously Operating Reference Stations (CORS), transfer to Geoscience Australia (Commonwealth) during 2020.
- G There was no loss on equity accounted investments in 2020. The loss on equity accounted investments in 2019 reflects the recognition of the loss at the date of sale in January 2019 of the 11.83% shareholding in PEXA Ltd, which the Authority held and sold on behalf of the State Government.
- H Income tax equivalent was significantly lower in 2020 as a result of the recognition during 2019 of the National Tax Equivalent Regime tax expense on the sale of the Authority's shareholding in PEXA Ltd and its subsidiary, Advava Ltd. The payment of service fees to LSWA under the terms of the CSA has also resulted in lower revenue in 2020 than the prior year, which has led to a lower income tax equivalent expense.
- I Profit for the period was significantly lower in 2020 as a result of the recognition of a gain in 2019 on the share sale of the agency's investments in PEXA Ltd and Advava Ltd. The payment of service fees to LSWA under the terms of the CSA has also resulted in lower net revenue and this is reflected as a lower profit in 2020.



(b) Statement of Financial Position Variances

	Variance	Estimate 2020	Actual 2020	Actual 2019	Variance between Estimate and Actual 2020	Variance between Actual 2019 and Actual 2020
	Note	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents		11,180	10,879	11,214	(301)	(335)
Restricted cash and cash equivalents		7	292	232	285	60
Receivables	9,J	21,982	26,690	14,093	4,708	12,597
Financial investments	10,K	14,000	57,118	36,439	43,118	20,679
Amounts receivable for services		5,160	4,740	3,981	(420)	759
Other assets	L	3,024	2,422	3,755	(602)	(1,333)
<b>Total Current Assets</b>		<b>55,353</b>	<b>102,141</b>	<b>69,714</b>	<b>46,788</b>	<b>32,427</b>
<b>Non-Current Assets</b>						
Restricted cash and cash equivalents		878	870	640	(8)	230
Receivables	9,J	0	1,727	0	1,727	1,727
Equity accounted investments	11	0	2,937	2,670	2,937	267
Financial investments	10,K	50,000	0	36,478	(50,000)	(36,478)
Amounts receivable for services		30,232	30,652	29,792	420	860
Property, plant and equipment	12,M	53,116	9,688	52,945	(43,428)	(43,257)
Intangible assets	13	55,598	42,444	42,550	(13,154)	(106)
Right-of-use assets	12,M	0	40,899	0	40,899	40,899
Deferred tax assets	14,N	2,952	419,057	2,636	416,105	416,421
Other assets		0	133	56	133	77
<b>Total Non-Current Assets</b>		<b>192,776</b>	<b>548,407</b>	<b>167,767</b>	<b>355,631</b>	<b>380,640</b>
<b>TOTAL ASSETS</b>		<b>248,129</b>	<b>650,548</b>	<b>237,481</b>	<b>402,419</b>	<b>413,067</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables		6,739	8,304	4,763	1,565	3,541
Current tax liabilities		609	0	0	(609)	0
Lease liabilities		3,953	3,517	4,500	(436)	(983)
Employee related provisions	15,O	9,094	11,900	10,381	2,806	1,519
Deferred revenue	16,P	0	35,532	0	35,532	35,532
Other current liabilities		3,814	2,989	2,816	(825)	173
<b>Total Current Liabilities</b>		<b>24,209</b>	<b>62,242</b>	<b>22,460</b>	<b>38,033</b>	<b>39,782</b>
<b>Non-Current Liabilities</b>						
Lease liabilities	17,Q	3,055	111	3,409	(2,944)	(3,298)
Deferred revenue	16,P	0	1,351,473	0	1,351,473	1,351,473
Employee related provisions		2,629	2,960	2,639	331	321
<b>Total Non-Current Liabilities</b>		<b>5,684</b>	<b>1,354,544</b>	<b>6,048</b>	<b>1,348,860</b>	<b>1,348,496</b>
<b>TOTAL LIABILITIES</b>		<b>29,893</b>	<b>1,416,786</b>	<b>28,508</b>	<b>1,386,893</b>	<b>1,388,278</b>
<b>NET ASSETS</b>		<b>218,236</b>	<b>(766,238)</b>	<b>208,973</b>	<b>(984,474)</b>	<b>(975,211)</b>
<b>EQUITY</b>						
Contributed equity		97,869	99,773	90,379	1,904	9,394
Reserves	18	20,830	23,629	23,526	2,799	103
Retained earnings		99,537	(889,640)	95,068	(989,177)	(984,708)
<b>EQUITY DEFICIT</b>		<b>218,236</b>	<b>(766,238)</b>	<b>208,973</b>	<b>(984,474)</b>	<b>(975,211)</b>

Major Estimate and Actual (2020) Variance Narratives

- Receivables (current and non-current) were higher than the estimate as a result of more than expected billed work on the triennial Metropolitan Revaluation Program in 2020, which was the third and final year of the 2017-2020 triennial program. All work for the triennial program is billed in the final year when the revenue from the program is recognised. The recognition of revenue is in compliance with AASB 15 *Revenue from Contracts with Customers* which had an implementation date of 1 July 2019.
- Total current Financial Investments were higher and non-current were lower than the estimate as a result of the movement of maturing long term facilities to shorter term investments to ensure availability of cash, which is required to pay the service fee to LSWA under the terms of the CSA. This arrangement was not contemplated at the time the Budget was set.
- Equity accounted investments were higher than the estimate as a result of the recognition of the fair value of the Authority's shareholding in PSMA Ltd, recognised for the first time during 2019 as a result of the application of AASB 9 *Financial Instruments*. This investment was not recognised when the Budget was set.
- Property, plant and equipment was lower and right-of-use assets were higher than the estimate as a result of the implementation of AASB 16 *Leases* on 1 July 2019 and the recognition of previously classified property, plant and equipment (finance lease assets) for the Midland land and building as right-of-use assets. Leases for State Fleet motor vehicles previously classified as a motor vehicle expense have also been recognised as right-of-use assets and a corresponding liability as at 1 July 2019.
- As part of the Partial Commercialisation process, LSWA accepted responsibility for enhancing assets related to the in-scope revenue streams from 22 October 2019, hence the Authority's capital expenditure requirement was reduced to reflect this arrangement. As a consequence intangible assets, specifically service delivery software, was lower than the estimate. This arrangement was not contemplated at the time the Budget was set.  
  
Some *Community Titles Act 2018* scope of work including systems development was also delayed to 2021 due to extended stakeholder and industry consultation and delays in legislative drafting due to prioritisation of COVID-19 related bills, resulting in lower than anticipated capital expenditure.
- Deferred tax assets were higher in 2020 than the estimate as a result of the Partial Commercialisation arrangement and the receipt of \$1.41 billion lump sum proceeds as consideration for the contractual arrangement. The lump sum proceeds were returned to Government via a National Tax Equivalent Regime income tax payment totalling \$423 million and an interim dividend for the balance, net of transaction costs. The NTER income tax payment resulted in the recognition of a deferred tax asset.
- Employee related provisions were higher than the estimate mainly because of less leave than planned taken during 2020. State-wide restrictions on travel due to the COVID-19 pandemic resulted in cancellation of planned leave by many employees and less severances than planned were paid during 2020 also impacting on the employee related provision balance.
- As a result of the Partial Commercialisation arrangement the Authority received proceeds of \$1.41 billion which it returned to Government via both an NTER income tax payment and an interim dividend. The \$1.41 billion has been reflected as a deferred revenue liability, which is amortised over the life of the contract.  
  
The current portion of this liability reflects that which will be recognised as revenue within the next 12 months of the reporting date with the balance reported as a non-current liability.
- Lease liabilities non-current in the estimate represents the lease liabilities on right of use assets for Government Office Accommodation and State Fleet motor vehicles recognised when the budget was set. A decision by the Department of Finance and the Office of the Auditor General that certain Government Office Accommodation (GOA) arrangements (Perth and Bunbury offices) do not meet the criteria of AASB 16 *Leases*, has resulted in these agreements not being reported on the balance sheet as lease liabilities. These GOA inter-agency agreements are reflected solely as an expense when incurred.



The variance in the non-current lease liability therefore is the result of the estimate reflecting the recognition of a liability, compared to the actual reflecting an operating expense. As the Midland building and State Fleet motor vehicles are both lease agreements, they continue to be reported under AASB 16 *Leases* and remain on the balance sheet as right of use assets and a corresponding liability.

- 18 Reserves were higher than the estimate as a result of the Authority's shareholding in PSMA Ltd, and the recognition of the fair value reserve for the first time during 2019 as a result of the application of AASB 9 *Financial Instruments*. This investment was not recognised when the Budget was set.

**Major Actual (2020) and Comparative (2019) Variance Narratives**

- J Receivables (current and non-current) were significantly higher than 2019 as a result of the billed work on the triennial Metropolitan Revaluation Program in 2020, which was the third and final year of the triennial program. All work for the triennial program is billed in the final year when the revenue for the entire program of work is recognised. This is in compliance with AASB 15 *Revenue from Contracts with Customers* which had an implementation date of 1 July 2019. Revenue is only recognised on delivery of the final product (a valuation) to customers rather than as work was done.
- K Financial investments current were higher and non-current were lower than 2019 as a result of a higher value invested in shorter term facilities during 2020. The total value of financial investments was \$15.8 million lower than 2019, mainly as a result of the commitment to pay a service fee to LSWA under the terms of the CSA. This has resulted in a lower cash balance available for investment than that held previously.
- L Other assets was lower than 2019 mainly due to lower accrued interest. This was due to a lower value of cash invested in financial investments and lower interest rates.
- M Property, plant and equipment was lower and right-of-use assets were higher than 2019 as a result of the implementation of AASB 16 *Leases* on 1 July 2019 and the recognition of previously classified property, plant and equipment (finance lease assets) for the Midland land and building as right-of-use assets. Leases for State Fleet motor vehicles previously classified as a motor vehicle expense have also been recognised as right-of-use assets and a corresponding liability as at 1 July 2019.
- N Deferred tax assets were significantly higher in 2020 as a result of the Partial Commercialisation arrangement entered into on 22 October 2019. The agency received a \$1.41 billion lump sum payment as consideration for the contractual arrangement. The lump sum proceeds were returned to Government via a National Tax Equivalent Regime income tax payment totalling \$423 million and an interim dividend for the balance, net of transaction costs. The NTER income tax payment resulted in recognition of a deferred tax asset.
- O Employee related provisions were higher than 2019 mainly because of less leave taken as Statewide restrictions on travel due to the COVID-19 pandemic resulted in cancellation of planned leave for many employees. This together with a lower discount rate than in 2019, in line with the fall in the Commonwealth Government bond yield, has resulted in a higher balance when the actuarial assessment was made.
- P As a result of the LPC arrangement Landgate received proceeds of \$1.41 billion which it returned to Government via an NTER income tax payment and an interim dividend. The \$1.41 billion has been reflected as a deferred revenue liability, which is amortised over the life of the contract. The current portion of this liability reflects that which will be recognised as revenue within the next 12 months of the reporting date with the balance reported as a non-current liability.
- Q Non-current lease liabilities were lower than 2019 reflecting the transfer of the remaining balance of the Midland land and building finance lease liability to current finance lease liabilities during 2020. The non-current portion of the lease liability in 2020 reflects the non-current liability for State Fleet motor vehicles.

**(c) Statement of Cash Flows**

	Variance	Estimate 2020	Actual 2020	Actual 2019	Variance between Estimate and Actual 2020	Variance between Actual 2019 and Actual 2020
	Note	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Receipts</b>						
Provision of services	19,R	107,392	54,060	92,369	(53,332)	(38,309)
Sale of land information, data and imagery	20,S	7,670	4,304	6,961	(3,366)	(2,657)
Interest received		1,506	2,485	2,833	979	(348)
GST receipts on sales	21,T	5,402	142,302	1,098	136,900	141,204
GST receipts from taxation authority	22,U	2,315	7,269	4,787	4,954	2,482
Other receipts	23,V	855	2,073	1,068	1,218	1,005
<b>Payments</b>						
Employee benefits	24	(59,664)	(52,966)	(52,820)	6,698	(146)
Supplies and services	25,W	(36,266)	(28,768)	(35,380)	7,498	6,612
Other expenses	26	(7,345)	(5,646)	(4,873)	1,699	(773)
Accommodation		(4,212)	(4,545)	(4,219)	(333)	(326)
Finance costs		(753)	(683)	(941)	70	258
GST payments on purchases	22,U	(7,717)	(9,533)	(5,850)	(1,816)	(3,683)
GST payments to taxation authority	21,T	0	(140,640)	0	(140,640)	(140,640)
<b>Net cash (used in)/provided by operating activities</b>		<b>9,183</b>	<b>(30,288)</b>	<b>5,033</b>	<b>(39,471)</b>	<b>(35,321)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Receipts</b>						
Sale of -						
Property, plant and equipment		0	11	4	11	7
Financial investments	27	2,000	44,139	42,642	42,139	1,497
Equity accounted investments - PEXA Ltd	X	0	0	185,501	0	(185,501)
Subsidiary - Advava Ltd	X	0	0	7,236	0	(7,236)
Proceeds from Partial Commercialisation arrangement	28,Y	0	1,410,000	0	1,410,000	1,410,000
<b>Payments</b>						
Purchase of - Property, plant and equipment and intangible assets	29	(20,759)	(12,900)	(11,876)	7,859	(1,024)
Financial investments	27,Z	(12,000)	(28,400)	(52,939)	(16,400)	24,539
Equity accounted investments - PEXA Ltd		0	0	(212)	0	212
<b>Net cash (used in)/provided by investing activities</b>		<b>(30,759)</b>	<b>1,412,850</b>	<b>170,356</b>	<b>1,443,609</b>	<b>1,242,494</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>Payments</b>						
Lease liability		(4,833)	(4,556)	(4,057)	277	(499)
<b>Net cash used in financing activities</b>		<b>(4,833)</b>	<b>(4,556)</b>	<b>(4,057)</b>	<b>277</b>	<b>(499)</b>



(c) Statement of Cash Flows - continued

	Variance	Estimate 2020	Actual 2020	Actual 2019	Variance between Estimate and Actual 2020	Variance between Actual 2019 and Actual 2020
	Note	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>CASH FLOWS FROM STATE GOVERNMENT</b>						
<b>Receipts</b>						
Service Appropriation		28,144	28,648	30,150	504	(1,502)
Drawdowns from Amounts receivable for services (Holding Account)	AA	3,981	3,981	830	0	3,151
Capital Appropriations	30,AB	7,490	9,396	0	1,906	9,396
<b>Payments</b>						
Income tax equivalents - payment	31,AC	(7,981)	(427,230)	(55,637)	(419,249)	(371,593)
Income tax equivalents - refund	32,AD	0	2,759	0	2,759	2,759
Dividends paid to Consolidated Account	33,AE	(6,472)	(995,605)	(144,596)	(989,133)	(851,009)
<b>Net cash from State Government</b>		<b>25,162</b>	<b>(1,378,051)</b>	<b>(169,253)</b>	<b>(1,403,213)</b>	<b>(1,208,798)</b>
Net change in cash and cash equivalents		(1,247)	(45)	2,079	1,202	(2,124)
Cash and cash equivalents at the start of the period		13,312	12,086	10,007	(1,226)	2,079
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		<b>12,065</b>	<b>12,041</b>	<b>12,086</b>	<b>(24)</b>	<b>(45)</b>

Major Estimate and Actual (2020) Variance Narratives

- 19 As a result of the Partial Commercialisation arrangement the provision of services reflects the Authority's receipts net of the payment of a service fee to LSWA for in-scope revenue streams of the CSA. The Partial Commercialisation arrangement was not contemplated at the time that the Budget was set.
- The provision of services reflects receipts from land titling and valuation services. Document registration activity was 8% lower than the original estimate in 2020 as the Western Australian property market has remained subdued. Activity levels reflected growth potential early in 2020, however, this was short lived. The COVID-19 pandemic and subsequent State-wide restrictions on home opens and property auctions saw activity decline towards the end of the first quarter of 2020. In May 2020 the Federal and State Government introduced incentives for home buyers/renovators and eased social restrictions which saw an upward trend in activity towards the latter part of the financial year. Valuation services revenue partially offset this downward trend in land titling activity, with valuations receipts higher than the estimate as a result of more activity and revenue from the metropolitan revaluation program.
- 20 Sale of land information, data and imagery was lower than the estimate in 2020 as a result of some products and services which are property market related not achieving estimated revenue targets. The COVID-19 pandemic also impacted some commercial receipts as a result of Government restrictions.
- 21 GST receipts on sales and GST payments to taxation authority were higher than the estimate in 2020 as a result of the receipt of GST on the \$1.41 billion proceeds from the Partial Commercialisation transaction and the return of this GST to Government. The Partial Commercialisation arrangement was not included in the estimate when it was set.
- 22 GST payments on purchases and GST receipts from the taxation authority were higher than the estimate in 2020 due to the payment of GST on the service fees paid to LSWA under the terms of the CSA, and the GST credits arising from these payments being returned by the taxation authority to the Authority. This was not contemplated at the time the estimate was set.

- 23 Other receipts were higher than the estimate as a result of more project related work and rental recoups from LSWA from sub-leased accommodation in the Midland building. The Partial Commercialisation arrangement was not contemplated at the time the estimate was set.
- 24 Employee benefit payments were lower than the estimate as a result of vacant positions due to a delay in recruiting as a result of the COVID-19 restrictions, specifically for specialist valuers to commence preliminary work on the regional revaluation program originally scheduled for 2021 and delayed to 2022. Fewer than planned voluntary severances also led to the lower than estimated payments.
- 25 Supplies and services payments were lower than the estimate due to savings resulting from the separation of the Authority's Master Services Agreement with Advava Ltd, as LSWA has taken responsibility for a portion of this contract. The Partial Commercialisation arrangement was not contemplated at the time the estimate was set. Sourcing problems attributed to the COVID-19 pandemic resulting in the deferral in implementing new IT related initiatives whilst the agency focused on delivery of services also contributed to this variance. The pandemic State-wide travel restrictions have also resulted in the deferral of the 2021 regional revaluation program preliminary work scheduled for late 2020 due to the inability to recruit rural valuation consultants. This work is now deferred to 2022.
- 26 Other payments were lower than the estimate as a result of a general underspend across the agency in response to lower than forecast activity and revenue in land titling and property market related products and services. The COVID-19 pandemic also impacted payments as the agency focused on service delivery and deferred new initiatives.
- 27 Receipts from the sale of financial investments and payments for purchases were higher than the estimate as a result of a higher value of investments maturing and being reinvested during 2020 than planned.
- 28 As a result of the Partial Commercialisation arrangement the Authority received proceeds of \$1.41 billion, which was returned to Government via a NTER income tax payment totalling \$423 million and \$985 million paid as an interim dividend, net of transaction costs. This transaction was recognised on 22 October 2019, the date the agreement was entered into by the Authority and LSWA. The Partial Commercialisation arrangement was not contemplated at the time the Budget was set.
- 29 As part of the Partial Commercialisation process, LSWA accepted responsibility for enhancing assets related to the in-scope revenue streams from 22 October 2019, hence the Authority's capital payments requirement was reduced to reflect this arrangement. As a consequence the purchase of property, plant and equipment and intangible assets, specifically service delivery software, was lower than the estimate. This detail of the arrangement was not known at the time the Budget was set.
- Some *Community Titles Act 2018* scope of works, including systems development, has been delayed to 2021 due to extended stakeholder and industry consultation and delays in the drafting process due to the prioritisation of COVID-19 related legislation. This contributed to the lower than expected payments for the purchase of assets.
- 30 Capital appropriation was higher than the estimate as a result of funding received for the capital works program, which was approved following the estimate being set. The estimate includes Treasury Administered funding for the *Strata Titles Act 1985* reform program of \$7.49 million. Due to some delays in the scope of work the Treasury Administered funding received was \$5 million. Following the Partial Commercialisation arrangement commencement, further capital appropriation funding of \$4.396 million was sought and approved by Government for the Authority to fund the portion of its capital works program not currently funded from holding account drawdowns. This gap was previously funded via agency cash, which has been committed to pay service fees to LSWA under the terms of the Partial Commercialisation arrangement.
- 31 Income tax equivalents payments were significantly higher than the estimate in 2020 as a result of the receipt of \$1.41 billion in proceeds from the Partial Commercialisation transaction, which was returned to Government via the payment of both a National Tax Equivalent Regime income tax payment of \$423 million and an interim dividend of \$985 million.



## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements For the year ended 30 June 2020

- 32 Income tax equivalents refund in 2020 was higher than the estimate as a result of the overpayment of income tax equivalents in 2019, which was refunded to the Authority in 2020. This tax refund was not identified at the time the estimate was set.
- 33 Dividends paid to the consolidated account were higher than the estimate in 2020 as a result of the receipt of \$1.41 billion in proceeds from the Partial Commercialisation transaction, which was returned to Government via the payment of both a National Tax Equivalent Regime income tax payment of \$423 million and the remainder, net of \$2 million in transaction costs, as an interim dividend of \$985 million. The remainder of the dividend payment relates to the final dividend paid for the 2019 financial year of \$10.6 million, based on the actual 2019 profit which was higher than the estimated profit as a result of the gain on the share sale of Advara Ltd and lower expenditure.

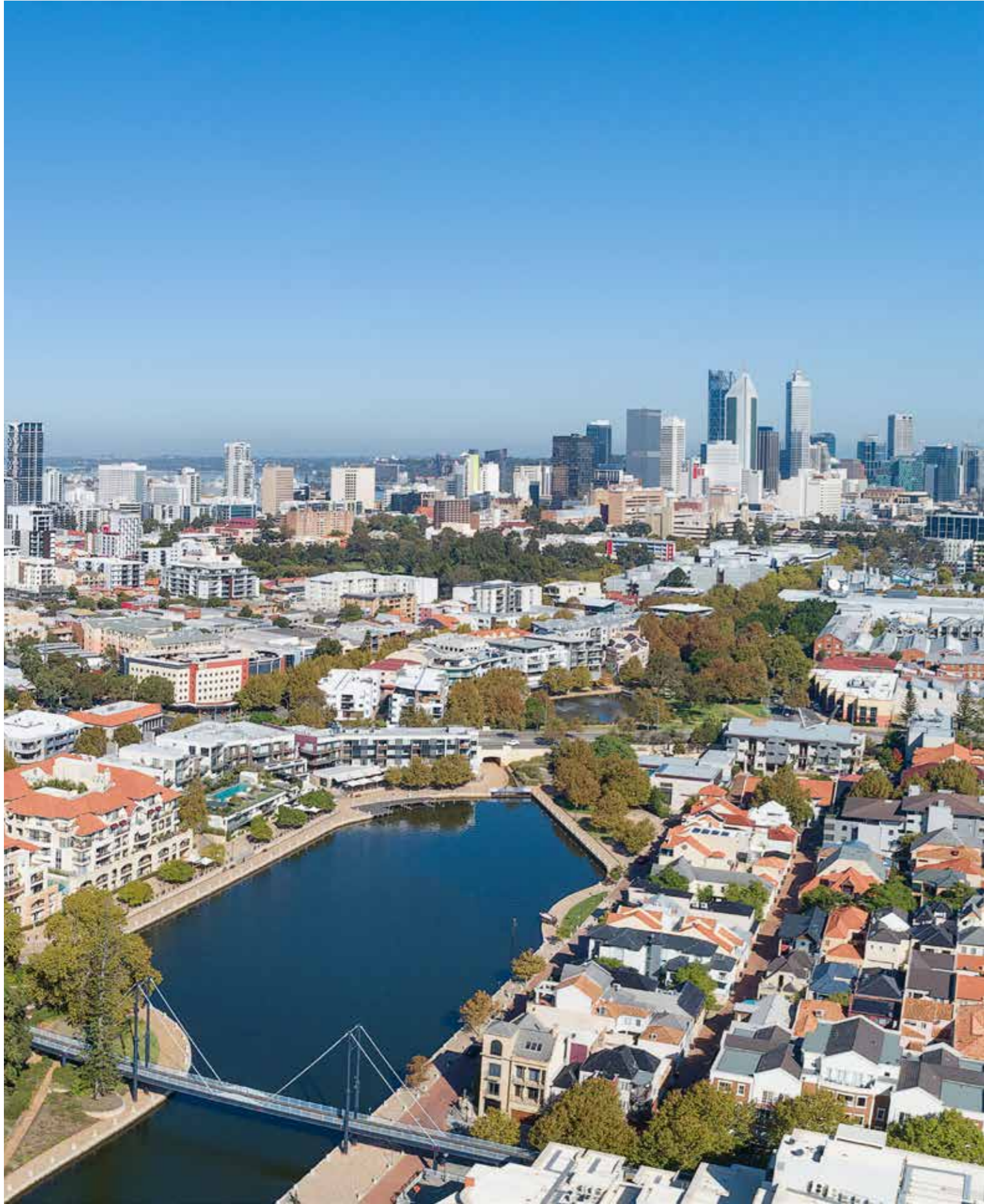
#### Major Actual (2020) and Comparative (2019) Variance Narratives

- R As a result of the Partial Commercialisation arrangement, the provision of services reflects the Authority's revenue net of the payment of a service fee to LSWA for in-scope revenue streams of the CSA. The Partial Commercialisation arrangement commenced on 22 October 2019, hence the variation when comparing actual results in 2020 to 2019.
- The provision of services reflects revenue from land titling and valuation services. Document registration activity was 1.7% higher than 2019 with growth in activity experienced early in the second half of 2020. However, the COVID-19 pandemic and subsequent State-wide restrictions on home opens and property auctions saw activity decline towards the end of the first quarter of 2020. In May 2020 the Federal and State Government introduced incentives for home buyers/renovators and eased social restrictions which saw an upward trend in activity towards the latter part of the financial year. Valuation services revenue was also higher than 2019 due to 2020 being the third and final year of the triennial program where all revenue for the triennium is recognised under AASB 15 *Revenue from Contracts with Customers*.
- S Sale of land information, data and imagery was lower than 2019 as a result of some products and services including consultancy experiencing low levels of activity.
- T GST receipts on sales and GST payments to taxation authority were higher than 2019 as a result of the receipt of GST on the \$1.41 billion proceeds from the Partial Commercialisation transaction, which occurred on 22 October 2019, and the return of this GST to Government.
- U GST payments on purchases and GST receipts from taxation authority were higher than 2019 due to the payment of GST on the service fees paid to LSWA under the terms of the CSA, and the GST credits arising from these payments being returned by the taxation authority to the Authority. The Partial Commercialisation transaction commenced on 22 October 2019.
- V Other receipts were higher in 2020 as a result of more project related work and rental recoups from LSWA for sub-leased accommodation in the Midland building.
- W Supplies and services payments were lower in 2020 as a result of savings from the separation of the Authority's Master Services Agreement with Advara Ltd, as LSWA has taken responsibility for a portion of this contract under the terms of the Partial Commercialisation arrangement. General under budget expenditure also resulted from sourcing problems due to the COVID-19 pandemic. This resulted in the deferral in implementing new IT related initiatives whilst the agency focused on delivery of services.
- X In 2019 the Authority sold its 11.88% shareholding in PEXA Ltd for \$185.501 million and its 77.78% shareholding in Advara Ltd for \$7.236 million.
- Y As a result of the Partial Commercialisation arrangement the Authority received proceeds of \$1.41 billion, which was returned to Government via both an NTER income tax payment totalling \$423 million and an \$985 million interim dividend, net of transaction costs. The transaction was recognised on 22 October 2019, the date the agreement was entered into and began between the Authority and LSWA.

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements For the year ended 30 June 2020

- Z Payments for the purchase of financial investments was lower than 2019 as a result of a lower value of investments maturing and being reinvested during 2020 when compared to the prior year. A lower value of cash was available for investment as the Authority has committed its cash reserves to the payment of future LSWA service fees under the terms of the CSA.
- AA Drawdowns from amounts receivable for services (Holding account) were higher in 2020 as a result of more funding required to fund asset replacement projects when compared to the prior year as agreed funding parameters with Government.
- AB Capital appropriation receipts in 2020 included Treasury Administered funding for the *Strata Titles Act 1985* reform program and capital contribution for the asset investment program to fund the gap not funded from holding account drawdowns, which was previously funded via agency cash. In 2019 there was no capital appropriation funding as the agency funded this gap via agency cash. As the Authority has entered into a Partial Commercialisation arrangement the agency's cash is committed to pay a service fee to LSWA under the terms of the agreement.
- AC Income tax equivalents payments were significantly higher in 2020 as a result of the receipt of \$1.41 billion in proceeds from the Partial Commercialisation transaction, which was returned to Government via the payment of a National Tax Equivalent Regime income tax payment of \$423 million and an interim dividend of \$985 million, net of transaction costs.
- AD Income tax equivalents refund in 2020 was higher than 2019 as a result of the overpayment of income tax equivalents in 2019, which was refunded to the Authority in 2020. There was no tax refund received during 2019.
- AE Dividends paid to the consolidated account were higher in 2020 as a result of the receipt of \$1.41 billion in proceeds from the Partial Commercialisation transaction, which was returned to Government via the payment of a National Tax Equivalent Regime income tax payment of \$423 million and the remainder, net of \$2 million in transaction costs, as an interim dividend of \$985 million. The remainder of the dividend payment relates to the final dividend paid for the 2019 financial year of \$10.6 million, based on the actual 2019 profit including the gain on the share sale of Advara Ltd. The dividend paid during 2019 included the return of the proceeds from the share sale of the Authority's holdings in PEXA Ltd as an interim dividend and the balance as an income tax payment.



## Detailed key performance indicators

### Certification of key performance indicators

In the opinion of the Board, Western Australian Land Information Authority, the accompanying key performance indicators:

- are based on proper records
- are relevant and appropriate for assisting users to assess the Authority's performance
- fairly represent the performance of the Authority for the financial year ended 30 June 2020.

**Robert Cole**

**Chair**

Board  
Western Australia Land Information Authority  
5 October 2020

**Graeme Gammie**

**Chief Executive**

Member, Board  
Western Australia Land Information Authority  
5 October 2020



# Western Australian Land Information Authority Outcome Based Management Framework

for the year ended 30 June 2020

## 1. The OBM Relationship to Government Goals

The following table illustrates the relationship between the Authority's services, the desired outcomes and the relevant Government Goal. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Refer to the Outcome Based Management framework section of the Annual Report for further details.

Government Goal	Outcomes	Services
<b>Sustainable Finances:</b> Responsible financial management and better service delivery.	<b>Outcome 1</b> The State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land.  <b>Key Effectiveness Indicators:</b> 1. The land titles register is updated and maintained in a timely and accurate manner. 2. The extent to which the currency and relevance of the Land Information Databases meet the needs of the Western Australian community.	<b>Service 1: Land Administration</b> A land administration service that provides a land information base, certainty of ownership and other interests in land.  <b>Key Efficiency Indicator:</b> 1. Average cost of maintaining a land information base, certainty of ownership and other interests in land, per Certificate of Title
	<b>Outcome 2</b> Independent valuations support government's collection of rates and taxes and management of property assets.  <b>Key Effectiveness Indicators:</b> 1. International standards for accuracy and uniformity of rating and taxing values are met. 2. Adjustments of rating and taxing values as a result of Objections and Appeals as a percentage of total values in force.	<b>Service 2: Valuations</b> An impartial valuation service.  <b>Key Efficiency Indicator:</b> 1. Average cost per valuation
<b>Future Jobs and Skills:</b> Grow and diversify the economy, create jobs and support skills development.	<b>Outcome 3</b> Coordinated capture and access to the State's location information.  <b>Key Effectiveness Indicator:</b> 1. Overall satisfaction with the capture of, access to and useability of Government Location Information.	<b>Service 3: Access to Government Location Information</b> Effective access to land and location information can be demonstrated by improved data capture, access and useability of location information.  <b>Key Efficiency Indicator:</b> 1. Average cost of maintaining and providing access to land and location datasets, per SLIP dataset.

## 2. Key Effectiveness Indicators for Outcome 1

<b>Outcome: 1</b>	The State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land.
<b>Key Effectiveness Indicator 1</b>	The land titles register is updated and maintained in a timely and accurate manner.

Measures	Actual 2018-19	Target 2019-20	Actual 2019-20
<b>Timeliness</b> Simple and correct documents are registered within two working days of lodgment.	84.96%	80.00%	81.69%
<b>Accuracy</b> The number of adjusted Certificates of Title arising from identified errors as a percentage of the total Certificates of Title on the land titles register.	0.1227%	≤1.00%	0.1083%

### 2.1 Why is this a key indicator of our performance?

One of Landgate's primary purposes is to ensure and maintain the certainty of ownership and other interests in land through the integrity of its land titles register. Measuring the timeliness and accuracy of service delivery pertaining to land titles transactions provide a reflection of the agency's performance.

Documents are lodged by customers, requiring updates to relevant Certificates of Title in the register. In addition, these updates may identify errors that require rectification to the Certificates of Title. The required changes should be processed in a timely, accurate manner, and both elements are calculated in the two measures provided.

### 2.2 How were these indicators derived?

The indicators provide a combined view of both automated and manual document lodgment transaction processes, defined by the following:

#### 2.2.1 Timeliness

- a) Simple and correct documents represent any combination of the following forms that have been submitted with all required information completed, and are not subject to any dealings:
  - i. Discharges of Mortgage,
  - ii. Transfers,
  - iii. Mortgages,
  - iv. Caveats, and
  - v. Withdrawal of Caveats
- b) Registration of a document is a formal change to the land titles register, with relevant adjustments made to a Certificate of Title.

#### 2.2.2 Accuracy

- a) Identified errors<sup>1</sup> include errors that are reported and/or discovered during an investigation process that may require a change to a Certificate of Title.
- b) Service performance is monitored by tracking the number of Certificates of Title adjusted due to identified errors. This provides the agency with an overall view of the customers impacted by the changes applied to the land titles register.
- c) As the land titles register is a live system, the total number of Certificates of Title is extracted as nearest to close of business, 30 June annually.

<sup>1</sup> Errors within the WA land register are intended as an indication only. What is viewed as an error can be subjective.

### 2.3 What do the indicators show?

1. **Timeliness** – Landgate has continued to exceed the KPI of 80% of simple and correct dealings registered within 2 days. This KPI is measured across both electronically lodged and paper lodged documents and is an average across both channels. The continued focus on increasing the amount of dealings, which can be lodged electronically supports the achievement of this outcome.
2. **Accuracy** – As at 30 June 2020, 1,474,628 Certificates of Titles were held in the West Australian Land Titles Register, with 1,597 Certificates of Title adjusted due to identified errors. This resulted in a rate of correction of 0.1083% for FY2019-20. Landgate's accuracy remains well within the annual target of 1%. Internal automation and lower market activity combined with effective training and updated procedure guides has underpinned the FY2019-20 result.

## 3. Key Effectiveness Indicator 2 for Outcome 1

<b>Outcome 1</b>	The State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land.
<b>Key Effectiveness Indicator 2</b>	The extent to which the currency and relevance of the Land Information Databases meet the needs of the Western Australian community.

Measures	Actual 2018-19	Target 2019-20	Actual 2019-20
<b>Topography</b> Completion rate of the annual topographic maintenance plan.	70.72%	95.00%	99.44%
<b>Names and Addressing</b> Completion rate of names and addressing jobs delivered within 10 business days.	88.46%	80.00%	92.38%
<b>Property Boundaries</b> Completion rate of property boundary related jobs within the agreed benchmarks.	94.40%	98.20%	96.30%

### 3.1 Why is this a key indicator of our performance?

Landgate maintains its strategic land information datasets, so that they are fit for purpose, match the level of land related activity and change through cyclical and targeted data maintenance. Currency and relevance relate to how well the data is kept up to date and the support given to requests for new and updated land information received. As the maintenance is needs-based, the achievement of set targets reflects, the extent to which these user needs are met, and therefore it is an indicator of effectiveness.

### 3.2 How were the indicators derived?

FY2019-20 indicators are derived from core land information databases that describe and record the location and physical attributes of the State's land and location data. The currency of the information provides a measure of Landgate's effectiveness in responding to land development and social changes.

#### 3.2.1 Topography

The maintenance plan captures and updates topographic data for metropolitan Western Australia on an annual basis. Bunbury, Geraldton, Albany as well as Busselton-Dunsborough are updated biennially. Topographic data maintenance is scheduled based on government priorities and previous identified changes because of building development. Through the CaptureWA program aerial imagery is collected, scans are undertaken, anomalies are analysed, and topographic data updated for these locations.

#### 3.2.2 Names and Addressing

This database is updated in response to land development requirements submitted by local government areas (LGAs). Working closely with LGAs, naming approvals are completed in line with the geographic naming policy. Landgate ensures, it delivers a timely service by benchmarking and communicating the complexity of requests that are being received.

Most requests received are of simple to medium complexity with a completion benchmark of ten working days. Complex requests require additional time and resources to complete but comprise a minority of the requests received.

#### 3.2.3 Property Boundaries

Data accuracy for property boundaries is continuously improved in response to market activity in the land development process. Changes to data are captured and updated in the relevant databases, ensuring certainty of ownership in land is maintained. The indicator provided is derived from the following combination of property boundary activities:

- a) Update lodgement of layers is an automatic process that contributes to the accuracy of geographic positioning in the database. However, manual update lodgement may be required to rectify systemic anomalies. Timeliness in performing this manual action is maintained by measuring against a benchmark of five business days on 99% of jobs;
- b) Integration of lodged layers are also triggered and completed automatically, however system failures may occur due to data conflicts. In this case and with all manually lodged layers, manual integration is required to update the database. Timeliness in performing this manual action is managed by measuring against a benchmark of five business days on 99% of jobs;
- c) Linking surveys to the control network on Landgate's Spatial Cadastral Database (SCDB) increase location data accuracy, and therefore, supports certainty of ownership. Timeliness in performing this action is managed by measuring against a benchmark of five business days on 90% of jobs; and
- d) Resolution of anomalies are conducted to ensure spatial and tenure data remain accurate in Landgate's systems. All reported and identified standard anomalies are rectified within five business days to maintain accuracy of Landgate's databases.

Each of the above define the minimum requirements to maintain the land information base and deliver the levels of accuracy, currency and completeness expected by users of the data.

### 3.3 What do the indicators show?

The indicators show how well Landgate has maintained its topographic, names, addressing, and property boundary information overall. They represent averages measured via achievements against benchmarks for each of the core databases. These benchmarks are gauged on Landgate's capacity to satisfy the expected levels of data maintenance and user community requests for new information as well as maintain cyclical revision programs.

#### 3.3.1 Topography

The Topographic Maintenance figure of 99.44% has exceeded the programmed annual completion target of 95% of the 2018-20 work plan. This includes 99.33% completion of the Perth metropolitan area for FY2019-20 and 100% completion of the biennial revision of the major regional centres for 2018-2020. A new methodology for job creation and allocation, together with a revised feature list has contributed to the overall outcome.

### 3.3.2 Names and Addressing

For FY2019-20 the overall score exceeded the annual target of 80.00%, with 467 of the 551 requests received for naming approvals completed within ten business days and 21,129 or 100.00% of the requests received for new and/or revisions to addresses completed within the same benchmark.

High performance in addressing (100.00% within target turnaround time) brought up the combined performance for this outcome, with the final combined performance achieving 92.38% for FY2019-20.

### 3.3.3 Property Boundaries

This combined measure reflects the annual performance of 96.30% against the target of 98.20% as at the end of June 2020. The key reasons for the variance between actual performance and target performance are:

#### a) Update Lodged

The manual update of lodgement layers continued to consistently track slightly below its target of 99.00% with a YTD score of 98.90%. This job has been given the highest weighting as it is critical in supporting the land development process and meeting customer needs as it enables issue of new titles. The result is mainly attributable to system functionality of the New Land Registry (NLR) which continues to require manual updates of lodgement layers.

#### b) Integration

The manual update of integration lodged layers continued to consistently track slightly below its target of 99.00% resulting in a YTD score of 98.90% as at the end of June 2020.

The result is mainly attributable to system functionality of the New Land Registry (NLR) which continues to require manual integration of lodged layers.

#### c) Control Network

Linking surveys to the control network has scored above its target of 90.00%, with a YTD score of 91.60% of jobs being completed within less than five (5) business days.

#### d) Anomalies

The resolution of reported anomalies within five (5) business days has not met the target of 100.00%, performing at 80.50% as at the end of June 2020, the highest result in the past 24 months. Generally, anomalies exceeding the five-business day turnaround benchmark are due to the inherent complexity and requirement for more investigation and cross-agency follow-up. The scoring is consistent with performance in FY2018-19.

## 4. Key Efficiency Indicator for Service 1

<b>Service 1</b>	<b>Land Administration</b>
	A land administration service that provides a land information base, certainty of ownership and other interests in land.

Measures	Actual 2018-19	Target 2019-20	Actual 2019-20
Average cost of maintaining a land information base, certainty of ownership and other interests in land, per Certificate of Title.	\$53.44	\$57.80	\$51.69

## 4.1 Why is this a key indicator of our performance?

The land administration service delivered by Landgate includes a wide range of activities associated with capturing, maintaining and delivering land and location data, with the primary purpose of ensuring that ownership and interests in land are preserved. The final outputs of the service result in an up-to-date and accurate land titles register capable of producing a Certificate of Title when and as required.

The indicator provides a measure of the full cost of maintaining land titles, including the range of interests, boundaries and ownership relevant to that land. This is a clear indicator of the efficiency, with which the land registration system and service is maintained.

## 4.2 How was the indicator derived?

The average cost refers to the total cost of land administration service per Certificate of Title. The number of Certificates of Title is derived from a live register that records Crown and Freehold land titles for the State of Western Australia. As the register is live, the total number of Certificates of Title is extracted as nearest to close of business, 30 June annually.

The cost of land administration services includes all direct costs and an appropriate share of indirect and overhead recurrent costs.

## 4.3 What does the indicator show?

The average cost of maintaining a land information base, certainty of ownership and other interests in land, expressed as a dollar value per Certificate of Title. The final cost of maintaining a land information base for FY2019-20 was \$51.69 per Certificate of Title. The average cost was \$6.11 lower than the target of \$57.80 and the number of Certificates of Title at the end of the year was 1,474,628, slightly below the budget estimate of 1,481,143.

The strong performance was due to full year expenditure for Land Administration services being \$76.2m, \$9.4m less than the FY2019-20 target of \$85.6m.

## 5. Key Effectiveness Indicator 1 of 2 For Outcome 2

<b>Outcome 2</b>	Independent valuations support government's collection of rates and taxes and management of property assets.
<b>Key Effectiveness Indicator 1</b>	International standards for accuracy and uniformity of rating and taxing values are met.

Measures	Actual 2017-18	Actual 2018-19	Target 2019-20	Actual 2019-20
<b>Benchmark against international standards for accuracy using Median Ratio Test:</b>				
Gross Rental Value	91.40%	91.92%	>92.50%	92.17%
Unimproved Value	91.67%	90.67%	>92.50%	90.91%
<b>Coefficient of dispersion to check uniformity of values:</b>				
Gross Rental Value	4.33%	4.21%	<7.00%	4.22%
Unimproved Value	7.68%	6.92%	<15.00%	5.68%

## 5.1 Why is this a key indicator of our performance?

State and local governments rely on impartial, uniform, and accurate property values as a base for levying rates and taxes. Therefore, measuring the uniformity and accuracy of valuations provides a useful indicator of our contribution to their effectiveness in meeting this outcome.

## 5.2 How was this indicator derived?

The uniformity and accuracy of Unimproved Values are checked against international ratio standards published by the International Association of Assessing Officers (IAAO) in their 'Standard on Ratio Studies'. Coefficient of Dispersion (COD) and the Median Value Price Ratio (MPR) tests are the key standards. These are used extensively in both Australia and New Zealand. Both were adopted as ideal indicators suited to Western Australia. Gross Rental Values are compared against our own standards along similar lines to the IAAO land value standards.

In relation to the MPR, the IAAO Standards state that "the overall level of appraisal for a jurisdiction... for vacant land... should be between 90 percent and 110 percent", and that the "Coefficient of Dispersion (COD) for vacant land should be 20 percent or less". In larger urban jurisdictions dealing with uniform land releases and availability of sales, the COD should be <15.00%.

For Unimproved Values, the Valuer General of Western Australia has set an MPR standard of >92.50% and a COD of <15.00%.

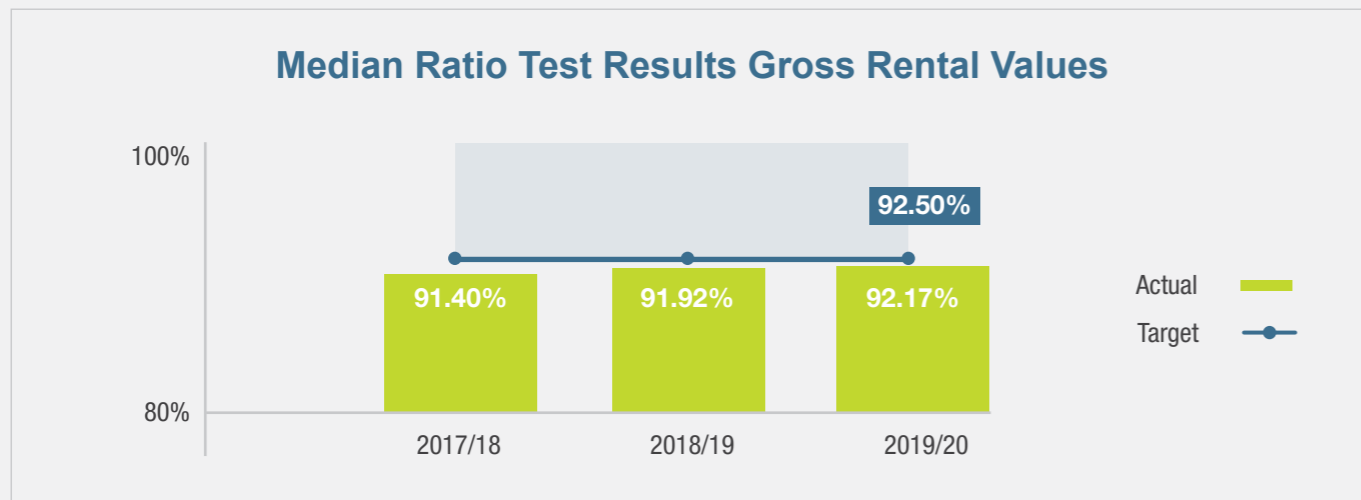
While there is currently no international standard for Gross Rental Values, the Valuer General has adopted the same accuracy and uniformity measures applying to Unimproved Values but with a tighter COD target of <7.00%.

The quality of the outcome is reflected in the extent to which the results exceed the minimum targets.

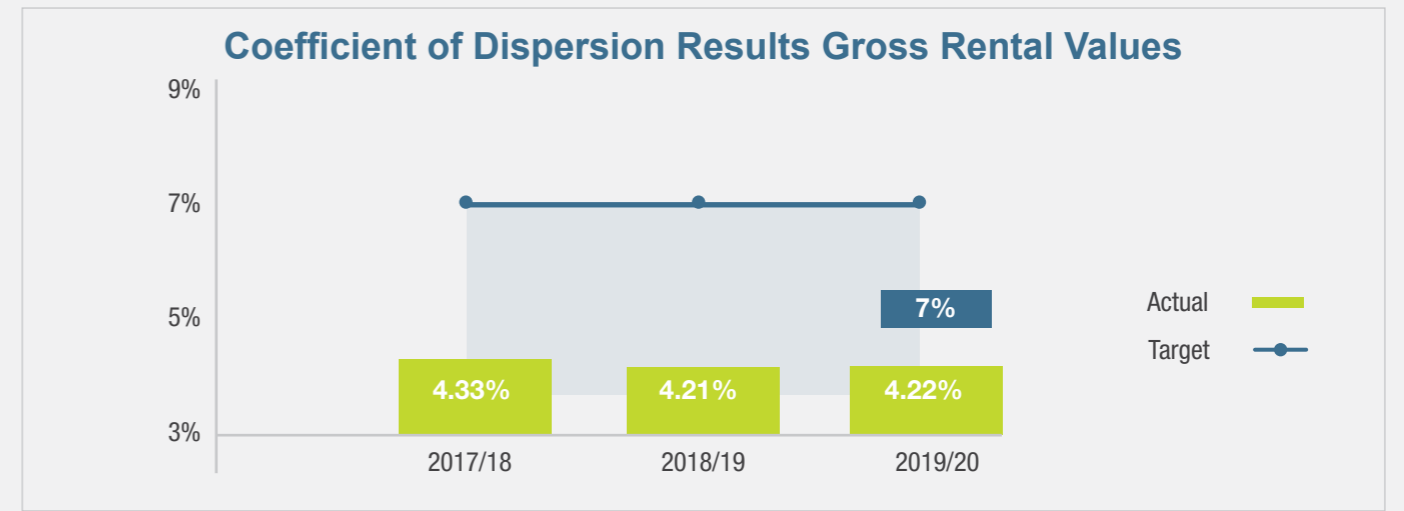
## 5.3 What do the indicators show?

For gross rental values the outcomes show the following:

The MPR for GRV shows 92.17% against a target of >92.50% measured from a sample size of 15,208 key rents. The general valuation program comprised of 30 metropolitan local governments. Whilst the outcome is under the target, given the soft rental market that has existed for an extended period including during the relevant regulation period of 1 June 2018 to 30 September 2018, the result is satisfactory within the normal range of fluctuations from year to year. The outcome reflects valuers taking a slightly conservative view in determining valuations which typically occurs in a falling market.

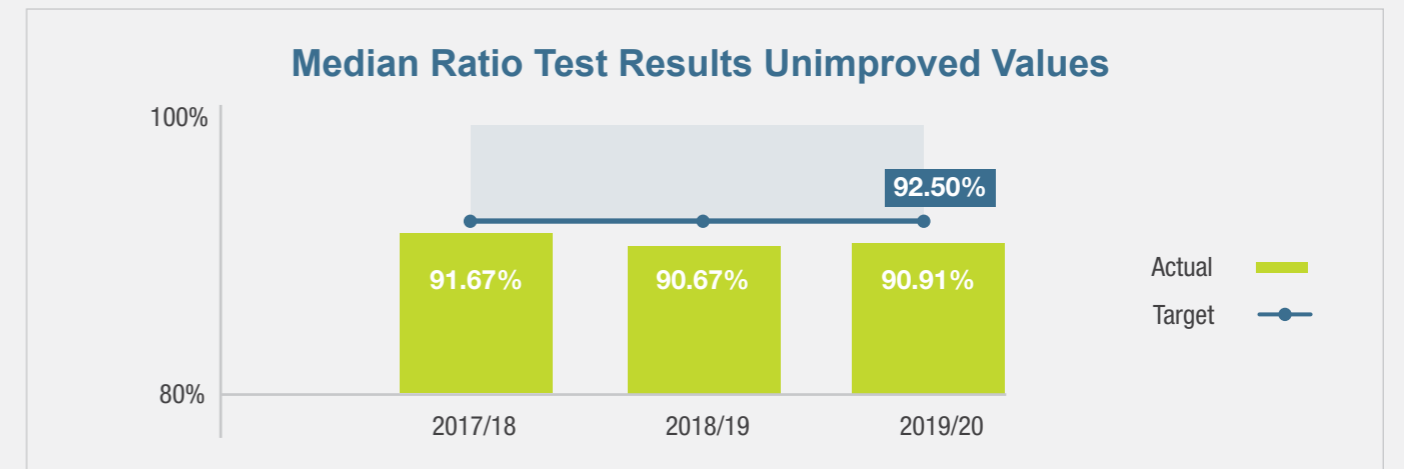


The COD of 4.22% meets the requirement of <7.00% as a measure of valuation uniformity and is towards the lower end of results achieved over the last 3 years.

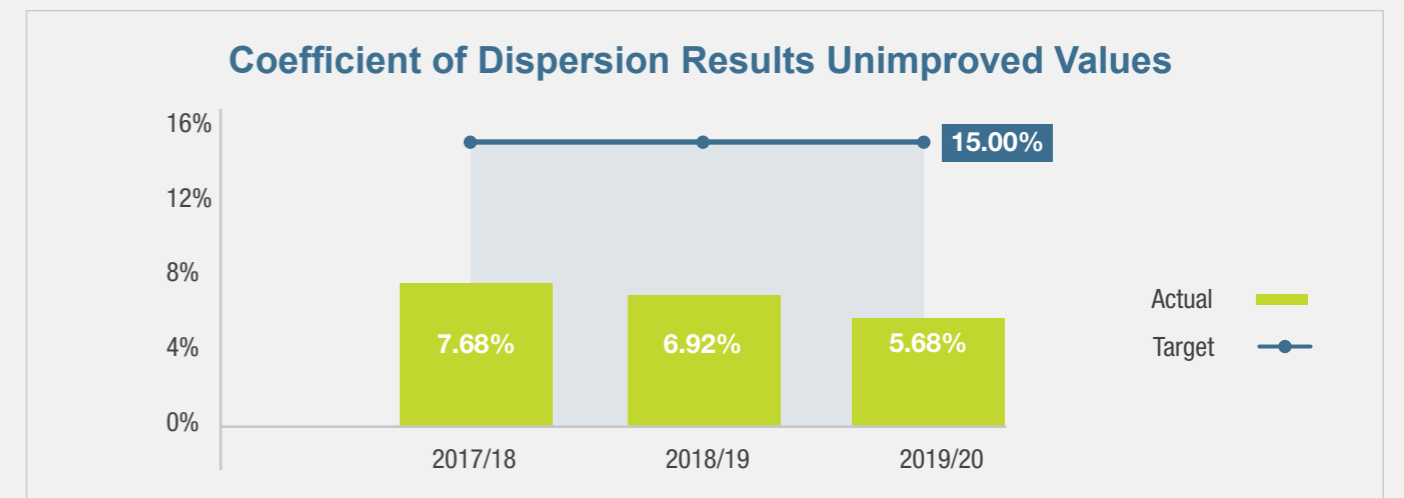


For unimproved values, the outcomes show the following:

The MPR of 90.91% is below the target of >92.5%. The degree, with which it falls below target, reflects the caution in the assessment process caused by continued softness in the land market with falls recorded in many areas. It is above the result reported last year and within the normal range of fluctuations from year to year. The MPR was determined on a statistical analysis, which compared assessed values as at the date of valuation being 1 August 2019 with sales occurring between 1 June 2019 and 31 August 2019.



The COD at 5.68% is well under the standard of <15% and within the range of results over the past 3 years. The COD is a measure of divergence between the assessed land values and selling prices, and this result is indicative of a continuing soft property market.



The overall Unimproved Value and Gross Rental Value results show a satisfactory outcome.

## 6. Key Effectiveness Indicator 2 For Outcome 2

<b>Outcome 2</b>	Independent valuations support government's collection of rates and taxes and management of property assets.
<b>Key Effectiveness Indicator 2</b>	Adjustments of rating and taxing values as a result of Objections and Appeals as a percentage of total values in force.

Measures	Actual 2017-18	Actual 2018-19	Target 2019-20	Actual 2019-20
Adjustments of rating and taxing values as a result of Objections and Appeals as a percentage of total values in force.	0.019%	0.015%	<0.20%	0.019%

### 6.1 Why is this a key indicator of our performance?

The percentage of values amended because of owners exercising their right to challenge values is a reasonable measure of the integrity and fairness of the values contained in Valuation Rolls.

### 6.2 How was this indicator derived?

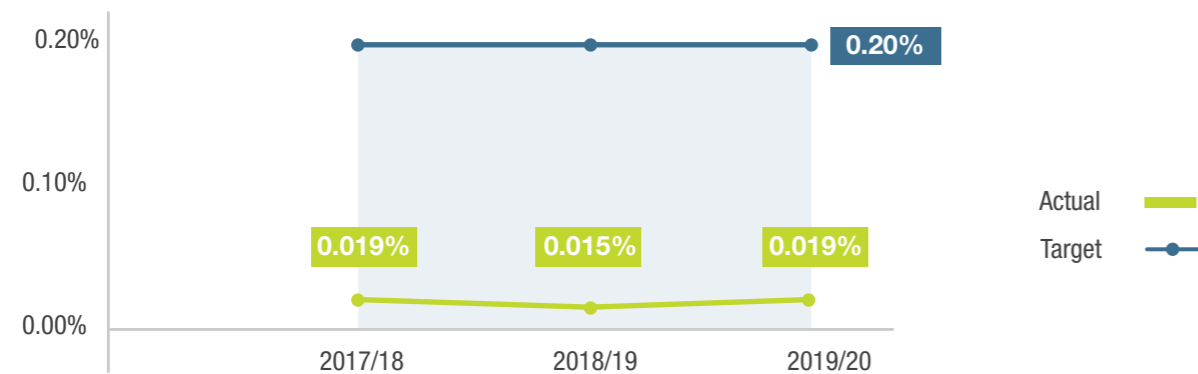
The figure is derived by dividing the number of values that have been amended as a result of an objection or appeal by the total number of rating and taxing values in force.

### 6.3 What does the indicator show?

As at 30 June 2020, there were 2,395,467 values in force in Western Australia. During the year 463 of these were amended as a result of formal objections determined by the Valuer-General or review of valuations by the State Administrative Tribunal. This indicates that only one in every 5,174 values was amended. The outcome of 0.019% remains well below the target, which was derived from an international standard and is similar to previous outcomes.

The result is slightly higher than that achieved in 2018/19 and lower than 2017/18. It demonstrates the effectiveness of the valuation process for rating and taxing in Western Australia and its general acceptance by ratepayers.

**Adjustments of Rating and Taxing from Objections and Appeals**



## 7. Key Efficiency Indicator for Service 2

<b>Service 2</b>	<b>Valuations</b> An impartial valuation service
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Measures	Actual 2017-18	Actual 2018-19	Target 2019-20	Actual 2019-20
Average cost per valuation	\$23.65	\$19.47	\$13.40	\$13.06

### 7.1 Why is this a key indicator of our performance?

The number of valuations made and the average cost per valuation provide a reliable measure of overall performance against forecast targets and previous years' outcomes. Some variation does occur from year to year due to the cyclical nature of gross rental valuation (GRV) based general valuations.

### 7.2 How was this indicator derived?

Cost per valuation refers to the total cost per value of unimproved and gross rental values including general valuations, interim valuations, objections, appeals and queries made during the financial year, and other valuations including stamp duty, market, and asset valuations, and property related valuation consultancy services.

The total cost includes all direct costs and an appropriate share of indirect and overhead recurrent costs.

### 7.3 What does the indicator show?

During FY2019-20 a total of 2,146,450 valuations were made at an overall program cost of \$28.04m or \$13.06 per value. This is significantly less than the cost per value in 2018-19 and is slightly under budget with total expenses \$1.46m below the budget of \$29.5m. The variation from year to year reflects the cyclical nature of the GRV work program, with 2019-20 being the year in which the metropolitan GRVs were determined.

## 8. Key Effectiveness Indicator for Outcome 3

<b>Outcome 3</b>	Coordinated capture and access to the State's location information.
<b>Key Effectiveness Indicator</b>	Overall satisfaction with the capture of, access to and useability of Government Location Information.

Measures	Actual 2017-18	Actual 2018-19	Target 2019-20	Actual 2019-20
Overall satisfaction with the capture of, access to and useability of Government Location Information.	75%	76%	80%	84%

### 8.1 Why is this a key indicator of our performance?

Key Effective Indicators for Outcome 3 is measured by undertaking a survey, which measures the overall satisfaction with the capture of, and access to, government location information.

The Shared Location Information Platform (SLIP) and Capture WA program enable the WA public sector to avoid duplication of costs in the capture, management and sharing of location-based data and information. Stakeholders using these services from across the public and private sectors are surveyed annually to understand, how satisfied they are with the access to and capture of location data.

## 8.2 How was this indicator derived?

Annually, Landgate conducts an independent online survey targeted at users and contributors of SLIP and participants in the Capture WA program.

The survey was conducted over three weeks, from 26 May to 18 June 2020. A response rate of 8% was achieved by contacting 4,954 stakeholders via an initial email invitation, of which 390 completed the survey. The maximum margin of error on this sample size is +/- 4.76% at the 95% confidence interval.

## 8.3 What does the indicator show?

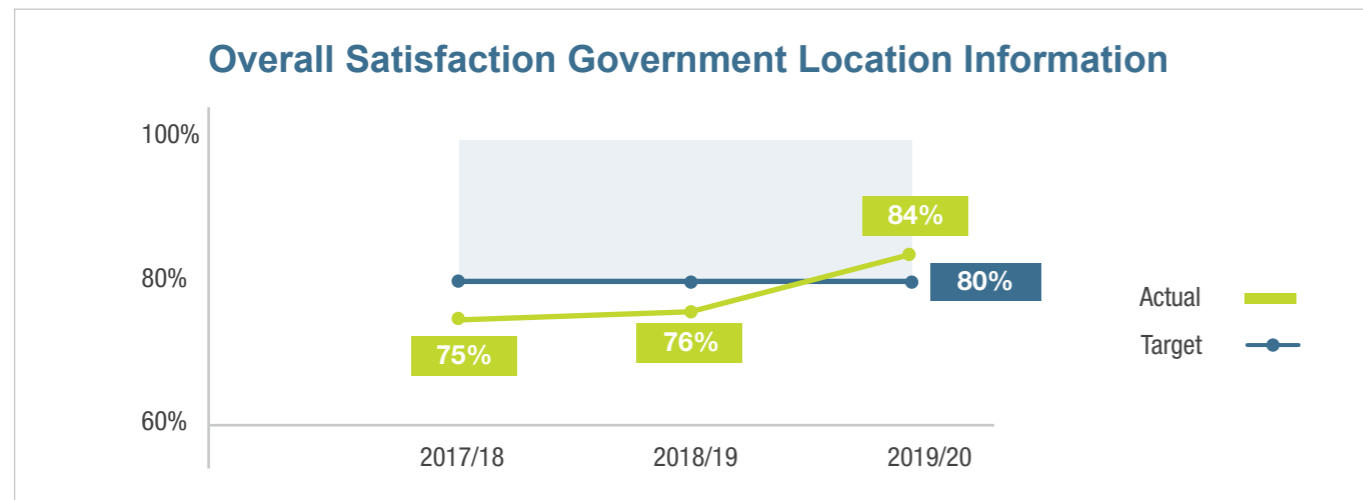
The overall weighted satisfaction for access to and capture of location data results for FY2019-20 was 84%. This exceeds the 80% target and is an 8% improvement compared to the FY2018-19 survey results.

Of the responses received, 45% of stakeholders were extremely satisfied (rated 8 or higher out of 10), and another 39% were satisfied (rated 6 or 7) with both access to and capture of location data.

Increases in overall satisfaction ratings can be attributed to improvements for both SLIP and Capture WA customers.

Feedback provided for SLIP indicates that ease of accessibility to an increase in discoverable data as well as a more stable service have been the main contributors to this growth.

Capture WA feedback suggests that the greater satisfaction can be attributed to the introduction of the whole of state satellite imagery service and higher participation from local government being satisfied with the capture efforts.



## 9. Key Efficiency Indicator for Service 3

### Service 3

### Access to Government Location Information

Effective access to land and location information can be demonstrated by improved data capture, access and useability of location information

Measures	Actual 2018-19	Target 2019-20	Actual 2019-20
Average cost of maintaining and providing access to land and location datasets, per SLIP dataset.	\$1,860	\$1,673	\$1,545

### 9.1 Why is this a key indicator of our performance?

The Shared Location Information Platform (SLIP) and Capture WA program enable the WA public sector to avoid duplication of costs in the capture, management and sharing of location-based data and information.

This indicator is the average cost of capturing, managing and sharing this data and information.

### 9.2 How was the indicator derived?

The average cost per dataset refers to the combined resource and infrastructure costs of coordinating and managing SLIP, the Capture WA program, and support for those customers. The total cost includes all direct costs and an appropriate share of indirect and overhead recurrent costs.

The cost per SLIP dataset is simply the determined total cost divided by the number of SLIP datasets at 30 June 2020.

### 9.3 What does the indicator show?

As at 30 June 2020, the total number of SLIP Datasets available totalled 5,042, a 5% increase for the financial year, and 258 less than the original target of 5,300. The total number of datasets, as provided by data custodians, has changed to meet their business needs.

The total expenses allocated to Service 3 is \$7,790k, \$1,077k under the anticipated budget of \$8,867k. The outcome is an average result of \$1,545 per SLIP dataset, \$128 lower than the target of \$1,673.



## Governance disclosures

### Potential conflicts of interest

#### Act of grace payments

Under the *Land Information Authority Act 2006*, Landgate may make an ex-gratia payment (also known as an act of grace payment) at discretion. Such payments are made in circumstances where it would be morally appropriate but there is no legal liability and not a specific legal requirement for Landgate to provide financial compensation for loss or justice.

Landgate made one act of grace payment in 2019/20 of \$1,606 to reimburse the cost incurred due to a strata plan re-allocation error.

#### Purchasing card expenditure

Five Landgate cardholders inadvertently used the corporate purchasing card for personal use during 2019/20. These transactions were immediately acknowledged voluntarily by the cardholders concerned, and moneys have been refunded.

#### Personal Usage of Purchasing Cards

Number of instances the WA Government Purchasing card has been used for personal purpose	5
Total value of personal expenditure for 2019/20	\$968.25
How much owing but not due	\$0
How much was repaid before the due date	\$968.25
How much was repaid after the due date	\$0
How much was still owing at 30 June 2020	\$0
Number of referrals for disciplinary action instigated during the reporting period	Nil

## Government policy requirements

### Substantive equality and diversity outcomes

#### Diversity progress report – representation

In accordance with the *Equal Opportunities Act 1984*, Landgate demonstrates commitment to equal opportunity principles and recognises that all people, regardless of age, cultural background, disability and gender, possess qualifications, skills, experience and attitudes valuable to our authority.

#### Landgate’s women in management

Women in management	Landgate representation (%)	
	2019/20	2018/19
Distribution (equity index)	90	90
Management tier 1	0	0
Management tier 2	60	20
Management tier 3	63	86
Management tier 2 & 3 combined	62	58



The following information represents diversity of Landgate employees against other state sectors.

The equity index measures the extent to which members of the main diversity groups are distributed across salary levels. An ideal measure is 100. Under-participation of any group or clustering of a diversity group in lower salary ranges will result in a measure of less than 100. Over-representation or clustering of a diversity group in higher salary ranges will result in a measure of more than 100.

### Landgate's workforce diversity

Diversity Group	Landgate representation (%) 2019/20	Landgate representation (%) 2018/19	Equity Index 2019/20	Equity Index 2018/19
People from culturally diverse backgrounds	20	18	99	81
Indigenous Australians	2	2	46	36
People with disability	4	3	76	74
Youth (<25)	4	3	32	28

Note: as the responses (other than for youth) rely on voluntary self-nomination, it is likely the data under-represents these diversity groups at Landgate.

### Compliance with occupational safety, health and injury management

#### Required by Public Sector Commissioner's Circular 2018-03 – Code of Practice: Occupational Safety and Health in the Western Australian Public Sector

Landgate is committed to providing and maintaining healthy environments for workers and visitors through development and implementation of effective safety, wellness and injury management systems.

This commitment is articulated within our OSH, Wellness and Injury Management Policy.

Landgate is committed to ensuring a safe and healthy workplace for all employees, contractors and visitors by:

- ensuring its responsible officers understand and accept their responsibilities under work health and safety laws
- acknowledging and accepting a shared responsibility for the safety, health and wellness of all those who engage with Landgate including our people, our customers and our community
- maintaining high standards by nurturing continuous improvement in workplace safety, health, wellness and culture in order to prevent work related illness and injury
- enabling and promoting a consultative environment to proactively resolve issues, develop, implement and monitor safety management systems
- providing and maintaining workplaces and systems of work so, as far as practicable, people are not exposed to hazards
- providing appropriate training and development to equip workers with the knowledge and skills required to carry out their duties in a safe manner
- providing appropriate financial, physical and human resources to achieve OSH, wellness and injury management tasks and outcomes.

### Supporting performance-based measures and targets in order to monitor and continuously improve safety conditions.

The General Manager of Corporate Services leads the OSH committee. OSH committee minutes and safety performance indicators are reported, reviewed and discussed monthly at the Corporate Executive and Board level.

At the heart of Landgate's safety strategy lies our OSH representatives and committee.

Our team of nine elected OSH representatives from across all locations, business units and areas of unique risk are available to consult, advocate and provide information for our people. They also conduct regular workplace inspections, provide a central point for reporting and investigating hazards and incidents, are trained and offer an ergonomic assessment and advisory service. Their details are displayed throughout the workplace and are available on the staff intranet.

OSH representatives join eight of our key senior managers, business unit and subject matter advisors at six-weekly meetings of the OSH committee. The committee provides a forum for discussion and development of safety programs, monitoring safety performance, resolving safety issues and exploring emergent practices and technology. OSH committee minutes are circulated to managers and representative groups and are published on the staff intranet. Managers and OSH representatives are encouraged to discuss these at their team and toolbox meetings.

The evidence on best practice workplace injury management overwhelmingly emphasises the importance of prompt access to treatment, communication between the injured worker, employer and medical practitioners, and continuation or resumption of work at the earliest opportunity.

Landgate offers an injury management system compliant with the *Workers' Compensation and Injury Management Act 1981* and WorkCover WA guidelines.

Workplace-based injury management services are available to all employees who suffer a work-related injury or illness. They are also available where non-work-related injury or illness may impact on or be exacerbated by their work. Return to work and injury management plans are developed and monitored in accordance with the Act and best practice injury management principles.

Regular inspection, external and internal auditing of safety systems and practices forms an integral part of Landgate's efforts to achieve positive health and safety outcomes.

Bi-annual workplace hazard inspections are conducted in conjunction with those periodically performed by OSH representatives, annual legislative and procedural compliance audits and five-yearly safety management system audits conducted in accordance with the code of practice for OSH in the Western Australian public sector and the WorkSafe plan audit tool. 100 per cent of all actions agreed to following the May 2016 safety management systems audit were resolved by August 2017. A further audit commenced in June 2020, due for completion by August 2020 with the aim of WorkSafe certification.





The following table shows our OSH performance in 2019/20.

Measures	Results 2017/18	Results 2018/19	Results 2019/20	Targets	Comments towards targets
Number of fatalities	0	0	0	0	Target met
Lost time injury and disease incidence rate	0.17	0	0.20	≤ 0.16%	Target not met due to a single LTI combined with reduced FTE and consistently positive past performance.
Lost time injury/disease severity rate	0	0	0	0	Target met
Percentage of injured workers returned to work within:				* ≥80%	Targets met
1) 13 weeks	100%	NA	100%		
2) 26 weeks	100%	NA	100%*		
Percentage of managers trained in occupational safety, health and injury management responsibilities, including refresher training within 3 years	32%	82%	76%	Greater than or equal to 80%	Target not met due to recent managerial changes and the impact of COVID-19 on their work and training priorities

## Board and committee overview and remuneration

### Minister

The Minister for Lands has responsibility for Landgate and administering the *Land Information Authority Act 2006* (the Act)

The Minister approves Landgate's budget, strategic direction, strategic initiatives and financial decisions. The Minister tables Landgate's annual report, Statement of Corporate Intent and any directions given to Landgate in Parliament and is accountable to Parliament for Landgate's performance.

### Board

The Board is accountable to the Minister for the performance and the efficient and effective financial management of Landgate. The role and functions of the Board are set out in the Act and the Board is subject to the provisions within the *Statutory Corporations (Liability of Directors) Act 1996*.

The Landgate Board is established under the Act. The Board is responsible for the performance of Landgate's statutory functions and determines its strategic direction. The Board meets at Landgate's Midland office once a month. Meeting dates and arrangements are subject to change to address special requirements.

The Audit and Risk Committee (ARC) is a subcommittee of the Landgate Board, comprising a minimum of three Board members. The committee may invite other participants to its meetings. The primary function of the committee is to assist the Board and Chief Executive to fulfil corporate governance responsibilities.

### Board structure

The Minister appoints the members of the Board, which is to comprise no fewer than four and no more than six persons in addition to the Chief Executive (ex officio member) in accordance with the Act. Board members are required to have the relevant knowledge and experience to enable Landgate's functions under the Act to be performed, and a range of skills and expertise is required including commercial acumen, information technology, strategy development and financial management. The current Board member profiles are published on Landgate's corporate website.

Members are appointed for fixed terms of up to three years and can be reappointed. The Minister designates appointed members to the roles of Chair and Deputy Chair.

## Board remuneration

### Landgate Board

Position	Name	Type of Remuneration	Period of Membership	Gross/actual remuneration
Position	Name	Type of remuneration	Period of membership	Gross/ actual remuneration
Chair	Caroline de Mori*	annual	1/07/19–30/06/20	\$46,254.78
Deputy Chair	Anne Arnold*	annual	1/07/19–30/06/20	\$37,003.46
Member	Claire Poll	annual	1/07/19–31/12/19	\$14,196.69
Member	Monish Paul	annual	1/07/19–30/06/20	\$27,752.92
Member	Ian Callahan*	n/a	1/07/19–30/06/20	\$0.00
Member	Pia Turcinov*	annual	1/01/20–30/06/20	\$13,556.24
Member	Melissa Perry	annual	1/01/20–30/6/20	\$13,556.24
Chief Executive member	Graeme Gammie	n/a	Ex officio, 01/07/19–30/06/20	n/a

\*Also members of the Audit and Risk Committee in 2019/20, chaired by Anne Arnold

### Other committee remuneration

The Geographic Names Committee (GNC) was established by the Minister for Lands in 1936 to advise the Minister on geographical naming issues. The Minister for Lands approves appointments to the GNC to represent diverse points of view, from local communities to professional institutions and Government agencies within Western Australia.

The GNC is served by a Chairperson, Executive Officer, and a Secretariat, provided by Landgate. The GNC is responsible for provision of advice regarding nomenclature needs for geographical features, administrative boundaries, localities and roads. Delegated authority from the Minister enables Landgate to administer formal application processes and maintain the State's nomenclature database, known as GEONOMA (geo = geographic, noma = Latin for names).

GEONOMA is recognised by the Western Australian Government as the single source of truth and official register for all approved named geographic features, administrative boundaries, road names and their positions and extent.

### Geographic names committee

Position	Name	Type of Remuneration	Period of Membership	Total remuneration 19/20
Member	Patricia Mobilia	Nil	1/7/19–30/6/20	\$0.00
Member	Damien Martin	Nil	1/7/19–30/6/20	\$0.00
Member	Paul McCluskey	Nil	1/7/19–30/6/20	\$0.00
Member	Ron Tolliday	Nil	1/7/19–30/6/20	\$0.00
Member	Shaun Coldicutt	Nil	1/7/19–30/6/20	\$0.00
Member	Cliff Winfield	Per meeting	1/7/19–30/6/20	\$160.00
Member	Brooke O'Donnell	Nil	1/7/19–30/6/20	\$0.00
Member	Logan Howlett	Per meeting	1/7/19–30/6/20	\$640.00
Member	John Nicholas	Per meeting	1/7/19–30/6/20	\$320.00
Member	Chris Green	Per meeting	1/7/19–30/6/20	\$480.00
Member	Richard Brooks	Nil	1/7/19–30/6/20	\$0.00
Member	Tom Stephens	Per meeting	1/7/19–30/6/20	\$480.00



## Expenditure on advertising, market research, polling and direct mail

### Advertising and market research expenditure

Requirement under section 175ZE of the *Electoral Act 1907*.

The Western Australian Land Information Authority incurred the following expenditure in advertising, market research, polling, direct mail and media advertising. A significant portion of Landgate's advertising budget was associated with explaining the strata regulations to the community.

<b>Advertising</b>	<b>\$15,932</b>
Initiative Media Australia	\$14,132
Quickmail	\$1,800
<b>Market Research</b>	<b>\$93,210</b>
Painted Dog Research	\$93,210
<b>Direct Mail</b>	<b>Nil</b>
<b>Media Advertising Providers</b>	<b>\$216,671</b>
Carat Australia Media Services	\$165,650
Biteable Pty Ltd	\$409
Fuel Creative	\$5,189
Capt On Hold Mpp	\$2,028
Scamper Design	\$7,745
Identity Perth	\$11,080
State Law Publisher	\$24,570
<b>Polling</b>	<b>Nil</b>

Total expenditure for 2019/20 was **\$325,813**.

## Disability access and inclusion plan outcomes

### Requirement under section 29 of the *Disability Services Act 1993*

Our Disability Access and Inclusion Plan (DAIP) ensures that people with disability, their families and carers can access our services and facilities, providing them with the same opportunities, rights and responsibilities enjoyed by all.

Our plan outlines a suite of strategies against the seven outcomes. Landgate report progress to the Disability Services Commission annually and present this information to employees and the Board. Landgate is updating our plan in 2019/20 and will seek public feedback on any changes. The Landgate DAIP is available on the Authority's website.

The Authority's actions for each of the outcomes are listed below:

#### Outcome 1

People with disability have the same opportunities as other people to access the services of, and any events organised by, the Authority.

- Ensure that all events and activities organised by Landgate are accessible to people with disability.
- Encourage people with disability, who have access or inclusion requirements, to contact us.

#### Outcome 2

People with disability have the same opportunities as other people to access the buildings and other facilities of the Authority.

- Ensure that the Authority's client contact areas are accessible to people with disability.
- Ensure Landgate employees are aware of our facilities and resources available to people (employees and visitors) with disability (e.g. ramps, automatic door openers, toilets).
- Provide wheelchair and hearing-impaired assistance services at the Midland customer centre.

Landgate acquires funds from the Federal Government for workplace modifications to ensure people with disability have equal opportunity to access its facilities and services.

#### Outcome 3

People with disability receive information from the Authority in a format that will enable them to access the information as readily as other people are able to access it.

- Continue to provide ready access to information about Landgate services via various means including face-to-face contact, telephone, teletypewriter (TTY), internet (website and social media) and alternative formats on request.
- Continue to enhance website, improving compliance with the Web Content Accessibility Guidelines 2.0 Level AA.
- Continue to ensure that updates to the Landgate websites meet the needs of people with disability (e.g. video captions and ability to change text size) and incorporating new techniques as they become available.
- Ensure web content authors have the knowledge and skills in creating documents that are accessible to all members of the community.

#### Outcome 4

People with disability receive the same level and quality of service from the staff of the Authority as other people receive from the staff of the Authority.

- Ensure all employees have the knowledge and skills to provide quality services for people with disability.
- Provide information and guidance to management and employees on policies, codes of conduct and strategies that prohibit discrimination, harassment and victimisation of people with disability.

#### Outcome 5

People with disability have the same opportunities as other people to make complaints to a public authority.

- Ensure our existing complaints and feedback mechanisms are accessible for people with disability, and that those systems are reviewed periodically.

#### Outcome 6

People with disability have the same opportunities as other people to participate in any public consultation by the Authority.

- Ensure that public consultations are held in an accessible manner and inclusive of people with disability.
- Provide interpreters and an appropriate level of support to people with disability who are directly involved in any consultation process.
- Commit to ongoing monitoring of our DAIP to ensure implementation and satisfactory outcomes.



## Outcome 7

People with disability have the same opportunities as other people to obtain and maintain employment with the Authority.

- Ensure employees with a disability (3.5 per cent) get the support they require in order to be successful in their job (e.g. Auslan interpreters, workplace literacy and language support programs).
- Continue to refine strategies to attract, recruit and retain employees to ensure a diverse workforce.
- Commit to ongoing monitoring of our DAIP to ensure implementation and satisfactory outcomes.
- Continue to enrich the employment of people with disability via job redesign and flexible work practices.

## Compliance with public sector standards and ethical codes

### Requirement under *Public Sector Management Act 1994*, section 31(1)

#### Human Resource Management Standards, Public Sector Standards and Ethical Codes Compliance Statement for 2018/19 Overview

Landgate works within the Public Sector Accountability, Integrity and Ethics Framework.

We ensure compliance with the:

- Landgate Code of Conduct
- Public Sector Standards in Human Resource Management
- WA Public Sector Code of Ethics
- Relevant awards, agreements and policies.

The Landgate Code of Conduct was developed as part of our commitment to the Public Sector Code of Ethics and the *Public Sector Management Act 1994*. The Code of Conduct illustrates the values our employees consider fundamentally important to operations and our way of working.

Actions are taken to ensure all employees are familiar with the Code of Ethics and Code of Conduct, accessible during the induction process and are required to complete an online training module. Ongoing compliance is ensured with employees undertaking accountable and ethical decision-making training; 95 per cent of employees have completed the training.

### Actions to ensure compliance

Managers and employees are informed of, and required compliance with, the Public Sector Standards in Human Resource Management. Monitoring actions and ensuring compliance with public sector standards include:

- employees are aware of the public sector standards, available on Landgate's intranet and embedded in relevant policies and procedures
- recruitment selection and appointment standards are followed during recruitment processes, ensuring reviewable decisions are fair and equitable and properly recorded
- employees are advised and encouraged to report noncompliance to the Public Information Disclosure Officer
- ensuring our People and Culture team is kept current with changes and regulations to Public Sector Standards, Commissioner's Instructions, and *Public Sector Management Act 1994*.

## Recordkeeping plans

### Requirement under *State Records Act 2000* and *State Records Commission Standard 2 Principle 6 – Compliance*

**The efficiency and effectiveness of the organisations recordkeeping systems is evaluated not less than once every five years.**

Landgate's current Recordkeeping Plan (RKP) 2015–2020, was approved by the State Records office in August 2015. Our RKP demonstrates that Landgate is in compliance with the evaluation of the efficiency and effectiveness of Landgate's information and ICT resources, at least once every five years. In addition, the *State Records Act 2000* allows for the creation and storage of Government information in a digital domain, and this is enabling Landgate to work towards its own digital information transformation. Landgate has elected to complete a new RKP to adequately demonstrate the changes in our ICT environment over the life of our approved plan. This RKP will be completed in December 2020.

**The organisation conducts a recordkeeping training program.**

Landgate uses an electronic document and records management system (eDRMS) that provides for 'super-users' within business areas. These employees are comprehensively trained in using the corporate records management system and the eDRMS. All other employees are normally provided continuous training on our record management system, or as required by each area. Landgate successfully upgraded the eDRMS in December 2019, to take advantage of enhanced features and integration with its corporate applications, and to promote the use of a web-based version. To complement face to face training, an online training module was introduced in June 2019.

**The efficiency and effectiveness of the recordkeeping training program is reviewed from time to time.**

Landgate's Information Strategy works towards a digital future, and this has highlighted the need to improve our recordkeeping training program. During the upgrade of the eDRMS system over 170 employees attended end user, or administrator classroom training. The online training module has become one of the suite of mandatory training courses for employees at Landgate.

**The organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's recordkeeping plan.**

Landgate ensures all employees, contractors and service providers, regularly undertake training for responsible recordkeeping. On induction, employees, contractors and service providers undertake mandatory records awareness training. This training addresses roles and responsibilities concerning compliance with our RKP. Employees, contractors and service providers are informed of the importance in keeping records and provided with a demonstration of the recordkeeping system.

In line with the upgrade of the eDRMS, Content Manager Webclient Training has been developed. This training addresses the technical use of the eDRMS.

### Information statement

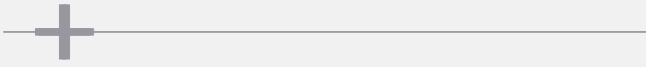
The *Freedom of Information Act 1992* requires agencies to publish certain information about their operations, policies and practices. To meet the requirements of Part 5 of the Act, Landgate publishes an Information Statement accessible on our website: [www.landgate.wa.gov.au](http://www.landgate.wa.gov.au).

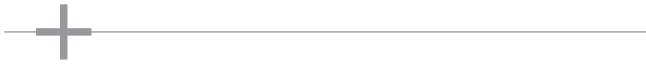
Arrangements can be made to inspect and/or obtain a copy by calling Customer Service on +61 (0)8 9273 7373.

### Freedom of Information Applications for 2019/20

This year, Landgate received and finalised four applications under the *Freedom of Information Act 1992*.

Statistics for 2019/20 reported for inclusion in the Information Commissioner's Annual Report are available at [www.foi.wa.gov.au](http://www.foi.wa.gov.au)





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