

Governance and compliance

KPIs	88
Safety and Strategy Directorate	90
Notifiable occurrences	90
Health and Safety	90
HSE management system	91
Rail safety accreditation	91
Reporting systems	91
Injury management	92
Health assessment standards	92
Drug and alcohol testing	92
Risk management	92
Record-keeping	93
Pricing policy 2012-13	93
Compliance statements	94
Statement of Compliance with Public Sector Standards	94
Statement of Compliance with relevant written law	94

Governance and compliance – KPIs

Key performance Indicators are an integral part of managing outcomes in areas that have been identified as being critical to our business. The following is a summary of our success in delivering agreed outcomes in accordance with the 2011-2015 PTA Strategic Plan including other regulatory requirements.

KPIs	Measures	Target	Level of achievement	Status	Ref
Safety incidents per million passenger decrease	Notifiable occurrences CAT 'A' per million passenger boardings	0.23	100%	⊙	
	Notifiable occurrences CAT 'A' per million train kilometres	0.88	100%	⊙	
	Notifiable occurrences CAT 'B' per million passenger boardings	7.20	84%	⊗	See notifiable occurrences page 90
	Notifiable occurrences CAT 'B' per million train kilometres	27.20	93%	⊗	See notifiable occurrences page 90
	Pass service inspections (school bus)	99.5%	99.9%	★	
Obligations under the lease are adhered to	Lease breaches	0	100%	★	
	Five-year independent audit	0	0		

Key

- ⊙ On Target
- ★ We are achieving our goals
- ⊗ Desired results not achieved – taking action

KPIs	Measures	2010-11	2011-12	2012-13	Target	Level of achievement	Status	Ref
Occupational Safety & Health	Lost-time injury/disease (LTI/D incident rate)	7.70	6.95	5.88	Zero (0) or 10% improvement on the previous three (3) years	25% improvement from 2010-11	★	See note #1
	Lost time injury severity rate	N/A	24	23.86	Zero (0) or 10% improvement on the previous three (3) years	N/A	☒	See note #2
	% of injured workers returned to work within (i) 13 weeks and (ii) 26 weeks	N/A	5 6	12.5 10.22	Greater than or equal to 80% return to work within 26 weeks	10.22%	☒	See note #3
	% of managers trained in OSH and injury-management responsibilities	14%	45%	76%	Greater than or equal to 80%	76%	☒	See note #4
	Number of fatalities (employees/contractors)	0	1	0	0	100%	⊙	

Key

- ⊙ On Target
- ★ We are achieving our goals
- ☒ Desired results not achieved – taking action

Please note :

Ref #1 – The majority of the lost time injuries involves PTA's Transit Officers who are carrying their duties in the front line and are subject to unforeseen hazards when interacting with members of the public.

Ref #2 – Modest improvement from 2011-2012 to 2012-2013 Financial Years.

Ref #3 – The results were the contributing factors of the severity of the injuries being suffered.

Ref #4 – The result is a notable achievement in one year however this is an ongoing program to ensure that all managers receive the training in the next three years.

Governance and compliance – SSD

Guided by internal needs, whole-of-government directions, and trends in public transport, the Safety and Strategy Directorate provides strategic leadership and support for the PTA in corporate policy, health and safety (including workers' compensation and injury management), the environment, records services and the business management system.

Notifiable occurrences

Under the Rail Safety Act (2010), specific railway safety incidents must be reported to the ORS (Office of Rail Safety). These notifiable occurrences are defined in the *Rail Safety Regulations (2011)* as Category A (death, serious injury, or significant damage) or Category B (incidents that may have the potential to cause a serious accident). They do not cover non-rail operations. The benchmark performance targets for Category A and Category B incidents are calculated and normalised using estimates of passenger boardings and train kilometres travelled.

There were 12 Category A incidents in 2012-13, three fewer than in 2011-12. Excluding incidents beyond the PTA's control (such as those considered to be suicides or attempted suicides), there were five such incidents (previously nine). No adverse trends were identified.

The number of Category B incidents increased 17 per cent to 526. There were a number of contributing factors:

- Incidents in the Slip-Trip-Fall category increased by 67 per cent. (Measures to address this are discussed elsewhere in this report.)
- Train collisions with objects illegally placed on the track (vandalism) or with stray animals increased by 33 per cent. In this case, the corrective action involved cleaning the rail reserve (ongoing hazard treatment, frequent inspections and debris removal), seasonal grass cutting and vegetation pruning to maintain line of sight, and frequent monitoring and inspection of construction sites on or near the railway.

Health and Safety

The provision of a healthy and safe workplace is the prime responsibility of management at all levels, as part of our commitment to making public transport an attractive and sustainable choice for connecting people and places in Western Australia.

The PTA has established a formal mechanism for consultation with employees on occupational safety and health matters through the establishment of safety and health committees. These committees include management and employees who consult and cooperate to develop and implement measures to ensure the safety and health of all our employees and customers.

The Health, Safety and Environment (HSE) committee procedure details the relevant processes.

Our worker's compensation and injury management policy demonstrates the PTA's commitment to comply with the *Workers' Compensation and Injury Management Act 1981 (WA)* and the WorkCover's guidelines for injury management. Return-to-work plans are developed in consultation with the injured worker, the medical practitioner, the supervisor and our injury management team for everyone who returns to the workplace after a work-related injury.

As well as satisfying state legislative requirements, the return-to-work plan provides early intervention to support employees with rehabilitation processes, and prioritised treatment plans to help employees get back to work.

HSE management system

The Safety and Strategy Directorate continued to monitor and review the HSE system through a comprehensive audit program to ensure that all aspects – from local hazard control measures to the overarching organisational strategy – are working effectively to identify areas for continuous improvement. Identified corrective actions are tracked and regularly monitored through our STAR Reporting System.

Improved access to safety procedures has been achieved with the introduction of a HSE tab of the intranet home page, providing quick access to procedures and links.

The PTA's safety management system extends to our direct contractor stakeholders. We ensure that our contractors understand the PTA's safety management requirements and reinforce the overall commitment to safety.

Rail safety accreditation

The Western Australian Government Railways (trading as Westrail) was granted accreditation as a railway owner and operator on December 17 1999 following the introduction of the *Rail Safety Act 1998* and compliance with AS4292.1: 1005. This requirement was amended in June 2004 following the enactment of new legislation and the creation of the Public Transport Authority on July 1 2004. The original accreditation date was retained.

Following the revision and publication of AS4292.1:1998, the Director Rail Safety issued an amended Notice of Accreditation No. 2 dated January 5 2006, directing railway owners and operators to have an accredited rail safety management system compliant with AS4292.1: 2006. A special condition of accreditation was added to allow PTA until May 31 2006 to identify the gaps in the current accredited Rail Safety Management System and the new requirements of AS4292.1: 2006 and to implement those changes by end-2006. The PTA accreditation was amended on January 5 2006, retaining the original accreditation date.

The *Rail Safety Act 1998* was amended and decreed as the *Rail Safety Act 2010* with the rail safety management system elements of AS4292.1: 2006 embodied into the *Rail Safety Regulations 2011* as Schedule 1. Consequently the PTA rail safety management system policies and procedures were reviewed to ensure compliance with the revised requirements.

On May 31 2013, the Director Rail Safety issued a revised Notice of Accreditation, bringing the format into line with national rail safety regulatory requirements due to take effect from January 1 2014.

Reporting systems

The STAR Reporting System enables the efficient reporting, storage and analysis of hazards, near-misses, incidents, injuries and Workers' Compensation claim data.

The PTA's rail safety reporting system (IFRS) enables the reporting and storage of rail-related incidents, particularly Notifiable Occurrences. This system is compliant with national reporting requirements defined in the *Rail Safety Regulations 2011* and ONS-1 (WA) 2008 and is updated as required.

The information collated by PTA's reporting systems is used to identify trends which may indicate where corrective actions and other improvements may be required. A report consisting of lead and lag indicators for the organisation as a whole, as well as individual divisions, is tabled at a quarterly meeting of the Executive HSE Management Committee. Summaries of the key outcomes of this report are regularly communicated through the PTA intranet.

A recent improvement to the report is the introduction of an Action Register for Investigation Outcomes. The register lists actions against specific managers and includes deadlines for completion, thereby monitoring performance against corporate KPI's. Further improvement to this divisional reporting process has continued throughout the year with new reporting parameters including traffic infringements and security incidents being reported and analysed for trends.

Injury management

The first three months of the financial year saw the Injury Management Team finalising the recommendations coming from the KPMG audit, released in February 2012.

In November 2012 the Office of the Auditor General conducted an audit on the Management of Injured Workers in the Public Sector. Eight agencies were audited, including the PTA. The audit was welcomed by the Injury Management Team as a way to ensure that best practice was being undertaken, maintained and, where possible, improved.

The key findings of the audit indicated that the Injury Management Team has established an effective approach to the management of our injured workers and is continuing to seek ways to improve.

While our key indicators show that there has been an increase in the number of longer-term claims, due to the nature of the injuries and our ageing workforce, the Injury Management Team continues to help our injured workers in a timely, cost-efficient and effective manner.

Health assessment standards

As part of ongoing improvement the updated National Health Assessment Standards were adopted in January to ensure an up-to-date understanding of the impact of certain health conditions regarding safe working.

Drug and alcohol testing

The PTA has a zero tolerance to the use of drugs or alcohol in the workplace. It is a recognised occupational health and safety issue because of the impairment effects which can compromise the individual employee's ability to work safely.

More than 2000 alcohol and other drug tests were conducted during the year as part of our blanket and random testing. Four contractors returned positive alcohol results and one employee returned a result positive for drugs.

All the people concerned have undertaken a counselling program and have attended regular random testing for the six months following the positive result.

One employee tested positive to drugs during a scheduled health assessment.

Risk management

The PTA is committed to ensure that a proactive approach is adopted in managing and controlling risk at all levels. We are focussed on delivering our Strategic Plan's Vision – *To be recognised as a leader in providing world-class public transport services and solutions* – and Purpose – *To provide safe, customer-focussed, integrated and efficient transport services*.

Our success in achieving this is closely aligned to the effectiveness of the management framework. The Executive is committed to ensuring that risk management is embedded in the organisation, by endorsing the development of appropriate culture, processes and structures.

The PTA is focussed on ensuring that risk is managed to a level deemed As Low As Reasonably Practicable (ALARP). Effective risk management is evidenced when strategic, operational and project risks are identified, assessed and treated, and opportunities are recognised and capitalised upon.

The Strategic Risk Management Group (SRMG) identifies, assesses and monitors the top strategic risks of the PTA and devises strategies to further mitigate risks. The Divisional Risk Coordinator Group (DRCG) then formalises appropriate actions at divisional level and the SRMG reviews the implementation of the strategies.

The DRCG also oversees the PTA's risk management system (RiskBase), practices and procedures to ensure effectiveness of risk identification and management, and compliance to internal policies and guidelines, and external legislative and regulatory requirements. Quarterly risk reports identifying any significant risk trends are tabled at Executive meetings.

Updates from the PTA's risk management portfolio include:

- Outcomes from the KPMG audit of the our Risk Management Framework have been addressed with improvements being implemented in the areas of raising risk awareness, communications, accountability and reporting
- The risk management policy and guidelines were reviewed and enhanced to ensure compliance and alignment to the international risk management standard
- The provision of a risk education program formulated by Learning and Development delivered customised training modules to PTA staff to further enhance the organisation's maturity and capability in risk management
- Ongoing structured bi-monthly DRCG and quarterly SRMG meetings were held.

Record-keeping

In accordance with State Records Commission requirements, the PTA has revised both the Functional Retention and Disposal Schedule and the Recordkeeping Plan. The agency has also continued with the disposal of records in accordance with State Records Office requirements, and provided Disaster Recovery training for Records Services staff.

In accordance with the requirements of State Records Commission Standard 6 – Outsourcing, the PTA has started a pilot project to retrieve contractor records from the Perth City Link Rail Alliance. The information thus provided will be used to develop more robust retrieval procedures.

Other records management milestones achieved in the year under review include:

- 14,041 incoming correspondence documents scanned and registered
- 8023 files created
- 1816 archive boxes created
- 1395 files destroyed
- 681 Ministerials created
- 84 barcode audits completed (work areas, compactus units and other storage areas)
- 16 new Work Instructions developed

Recordkeeping at the PTA continues to improve and the agency is well on the way towards compliance with the *State Records Act 2000* and the policies, procedures and guidelines of the State Records Commission.

Pricing policy 2012-13

Government continued to maintain public transport fares at an affordable level. Transperth fares were increased by the projected rate of increase in CPI of 2.8 per cent plus 1.5 percentage points to allow for the recovery of the carbon tax. In accordance with government policy, concession fares were set at 40 per cent of standard fares and the student fare was left unchanged at 50 cents. Transperth fares are rounded to the nearest 10 cents.

Transwa fares are established by Government to ensure affordability for regional West Australians. For the 2012-13 financial year, Transwa fare increases were restricted to 2.8 per cent inline with the projected rate of increase in CPI, though the increase in Prospector fares was offset by a 2.29 per cent reduction resulting from the phased abolition of a fare loading previously applied to this service. Transwa fares are rounded to the nearest 5 cents.

Transperth fare information is provided at **www.transperth.wa.gov.au**.

Transwa fare information is provided at **www.transwa.wa.gov.au**.

Compliance statements

Statement of Compliance with Public Sector Standards

The PTA's human resource management policies and practices are subject to ongoing review and, in accordance with section 31 (1) of the *Public Sector Management Act*, comply fully with the Public Sector standards in Human Resource Management.

Statement of Compliance with relevant written law

Enabling Legislation

The PTA is established under the *Public Transport Authority Act 2003*, an Act to establish a State agency responsible for providing public passenger transport services anywhere in the State and performing functions under other Acts, including the *Rail Freight System Act 2000* and the *Government Railways Act 1904* as well as the construction of railways under various railway enabling Acts. Currently the Minister responsible for the PTA is the Minister for Transport.

Legislation impacting on the PTA's Activities

In the performance of its functions, the PTA complies with all relevant written laws of Western Australia and, where required, reports on an annual basis in accordance with the following key legislation:

Financial Management Act 2006; Electoral Act 1907; Equal Opportunity Act 1984; State Superannuation Act 2000; Heritage of Western Australia Act 1990; Freedom of Information Act 1992; State Supply Commission Act 1991; Public Sector Management Act 1994; Disability Services Act 1993 (Cth); Rail Safety Act 2010; Railways (Access) Act 1998; State Trading Concerns Act 1916; Occupational Safety & Health Act 1984; Environmental Protection Act 1986; Contaminated Sites Act 2003; Auditor General Act 2006; State Records Act 2000; Salaries and Allowances Act 1975; and Public Interest Disclosure Act 2003.

Other various Agreements/Acts and written laws impact on the PTA's activities from time to time.

In the financial administration of the PTA, we have complied with the requirements of the *Financial Management Act 2006*. We have also complied with every other relevant written law and exercised controls to provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of public property and the incurring of liabilities have been in accordance with legislative provisions.

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



Reece Waldock
Accountable Authority
10 September 2013



Kevin Kirk
Chief Finance Officer
10 September 2013

Key Performance Indicators

Financial Targets: Actuals compared to budget targets	96
Summary of Key Performance Indicators:	
Actual compared to budget targets	97
Electoral Act 1907 – Section 175ZE	100
Explanation of Major Capital	
Expenditure Variations 2012-13	101
Independent audit opinion	102
Audited Key Performance Indicators	104
Certificate of Key Performance Indicators	104
Key Performance Indicators	104
Measuring Performance	105

Key Performance Indicators – Financial Targets: Actuals compared to budget targets

The following table provides a comparison of the financial targets and outcomes against criteria included in the Resource Agreement between the Chief Executive Officer, Minister for Transport and the Treasurer.

	2012-13 Target \$000	2012-13 Actual \$000	Variation \$000	
Total cost of services	1,151,698	1,152,368	(670)	Note 1
Net cost of services	914,482	894,147	20,335	Note 2
Total Equity	4,737,210	4,787,181	(49,971)	Note 3
Net increase/(decrease) in cash held	(2,600)	(14,171)	(11,571)	Note 4

	Number of FTE's	Number of FTE's	Number of FTE's	
Approved full time equivalent	1,521	1,482	39	Note 5

Notes:

(1) Total Cost of Services

The minor increase is due to reduced borrowing costs offset by increased expenditures on external works and various cost pressures.

(2) Net Cost of Services

The variation is primarily due to increased revenue.

(3) Total Equity

The variation is mainly due to an increase in non-current assets due largely to a transfer of assets from Main Roads WA and a decrease in accumulated depreciation.

(4) Net Decrease in Cash Held

The net decrease is mainly due to the expenditure from cash contributed for the Perth City Link project (\$24.8 million) offset by increased provisions for contaminated sites and workers' compensation.

(5) Approved Full Time Equivalent.

The variation to the approved FTE staff level is mainly due to lower than anticipated recruitment of Transit Officers. Train security was maintained by use of contracted security services.

Key Performance Indicators –

Summary of Key Performance Indicators:

Actual compared to budget targets

	2012-13 Target	2012-13 Actual	Variation
Outcome: Accessible, Reliable and Safe Public Transport System			
Key Effectiveness Indicators			
Use of public transport – passengers per service kilometre:			
• metropolitan bus services	1.38	1.37	-0.01
• metropolitan train services	4.41	4.12	-0.29
• metropolitan ferry services	13.82	12.74	-1.08
• regional bus services	0.833	0.815	-0.018
• country passenger rail services	0.238	0.236	-0.002
• country passenger road coach services	0.067	0.065	-0.002
Accessible Public Transport:			
The proportion of street addresses within the Perth Public Transport Area which are within 500 metres of a Transperth stop providing an acceptable level of service	85.00%	84.70%	-0.30%
Metropolitan and regional passenger services reliability:			
• bus services within four minutes of scheduled time	82.00%	75.07%	-6.93%
• train arriving within four minutes of scheduled time	95.00%	92.97%	-2.03%
• ferries arriving within three minutes of scheduled time (a)	98.00%	84.73%	-13.27%
Country passenger rail and road coach services reliability:			
• Prospector arriving within 15 minutes of scheduled time (b)	90%	77%	-13.00%
• Australind arriving within 10 minutes of scheduled time	90%	94%	4.00%
• MerredinLink arriving within 10 minutes of scheduled time	95%	94%	-1.00%
• AvonLink arriving within 10 minutes of scheduled time	95%	99%	4.00%
• Road Coaches arriving within 10 minutes of scheduled time	95%	97%	2.00%

	2012-13 Target	2012-13 Actual	Variation
Regional school bus services reliability:			
<ul style="list-style-type: none"> drop off no less than 10 minutes before the school starts and pick up within 10 minutes of school ending 	97%	99.8%	2.8%
Level of overall customer satisfaction – customer satisfaction index:			
<ul style="list-style-type: none"> metropolitan bus services 	81%	81%	0.00%
<ul style="list-style-type: none"> metropolitan train services 	90%	84%	-6.00%
<ul style="list-style-type: none"> metropolitan ferry services 	98%	96%	-2.00%
<ul style="list-style-type: none"> country passenger rail and road coach services 	92%	92%	0.00%
Customer perception of safety – independent external surveys:			
<ul style="list-style-type: none"> train station – daytime 	96%	98%	2.00%
<ul style="list-style-type: none"> on-board train – daytime 	97%	99%	2.00%
<ul style="list-style-type: none"> train station – night-time 	69%	69%	0.00%
<ul style="list-style-type: none"> on-board train – night-time 	75%	78%	3.00%
<ul style="list-style-type: none"> bus station – daytime 	96%	97%	1.00%
<ul style="list-style-type: none"> on-board bus – daytime 	98%	99%	1.00%
<ul style="list-style-type: none"> bus station – night-time 	70%	73%	3.00%
<ul style="list-style-type: none"> on-board bus – night-time 	82%	81%	-1.00%
Level of notifiable safety occurrences – notifiable occurrences:			
<ul style="list-style-type: none"> Category A: occurrences per million passenger boardings 	0.23	0.18	-0.05
<ul style="list-style-type: none"> Category A: occurrences per million train kilometres 	0.88	0.68	-0.20
<ul style="list-style-type: none"> Category B: occurrences per million passenger boardings (c) 	7.20	7.98	0.78
<ul style="list-style-type: none"> Category B: occurrences per million train kilometres (c) 	27.20	29.73	2.53
<ul style="list-style-type: none"> Regional school bus services: notifiable occurrences (accidents) reported each school year (d) 	13	27	14

	2012-13 Target	2012-13 Actual	Variation
Outcome: Protection of the long term functionality of the rail corridor and railway infrastructure:			
• Number of lease breaches	Nil	Nil	Nil
Key Efficiency Indicators			
Service 1: Metropolitan and Regional Passenger Services			
Average cost per passenger kilometre			
• Transperth bus operations	\$0.89	\$0.90	\$0.01
• Transperth train operations	\$0.44	\$0.42	-\$0.02
• Transperth ferry operations	\$1.19	\$1.30	\$0.11
Average cost per 1,000 place kilometres			
• Regional bus services	\$76.54	\$74.49	-\$2.05
Total passenger place kilometres (millions)			
• Regional bus services	210.247	211.040	0.793
Service 2: Country Passenger Rail and Road Coach Services			
Average cost per passenger kilometre			
• Transwa rail	\$0.46	\$0.46	\$0.00
• Transwa road coaches	\$0.23	\$0.23	\$0.00
Service 3: Regional School Bus Services			
Average cost per contracted kilometre:			
School bus services	\$3.60	\$3.62	\$0.02
Service 4: Rail Corridor and Residual Freight Issues			
Total cost of managing the rail freight corridor and residual freight issues	\$117,663,000	\$117,749,000	\$86,000

Note: For more explanations on the variation, please refer to the section Audited Key Performance Indicators.

- a) The on time running result of Transperth Ferry in 2012-13 was 13.54% below target mainly due to ferries having to give way to barges involved in Elizabeth Quay works.
- b) The Prospector on time running result was 14.36% below target as a result of speed restrictions, delays due to increased traffic and disruptions in services due to track repairs, signal failures and train crossing.
- c) Category 'B' incidents per million passenger boardings and per million train kilometres were 10.82% and 9.31% above the targets.
- d) Regional school bus services notifiable occurrences were 107.69% above target; 70% of the accident cases occurred through no fault of the school bus driver. No fatalities have been recorded.

Electoral Act 1907 – Section 175ZE

In compliance with section 175ZE of the *Electoral Act 1907*, the Public Transport Authority of Western Australia is required to report on expenditure incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

The details of the report are as follows:

	2012-13 \$
Expenditure with Advertising Agencies:	
Definition Pty Ltd	339,410
Cooch Creative	210,880
ADCORP Marketing Communication	93,855
key2creative	91,485
Exposure Print and Design	43,857
Radiowest Broadcasters	28,285
Cineads Australia Pty Ltd	22,200
Bishop Media	19,620
Design Co-operative Limited	13,177
ICON Illustrations	11,021
Equilibrium Interactive Pty Ltd	8,648
Mills Wilson	6,720
Graduate Careers Australia	6,375
Countrywide Publications	5,273
Concept Media	5,000
Scott Shorter Pty Ltd	4,400
Australia's South West	2,980
Australia's Golden Outback	1,991
	915,177
Expenditure with Market Research Agencies:	
Painted Dog Research	256,879
Expenditure with Polling Agencies:	Nil
Expenditure with Direct Mail Agencies:	Nil
Expenditure with Media Advertising Agencies:	
Mitchell & Partners Australia	91,883
Gramercy Park Consulting	13,313
Metropolitan Redevelopment	7,020
Siamese Pty Ltd	2,567
	114,783
Total Expenditure	1,286,839

Explanation of Major Capital Expenditure Variations 2012-13

(a) Budgeted estimates and actual results for 2012-13

	Budget \$000	Actual \$000	Variation \$000	Comments
Extension of Northern Suburbs Railway to Butler	92,674	64,474	28,200	Project scheduling
Grain Freight Re-sleeping Project	81,236	56,019	25,217	Project scheduling
Perth City Link	173,804	177,100	(3,296)	Project scheduling
Business Support Upgrades	7,073	6,147	926	Project scheduling
Maddington Station Upgrade	2,555	3,166	(611)	Project scheduling
Aubin Grove Station	-	378	(378)	New project approved post 2012-13 Budget Paper
Power Supply Continuity Program	-	801	(801)	Project scheduling
Warnbro Bus Rail Interchange	3,266	3,948	(682)	Project scheduling
Bus Priority Projects	7,626	7,837	(211)	Project scheduling
Bus Acquisition Program for Additional Bus Kilometre Services	9,648	9,330	318	Project scheduling
Goongoongup Rail Bridge	-	937	(937)	Project scheduling
Bus Replacement Program	25,790	26,526	(736)	Project scheduling
Escalator and Lift Upgrade	3,105	2,637	468	Project scheduling
new Perth Stadium Transport Project	-	5,436	(5,436)	New project approved post 2012-13 Budget Paper
Network & Infrastructure Maintenance Depot	1,050	2,157	(1,107)	Project scheduling
Disability Access for Intermediate Minor Stations & Track Works	8,757	10,940	(2,183)	Project scheduling
Purchase of 22 Railcars	41,624	71,660	(30,036)	Project scheduling
Others	89,452	67,464	21,988	Project scheduling
Grand Total	547,660	516,957	30,703	

(b) Major Works in progress and completed

Description of Work	2012-13 Estimated Total Cost \$000	Estimated Cost to Complete \$000	Total Cost of Project Actual \$000	Expected Year of Completion
Perth City Link	609,269	288,009	321,260	2015-16
Bus Replacement Program	431,369	363,309	68,060	2020-21
Purchase of 22 Railcars	163,948	75,601	88,347	2016-17
Extension of Northern Suburbs Railway to Butler	240,730	240,730	-	2014-15
Grain Freight Re-sleeping Project	171,420	58,272	113,148	2013-14
Bus Acquisition Program for Additional Bus Kilometre Services	87,958	69,741	18,217	2017-18
Better Transport System (3000 parking bays)	52,349	-	52,349	2012-13
Disability Access for Intermediate Minor Stations & Track Works	33,304	14,718	18,586	2016-17
Bus Priority Projects	25,590	11,565	14,025	2015-16

Independent audit opinion

Independent Auditor's Report

To the Parliament of Western Australia

Public Transport Authority of Western Australia

Report on the Financial Statements



Auditor General

I have audited the accounts and financial statements of the Public Transport Authority of Western Australia.

The financial statements comprise the Statement of Financial Position as at 30 June 2013, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Chief Executive Officer's Responsibility for the Financial Statements

The Chief Executive Officer is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the

accounting policies used and the reasonableness of accounting estimates made by the Chief Executive Officer, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Public Transport Authority of Western Australia at 30 June 2013 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the Public Transport Authority of Western Australia during the year ended 30 June 2013.

Controls exercised by the Public Transport Authority of Western Australia are those policies and procedures established by the Chief Executive Officer 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.

Chief Executive Officer's Responsibility for Controls

The Chief Executive Officer is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Public Transport Authority of Western Australia based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Authority complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

Opinion

In my opinion, the controls exercised by the Public Transport Authority of Western Australia 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 2013.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Public Transport Authority of Western Australia for the year ended 30 June 2013.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Chief Executive Officer's Responsibility for the Key Performance Indicators

The Chief Executive Officer 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 controls as the Chief Executive Officer determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Chief Executive Officer's preparation and fair presentation of the key performance indicators

in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

In my opinion, the key performance indicators of the Public Transport Authority of Western Australia are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2013.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical 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 Public Transport Authority of Western Australia for the year ended 30 June 2013 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 refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



Colin Murphy

Auditor General
For Western Australia
Perth, Western Australia
19 September 2013

Audited Key Performance Indicators



Certification of Key Performance Indicators

For the year ended 30 June 2013

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Public Transport Authority's performance, and fairly represent the performance of the Public Transport Authority of Western Australia for the financial year ended 30 June 2013.

Reece Waldock

Accountable Authority
10 September 2013

Key Performance Indicators

Relationship to Government Strategic Goal

The following table depicts the relationship between the Government's Goals and the outcomes and services that the PTA provides in order to achieve those goals.

Government Strategic Goal	PTA Outcomes	PTA Services
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians	Accessible, reliable and safe public transport system	1. Metropolitan and Regional Passenger Services 2. Country Passenger Rail and Road Coach Services 3. Regional School Bus Services
	Protection of the long term functionality of the rail corridor and railway infrastructure	4. Rail Corridor and Residual Freight Issues Management

Note: The key performance indicators and the variances are calculated based on original source data and the results are reported with rounding to the nearest appropriate decimals.

Measuring Performance

Outcome 1: Accessible, reliable and safe public transport system

Effectiveness indicators

The PTA's effectiveness in providing an accessible, reliable and safe public transport system is measured using the following key effectiveness indicators for:

1. Use of public transport
2. Accessible public transport
3. Service reliability
4. Level of overall customer satisfaction
5. Customer perception of safety
6. Level of notifiable safety incidents.

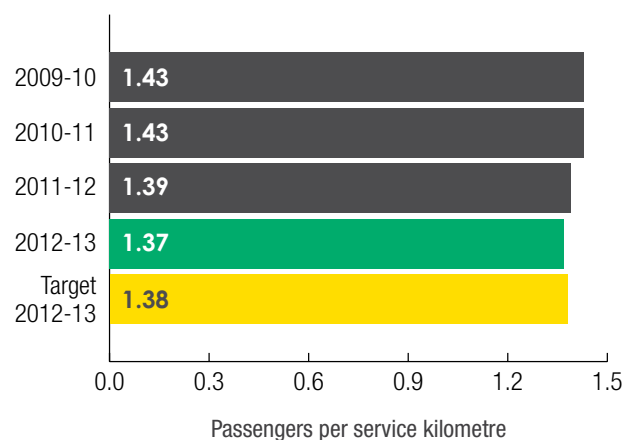
1. Use of Public Transport

The use of public transport is measured by comparing the annual number of passengers carried with the number of service kilometres. Service kilometres are kilometres operated on scheduled passenger services and exclude "non-productive running" i.e. travelling to or from the depot to commence a service trip or re-positioning to commence another service trip.

The measure indicates the extent to which services provided, as represented by the number of kilometres operated, are being utilised. An increasing trend in the indicator will generally signify that patronage is rising at a rate greater than the rate of increase in service kilometres operated and represents an improvement in effectiveness as well as an increase in the use of public transport.

This effectiveness indicator is applied to each mode of public transport. The indicator is based on total boardings on Transperth services and includes fare-paying boardings plus free travel and transfers. Transfers are boardings which occur either between services within the same mode or between modes during the specified ticket transfer time.

Transperth Bus Services

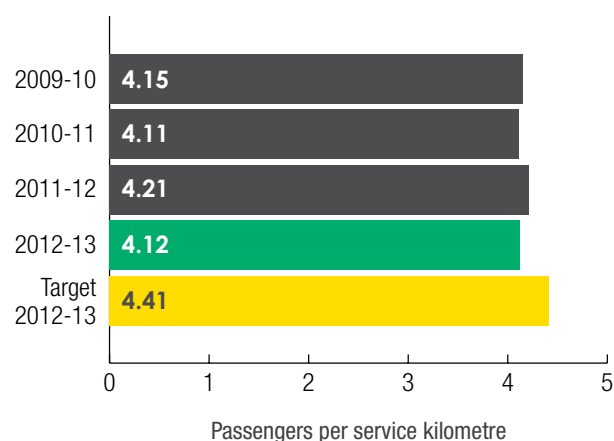


Passengers per service kilometre on Transperth bus was marginally (0.97 per cent) below the 2011-12 result and 0.40 per cent below the 2012-13 target.

Total boardings reached 83.543 million in 2012-13 compared to 80.626 million in 2011-12 and the target of 82.807 million, an increase of 3.62 per cent over 2011-12 and 0.89 per cent above the target.

The introduction of new bus services increased service kilometres to 60.781 million kilometres, 4.63 per cent (2.690 million) above the 2011-12 result of 58.091 million and 0.94 per cent above the 2012-13 target of 60.213 million.

Transperth Train Services



Passengers per service kilometre on Transperth train was 2.25 per cent below the 2011-12 result and 6.64 per cent below the target.

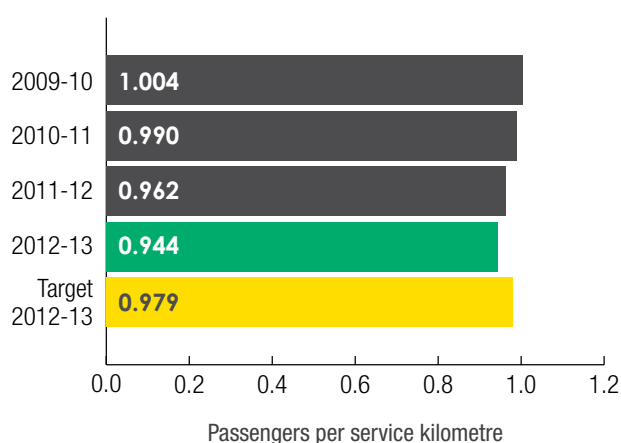
Total boardings reached 65.689 million in 2012-13, 4.22 per cent above the 2011-12 result of 63.030 million and 0.39 per cent below the 2012-13 target of 65.944 million. The increased boardings are due to the increase in population and the benefits of Public Transport over other transport modes.

Train service kilometres reached 15.956 million kilometres compared to 14.965 million in 2011-12, an increase of 6.62 per cent over 2011-12 and 6.65 per cent above the target as a result of strengthened services on weekdays, weekends and during main special events with additional 3-car, 4-car and 6-car trains being used for longer periods.

Regional Town Bus Services

Intra-town services operate within rural town boundaries, while inter-town services run between regional centres.

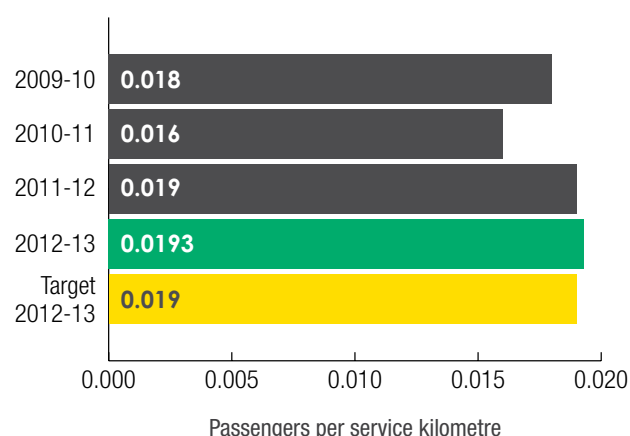
a. Intra-Town Services



Passengers per service kilometre reached 0.944, 1.91 per cent below the 2011-12 result of 0.962 and 3.61 per cent below the target of 0.979 in 2012-13.

This was mainly due to a 4.78 per cent increase in service kilometres to 2.632 million kilometres from 2.512 million in 2011-12 and a 2.78 per cent increase in total patronage to 2.484 million from 2.417 million in 2011-12.

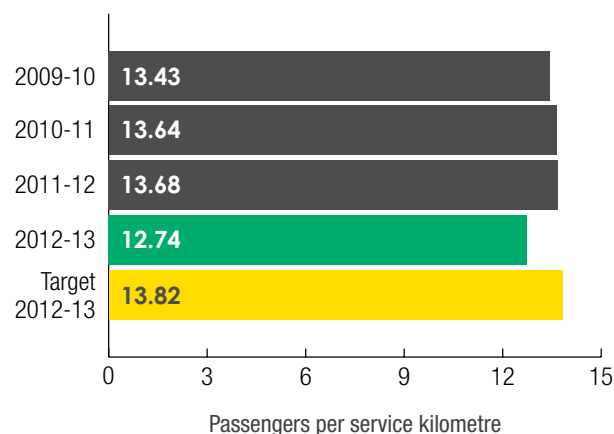
b. Inter-Town Services



Passengers per service kilometre reached 0.0193, 1.57 per cent above the 2011-12 result and 1.80 per cent above the target in 2012-13.

This was mainly due to a 6.32 per cent decrease in service kilometres to 0.424 million kilometres from 0.453 million kilometres in 2011-12 and a 4.84 per cent decrease in total patronage to 8,193 from 8,610 in 2011-12 as a result of the termination of the Greyhound road coach service between Perth and Broome in March 2013.

Transperth Ferry Services

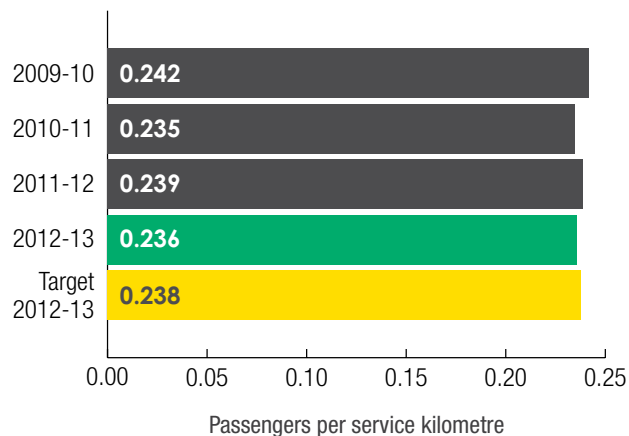


Passengers per service kilometre reached 12.74, 6.85 per cent below the 2011-12 result of 13.68 and 7.80 per cent below the target of 13.82.

This was mainly due to a 1.94 per cent decrease in total boardings to 464,542 from 473,728 in 2011-12 and a 5.28 per cent increase in annual service kilometres to 36,457 from 34,630 kilometres in 2011-12 as a result of the introduction of extra services trips in December 2012.

During the year, service kilometres exceeded the target of 34,602 kilometres by 5.36 per cent but annual patronage was 2.88 per cent below the target of 478,300.

Transwa Rail Services



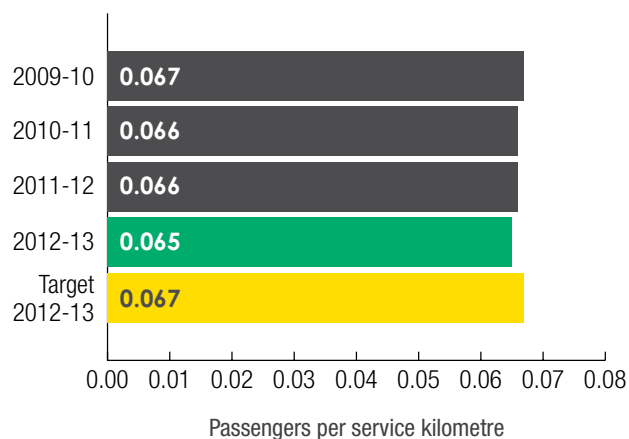
Passengers per service kilometre reached 0.236, 1.32 per cent below the 2011-12 result of 0.239 and 0.97 per cent below the target of 0.238 in 2012-13.

Service kilometres decreased slightly (0.31 per cent) from 995,329 kilometres in 2011-12 to 992,274 kilometres and were marginally (0.29 per cent) below the target of 995,122.

Patronage decreased by 1.62 per cent from 237,734 in 2011-12 to 233,877 in 2012-13 and was 1.22 per cent below the target of 236,764 mainly due to a 4.34 per cent decrease in Prospector patronage in 2012-13.

Prospector patronage was affected by the availability of railcars due to the extended installation of the Entertainment System four-month installation cycle.

Transwa Road Coach Services



Passengers per service kilometre reached 0.065, 1.07 per cent below the 2011-12 result of 0.066 and 3.10 per cent below the 2012-13 target of 0.067.

This was due to a 1.47 per cent decline in patronage from 212,070 in 2011-12 to 208,954 in 2012-13 and a marginal (0.40 per cent) decrease in service kilometres from 3.232 million kilometres in 2011-12 to 3.219 million in 2012-13.

In 2012-13, patronage on the Perth to Geraldton service via Eneabba recorded a decrease due to the introduction of a private sector service operating between Perth and Geraldton via Indian Ocean Drive/ Brand Highway.

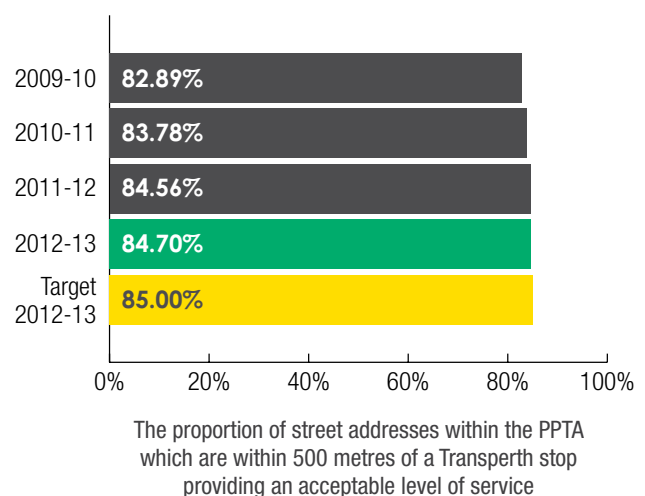
2. Accessible Public Transport

Accessibility to public transport, in terms of service coverage, is measured as the proportion of Property Street Addresses (PSA) within the Perth Public Transport Area (PPTA) which are within 500 metres of a Transperth stop providing an acceptable level of service. The PPTA defines the core operational areas for Transperth services.

“Acceptable Service Level” (ASL) is defined as an hourly service during the day with at least three trips per hour (i.e. at 20-minute intervals) in the peak flow direction in the morning and/or afternoon peaks, excluding dedicated school bus services.

The indicator uses PSA data from Landgate and service information and stop location data from the Transperth Route Information System (TRIS).

The measure demonstrates the extent to which the PPTA meets its accessibility standards in the Perth metropolitan area.



Accessibility to public transport increased by 0.17 per cent from 2011-12 but was 0.35 per cent below the target. In 2012-13, the number of PSAs within the PPTA increased by 1 per cent to 915,252 from 906,184 in 2011-12. The number of PSAs within 500 metres of an ASL stop also increased by 1.17 per cent to 775,253 from 766,276 in 2011-12. The 2012-13 result indicates that a very high proportion of PSAs in Perth, 775,253 out of 915,252 (84.70 per cent) have ready access to an acceptable level of public transport services.

3. Service Reliability

According to an independent survey which measured customer satisfaction, service reliability is regarded as one of the most significant characteristics of a quality service. Service reliability is essentially a combination of two main factors, punctuality and consistency.

Services are considered to be punctual if they arrive within a defined period of time after the scheduled arrival time. This parameter is referred to as "On Time Running" (OTR).

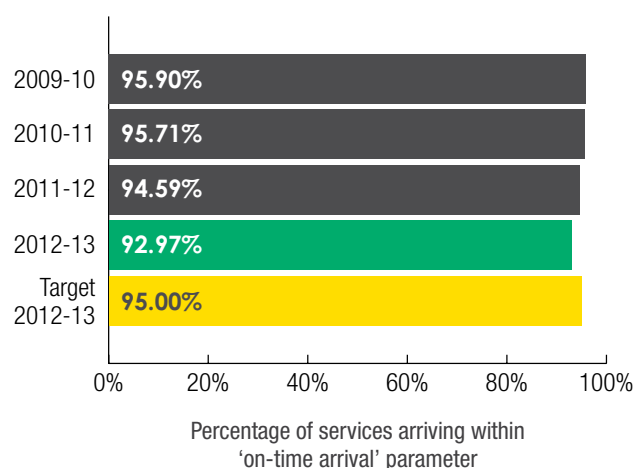
Operation	'OTR' parameter
Metropolitan and Regional Passenger Services	
Transperth Trains	4 minutes
Transperth Buses	4 minutes
Transperth Ferries	3 minutes

Country Passenger Rail and Road Coach Services	
Transwa Rail	
Prospector	15 minutes
Australind	10 minutes
AvonLink	10 minutes
MerredinLink	10 minutes
Road Coaches	10 minutes

Regional School Bus Services	
Drop off no less than 10 minutes before school starts and pick up within 10 minutes of school ending	

The 'OTR' measure demonstrates the extent to which the PTA meets its service reliability standards.

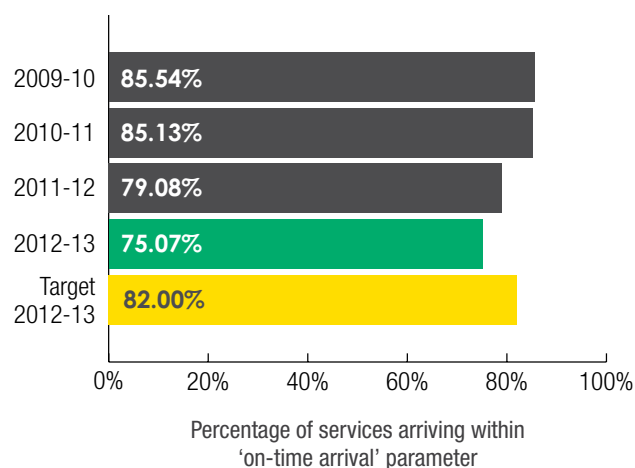
Transperth Train Services



The 'OTR' of Transperth Trains in 2012-13 reached 92.97 per cent, 1.71 per cent below the previous year's result and 2.14 per cent below the 2012-13 target.

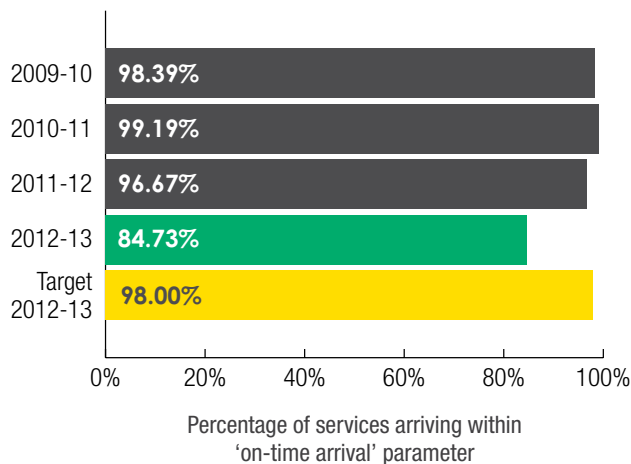
This was mainly due to a 4.22 per cent increase in passenger boardings resulting in long dwell times at stations, mechanical issues with both A and B series railcars and bad weather which resulted in slippery track conditions and trains travelling at a reduced speed.

Transperth Bus Services



The 'OTR' of Transperth Bus in 2012-13 reached 75.07 per cent, 5.06 per cent below the 2011-12 result and 8.45 per cent below the target mainly due to congestion caused by works on the Great Eastern Highway, Perth City Link, Elizabeth Quay, Beaufort Street, William Street, Perth Arena, Fiona Stanley Hospital and freeway extensions.

Transperth Ferry Services

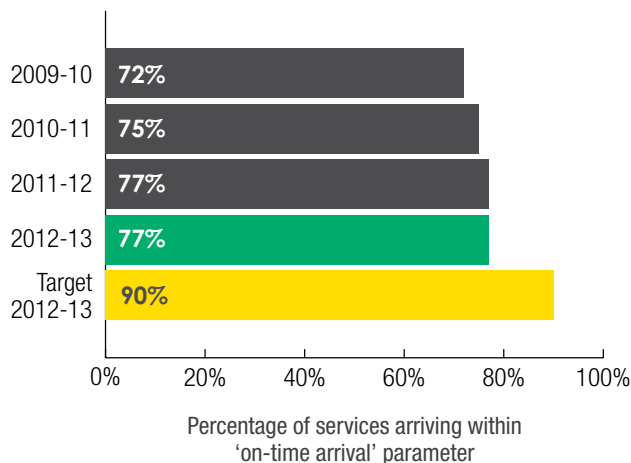


The 'OTR' of Transperth ferry in 2012-13 reached 84.73 per cent, 12.35 per cent below the 2011-12 result of 96.67 per cent and 13.54 per cent below the target of 98 per cent mainly due to ferries having to give way to barges involved in Elizabeth Quay works. Of the 131 trips checked during 2012-13, 111 trips have met the target.

Transwa Rail Services

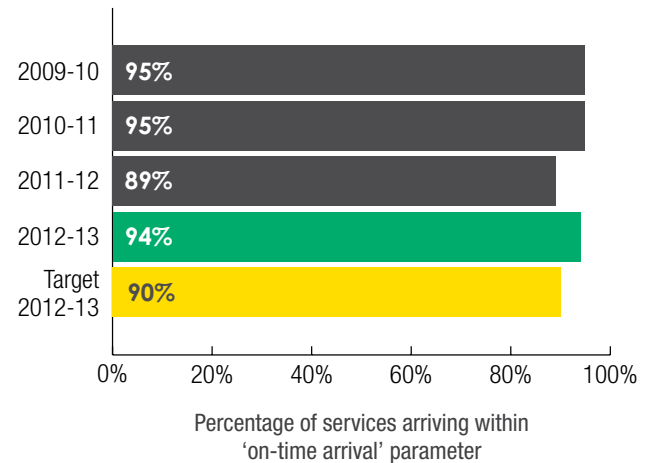
Indicators of the 'OTR' performance for Transwa rail services are reported separately for each service.

a. Prospector



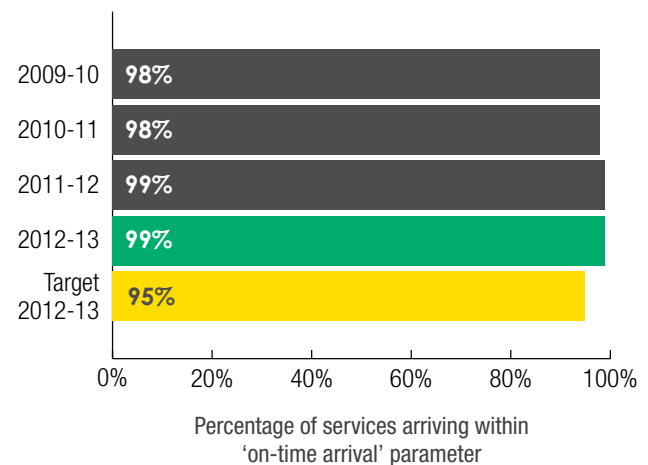
The 'OTR' of the Prospector reached 77 per cent in 2012-13, same as the 2011-12 result and 14.36 per cent below the 2012-13 target of 90 per cent mainly due to daily speed restrictions associated with the Brookfield re-railing program, delays and disruptions in services resulting from crossings, track works and late running by other rail users.

b. Australind



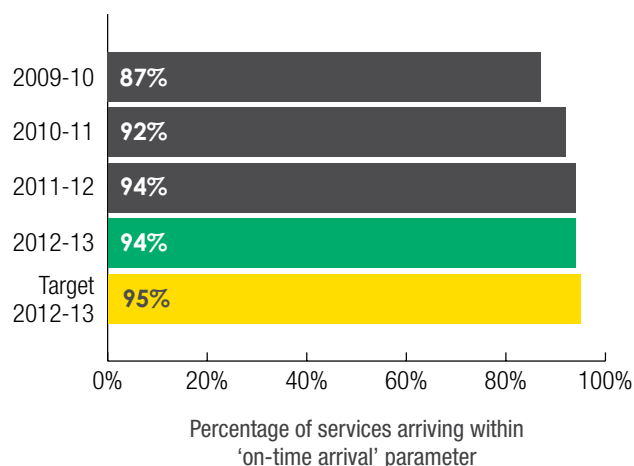
The 'OTR' of the Australind in 2012-13 reached 94 per cent, 5.44 per cent above the 2011-12 result and 3.95 per cent above the target. The improvement in the 'OTR' performance was due to services returning to normal operation as a result of the completion of track works.

c. AvonLink



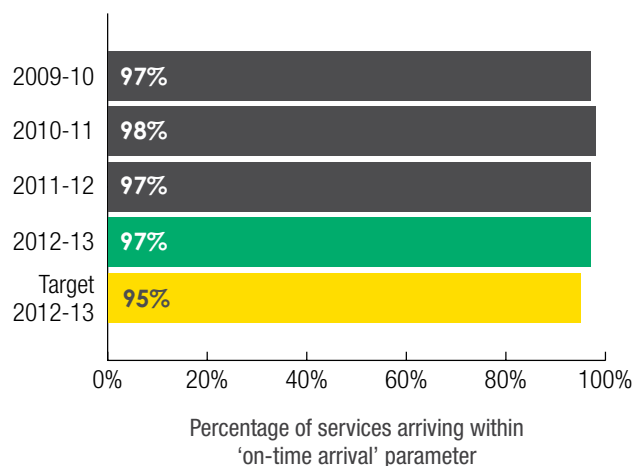
The 'OTR' of the AvonLink in 2012-13 remained high at 99 per cent, same as the 2011-12 result and 4.43 per cent above the target of 95 per cent in 2012-13 due to limited numbers of rail crossings between Northam and Midland. Even though there is dual gauge in operation between Northam and Midland, crossings may still occur.

d. MerredinLink



The 'OTR' of the MerredinLink in 2012-13 reached 94 per cent, same as the 2011-12 result and 1.14 per cent below the target of 95 per cent in 2012-13.

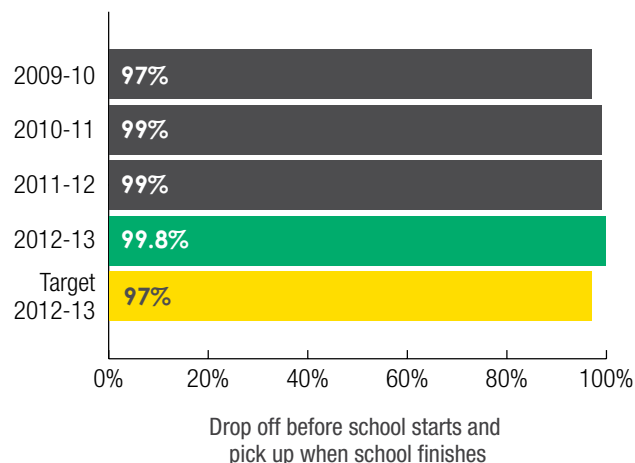
Transwa Road Coach Services



The 'OTR' of the Road Coach services in 2012-13 reached 97 per cent, same as the 2011-12 result and 1.61 per cent above the target.

Regional School Bus Services

This indicator measures school bus timetable reliability for rural mainstream services and Special Education School buses operating in the metropolitan area. The 'OTR' parameter is to arrive at school no less than 10 minutes before school starts and depart within 10 minutes of school ending.



The 'OTR' in 2012-13 is 1.01 per cent above the 2011-12 result and 2.85 per cent above the target.

In 2012-13, 844 services were monitored for on-time running of which 842 were within the time standard. The number of observations was within the acceptable limit of sampling error rate.

This indicator is calculated using a random sample which ties in with the School Bus Service inspection program.

The table shows five year performance to 30 June 2013:

Year	Number of observations for compliance with 'on-time' arrival	Observations that were compliant
2008-09	1,030	1,001
2009-10	888	864
2010-11	976	970
2011-12	647	639
2012-13	844	842

The error rate of ± 3.05 per cent is within the ± 5 per cent tolerance level.

4. Level of Overall Customer Satisfaction

The proportion of patrons who expressed overall satisfaction with their public transport service level, measures the public perception of Transperth's performance in providing a high-quality and attractive public transport service.

The measure for Transperth services is derived from an extensive annual survey conducted by independent pollsters. The survey, known as the 'Passenger Satisfaction Monitor' (PSM), provides an objective, unbiased view over time of patrons' overall satisfaction with the system, e.g. safety, on-time running, courtesy of staff, service frequency and station amenities. The information is used by Transperth to develop strategies for improving service performance and infrastructure.

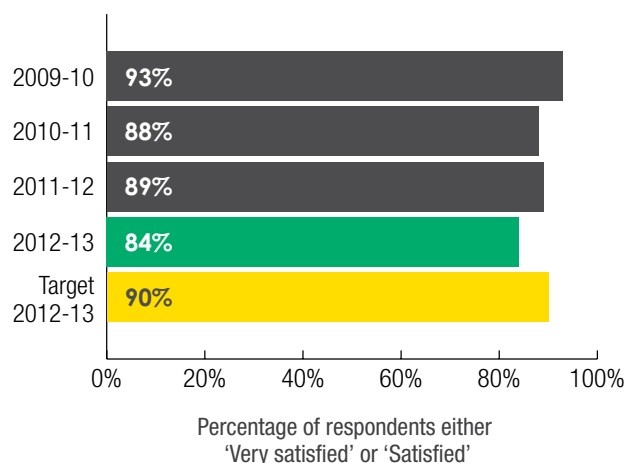
The pollsters interview a large sample of passengers in lengthy face-to-face surveys. Interviewers are assigned to various services and transit station locations over a four week period covering the working week and weekend.

Transperth Train Services

For the train PSM, a total of 1,001 train patrons were surveyed. The overall sample comprised of:

- Adults aged 18 years or over resident within the Perth metropolitan area;
- Current users of Transperth train services (excluding school students); and
- Patrons who travel on trains at least once per fortnight.

The sample error estimate was within $\pm 3 - 4$ per cent and represents score differences required to reach the 95 per cent confidence level.



Overall satisfaction decreased by 5.62 per cent from 2011-12 and was 6.67 per cent below the target.

The results were driven largely by a 6 per cent decrease in overall satisfaction of peak-time travellers (from 86 per cent in 2011-12 to 80 per cent in 2012-13) resulting from the 4.22 per cent increase in patronage and heavy peak time demand.

The expressed levels of dissatisfaction increased from 4 per cent in 2011-12 to 7 per cent in 2012-13.

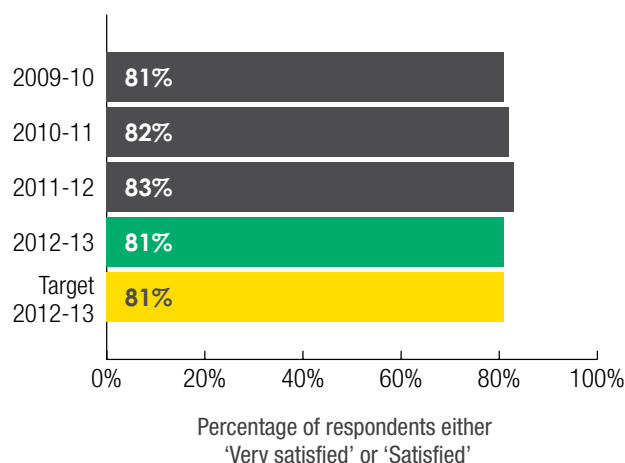
The main reasons for dissatisfaction related to crowding issues, seat availability in peak times, insufficient railcars and infrequent off-peak services on weekdays and weekends.

Transperth Bus Services

For the Transperth bus PSM, a total of 3,056 bus patrons were surveyed. The overall sample comprised of:

- Adults aged 18 years or over resident within the Perth Bus Contract region;
- Current users of Transperth bus services (excluding school students); and
- Patrons who travel on bus at least once per fortnight.

The sample error estimate was within $\pm 2 - 3$ per cent and represents score differences required to reach the 95 per cent confidence level.



Overall satisfaction reached 81 per cent, same as the target in 2012-13 and 2.41 per cent below the 2011-12 result mainly due to a 3.62 per cent (2.9 million) increase in patronage.

In 2012-13, Marmion, Circle Routes and all CAT services recorded significantly higher satisfaction levels ranging from 88 per cent to 96 per cent.

Levels of dissatisfaction decreased from 10 per cent in 2011-12 to 9 per cent in 2012-13. The 2012-13 results remained steady and are consistent with those of the past five years. Significantly higher dissatisfaction levels were recorded for Midland and Morley. Midland has recorded significantly higher dissatisfaction and lower satisfaction compared to other regions in 2012-13.

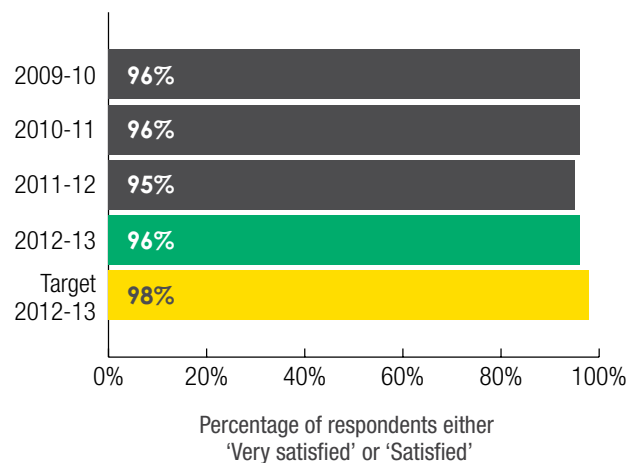
The most frequent reasons for dissatisfaction with the Bus system in 2012-13 were issues relating to service frequency, punctuality, insufficient off-peak and weekend services and limited connection of buses and trains.

Transperth Ferry Services

For the Transperth ferry PSM, a total of 200 ferry patrons were surveyed. The overall sample comprised of:

- Adults aged 18 years or over resident within the Perth metropolitan area, (i.e. Patrons who were users of Transperth Ferry services and used it more than once a fortnight for Perth residents);
- Patrons who were users of Transperth Ferry services whilst visiting Perth; and
- School students were excluded from the sample.

The sample error estimate was within ± 10 per cent and represents score differences required to reach the 95 per cent confidence level.



Customer satisfaction with the overall level of Transperth ferry services remained very high at 96 per cent, 1.05 per cent above the 2011-12 result and 2.04 per cent below the target.

In 2012-13, zero per cent of the respondents indicated that they were dissatisfied at the overall service level, thus maintaining the long-term trend of minimal or zero dissatisfaction with Transperth ferry services. The proportion of users who were 'very satisfied' with the Transperth ferry services was 69 per cent in 2012-13 compared to 75 per cent in 2011-12.

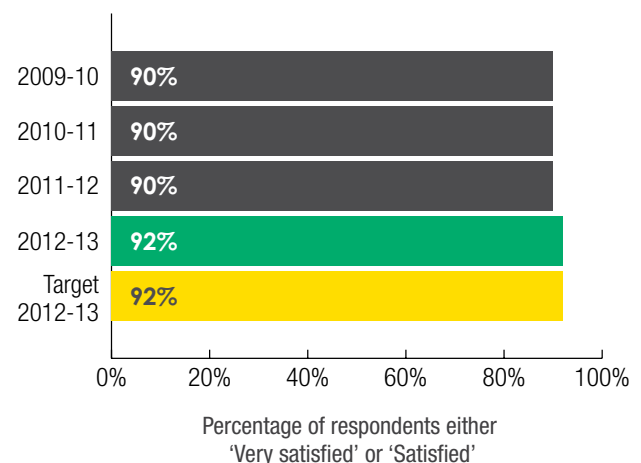
The key factors affecting the level of satisfaction were cost of fares, cleanliness on board, punctuality, service frequency on weekdays, speed of the trip, personal safety and seat availability.

Transwa Train and Road Coach Services

An independent passenger satisfaction survey is undertaken annually for each service: Australind, Prospector, AvonLink, MerredinLink and Road Coaches.

In 2012-13 a total of 1,272 country services patrons were surveyed via a self-completion questionnaire.

The sample error estimate was within $\pm 3 - 5$ per cent and represents score differences required to reach the 95 per cent confidence level.



Overall satisfaction reached 92 per cent, same as the 2012-13 target and was 2.22 per cent above the 2011-12 result mainly due to a 8.14 per cent increase in overall satisfaction with the Prospector services (from 86 per cent in 2011-12 to 93 per cent in 2012-13 mainly due to the upgrade of the seats and Entertainment System).

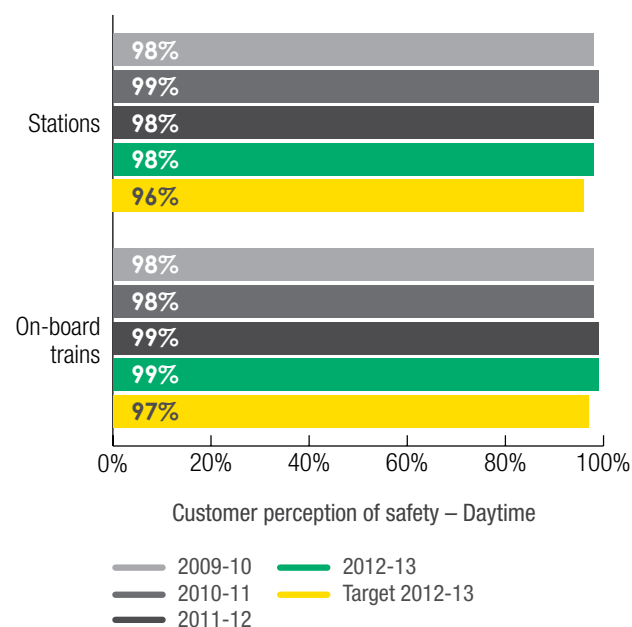
AvonLink recorded a 3.45 per cent decrease in overall satisfaction. However, overall services in 2012-13 recorded a higher level of satisfaction compared to that of the past three years.

5. Customer Perception of Safety

Safety perceptions are an important factor in the public deciding whether to use public transport. The PTA is continuing to invest in security-related infrastructure and uses risk based resource allocation to enhance security staffing in specific areas of vulnerability. This increase in presence at strategic times and locations has ensured that customers can see the tangible measures being taken to increase their safety.

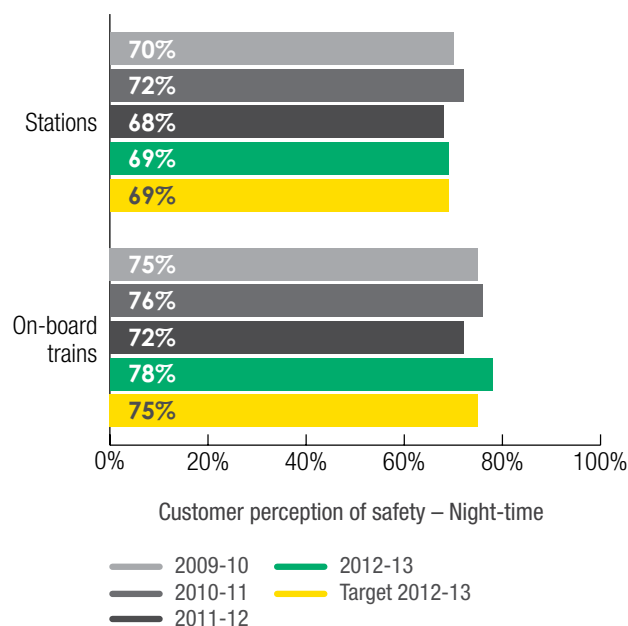
Customer perceptions of safety are measured through data gathered in the Passenger Satisfaction Monitor (PSM) which distinguishes between on-train and on-bus and at stations, at night and during the day for the Transperth train and bus services.

Transperth Train Services



The indicator for perceived safety at train stations reached 98 per cent, same as the 2011-12 result and 2.08 per cent above the target of 96 per cent in 2012-13.

The indicator for perceived safety on-board trains reached 99 per cent, same as the 2011-12 result and 2.06 per cent above the target of 97 per cent in 2012-13.

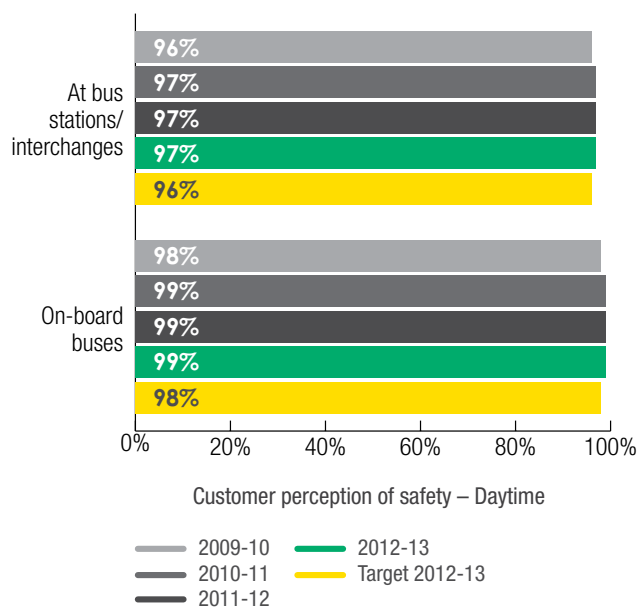


The indicator for perceived safety at train stations reached 69 per cent, same as the 2012-13 target and 1.47 per cent above the 2011-12 result of 68 per cent.

The indicator for perceived safety on-board trains reached 78 per cent, 8.33 per cent above the 2011-12 result of 72 per cent and 4 per cent above the target of 75 per cent in 2012-13. This is mainly due to significant improvement in the perception of safety on the Armadale line following initiatives taken by Transperth in 2012-13. These initiatives include:

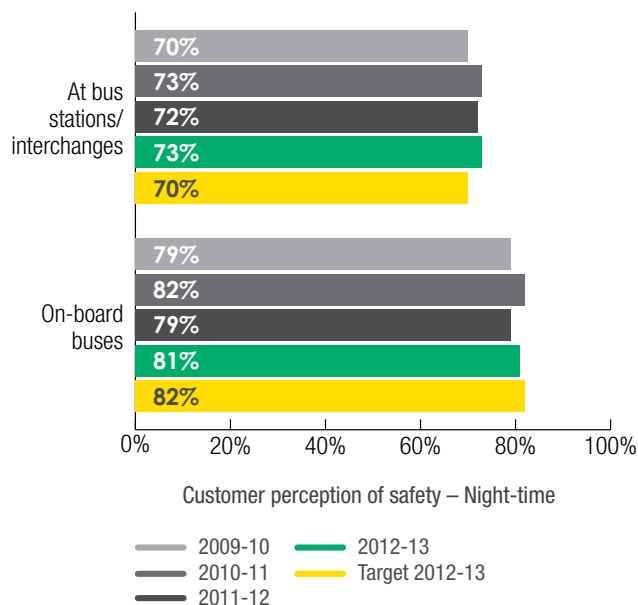
- Risk based resource allocation, ensuring a greater security presence on the Armadale line;
- Joint Police and PTA targeted operations and enhanced security coverage on late evening trains.

Transperth Bus Services



The indicator for perceived safety at bus stations reached 97 per cent, same as the 2011-12 result and 1.04 per cent above the 2012-13 target of 96 per cent.

The indicator for perceived safety on-board reached 99 per cent, same as the 2011-12 result and 1.02 per cent above the 2012-13 target of 98 per cent.



The indicator for perceived safety at bus stations reached 73 per cent, 1.39 per cent above the 2011-12 result of 72 per cent and 4.29 per cent above the 2012-13 target of 70 per cent.

The indicator for perceived safety on-board buses reached 81 per cent, 2.53 per cent above the 2011-12 result of 79 per cent and 1.22 per cent below the 2012-13 target of 82 per cent.

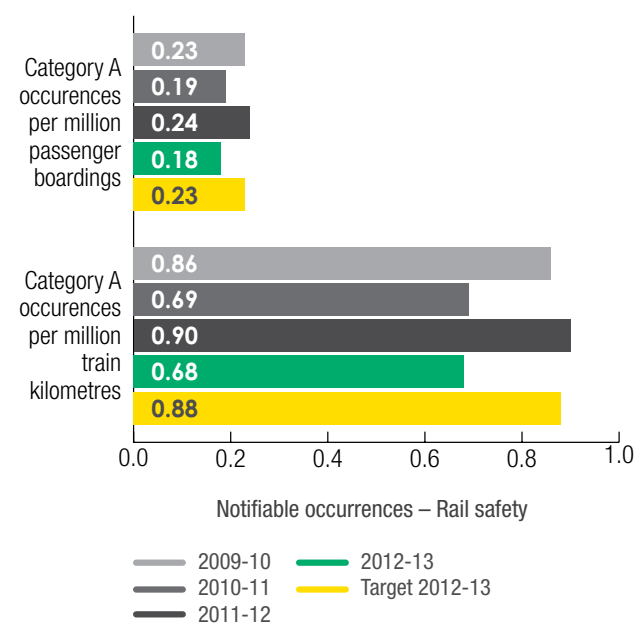
6. Level of Notifiable Occurrences

Rail Safety

Railway safety incidents are recorded and notified to the Office of Rail Safety. These incidents are termed 'notifiable occurrences' and are defined in the *Rail Safety Regulations 2011* as Category 'A' (serious injury, death or significant damage) or Category 'B' (incidents that may have the potential to cause a serious accident). Notifiable occurrences reporting is a legislated requirement under the *Rail Safety Act 2010* for the accredited owner and operator of a rail system and form part of the PTA's safety management system. These arrangements do not cover bus operations.

The performance measure for Category 'A' and 'B' occurrences is expressed as the number of occurrences per million passenger boardings and per million train kilometres. A low rate of incidents indicates that sound safety procedures and risk management procedures/controls exist and are operating effectively throughout the rail system.

The benchmark values for Category 'A' and Category 'B' incidents are calculated on the projected estimations of the number of future passenger boardings and train kilometres.



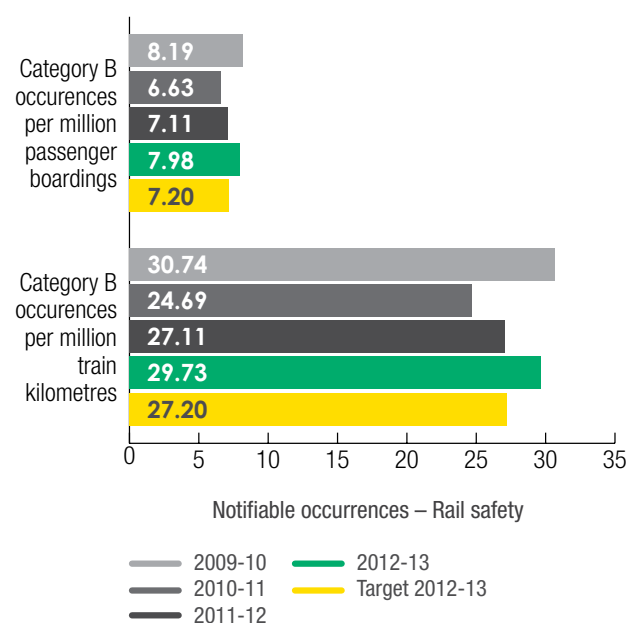
The indicator for Category 'A' incidents per million passenger boardings reached 0.18, 23.22 per cent below the 2011-12 result of 0.24 and 20.86 per cent below the target of 0.23 in 2012-13.

The indicator for Category 'A' occurrences per million train kilometres reached 0.68, 24.94 per cent below the 2011-12 result of 0.90 and 22.92 per cent below the 2012-13 target of 0.88.

The KPIs were calculated based on 12 Category 'A' incidents, total train kilometres of 17.691 million and 65.923 million boardings in 2012-13.

Category 'A' occurrences, which includes suicides, decreased by 20 per cent from 15 in 2011-12 to 12 in 2012-13.

However, when excluding suicides and attempted suicides, there were 5 Category 'A' occurrences compared to 9 in 2011-12.



The indicator for Category 'B' incidents per million passenger boardings reached 7.98, 12.18 per cent above the 2011-12 result of 7.11 and 10.82 per cent above the target of 7.20 in 2012-13. There were 526 Category 'B' occurrences in 2012-13 compared to 450 in 2011-12, an increase of 16.89 per cent mainly due to a 4.20 per cent increase in boardings.

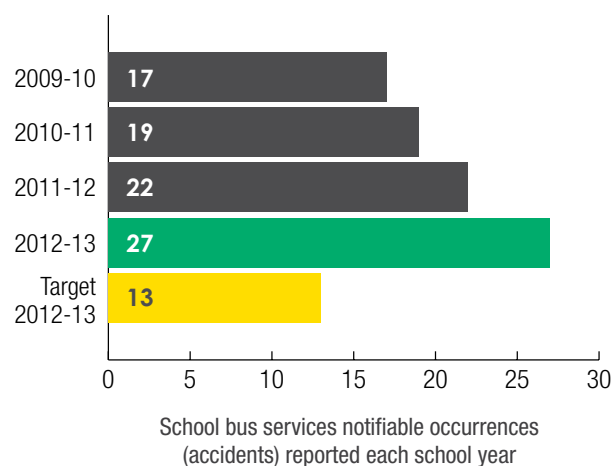
The indicator for Category 'B' occurrences per million train kilometres reached 29.73, 9.67 per cent above the 2011-12 result of 27.11 and 9.31 per cent above the 2012-13 target of 27.20 per cent.

Effective Safety Management Systems controls are in place and ongoing reviews undertaken to minimise the incidents.

Regional School Bus Services Safety

Accidents attributable to all causes are notified to the PTA. The measure for the notifiable occurrences is expressed as the number of accidents (major and minor) reported during the school year.

A low number of occurrences indicate that effective safety management procedures and controls exist and are being adhered to by school bus contractors and drivers throughout the regional school bus fleet.



The indicator reached 27, 22.73 per cent above the 2011-12 result of 22 and 107.69 per cent above the target of 13 in 2012-13.

Overall, there were 27 'on-road' school bus accidents in 2012-13, comprising of 4 major and 23 minor accidents. Approximately 70 per cent of the accident cases occurred through no fault of the school bus driver. No fatalities have been recorded although one accident causing significant injuries to a student was recorded. The student concerned has since returned to school and his recovery is making progress well ahead of schedule.

Of the 27 accidents, 16 occurred in the country area and 11 in metropolitan Perth. School Bus Services continues to campaign and educate school bus contractors and drivers about the relative risks associated with accidents and measures such as the requirement for all contractors to have in place Safety Management Plans are effective means of improving and maintaining safety standards.

In 2012-13, School Bus Services organised a series of workshops designed for school bus contractors and drivers across 35 localities in Western Australia and aimed at reinforcing the importance of safety management. Approximately 1,230 school bus contractors and drivers attended the workshops across the various localities, representing a participation rate in excess of 94 per cent.

Efficiency indicators

The PTA's effectiveness in providing a cost efficient public transport system is measured using the following key efficiency indicators:

1. Average cost per passenger kilometre
2. Average cost per 1,000 place kilometres
3. Total passenger place kilometres (millions)
4. Average cost per contracted kilometres

1. Average Cost per Passenger Kilometre

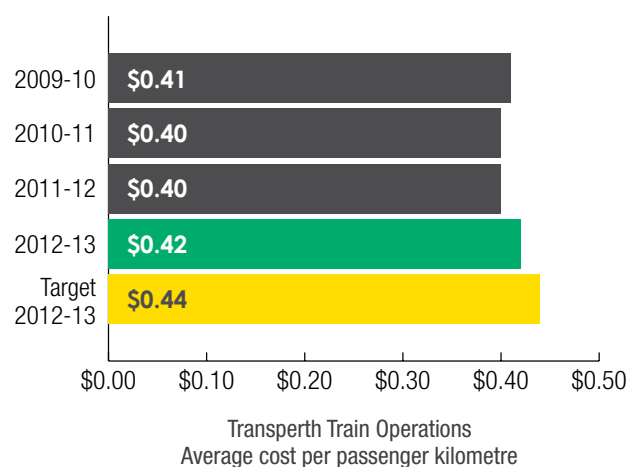
This indicator measures the cost efficiency of providing passenger services, expressed as the cost of carrying one passenger one kilometre.

Transperth

Passenger kilometres are calculated by multiplying the number of total boardings by the average trip length.

The indicator measures the cost efficiency of the services, i.e. the trend in the cost of carrying one passenger over one kilometre. A declining trend indicates that the resources used to provide the services are being utilised in a cost efficient manner.

Transperth Train Services

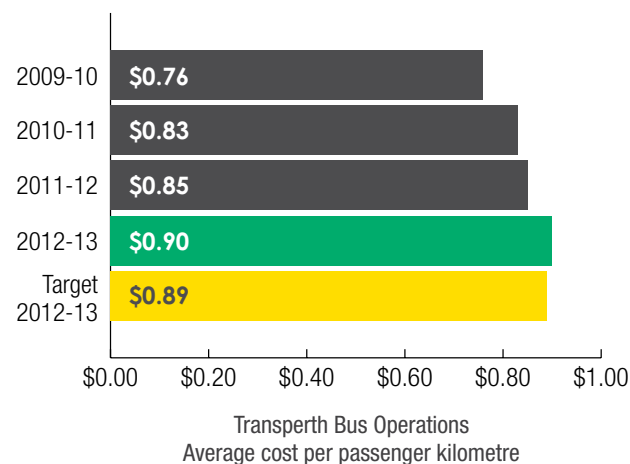


The indicator reached \$0.42, 4.25 per cent above the 2011-12 result of \$0.40 and 5.03 per cent below the target of \$0.44.

Cost of the services increased by 8.95 per cent to \$428.025 million from \$392.857 million in 2011-12 but was 5.49 per cent below the target of \$452.872 million. The increased costs were mainly due to a 4.22 per cent increase in boardings and a 6.62 per cent increase in service kilometres.

Passenger kilometres also increased by 4.51 per cent to 1,024 million in 2012-13 from 980 million in 2011-12 but was marginally (0.17 per cent) below the target of 1,026 million in 2012-13.

Transperth Bus Services

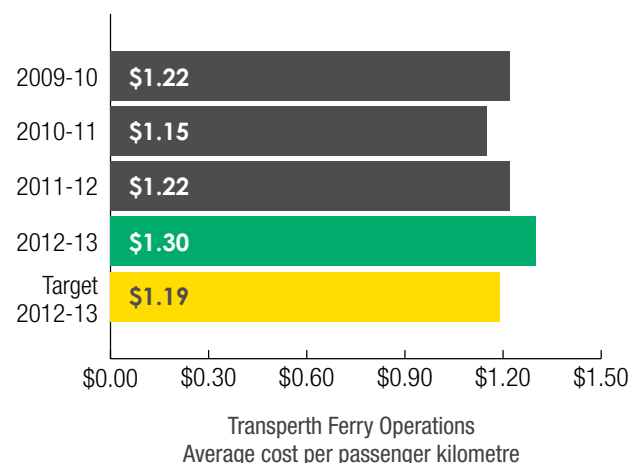


The indicator reached \$0.90, 5.40 per cent above the 2011-12 result of \$0.85 and 1.14 per cent above the target of \$0.89 in 2012-13.

Cost of the services increased by 8.69 per cent to \$419.024 million from \$385.533 million in 2011-12 and was 2.26 per cent above the target of \$409.762 million. This was mainly due to a 3.62 per cent increase in passengers and a 4.63 per cent increase in bus service kilometres resulting in increased bus maintenance and operating costs.

Passenger kilometres also increased by 3.12 per cent to 465.493 million from 451.404 million in 2011-12 and was marginally (0.74 per cent) above the target of 462.063 million in 2012-13.

Transperth Ferry Services

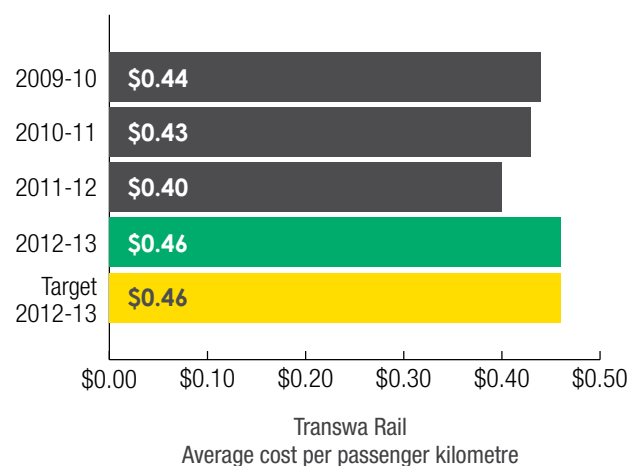


The indicator reached \$1.30, 6.76 per cent above the 2011-12 result of \$1.22 and 9.23 per cent above the target of \$1.19 in 2012-13.

Cost of the services increased by 4.68 per cent to \$0.833 million from \$0.796 million in 2011-12 and was 6.29 per cent above the target of \$0.784 million in 2012-13. The increase in costs is mainly due to a 5.28 per cent increase in service kilometres following the introduction of extra services trips in December 2012.

Passenger kilometres decreased by 1.94 per cent to 641,067 from 653,744 in 2011-12 and was 2.87 per cent below the target of 660,000.

Transwa Rail Services

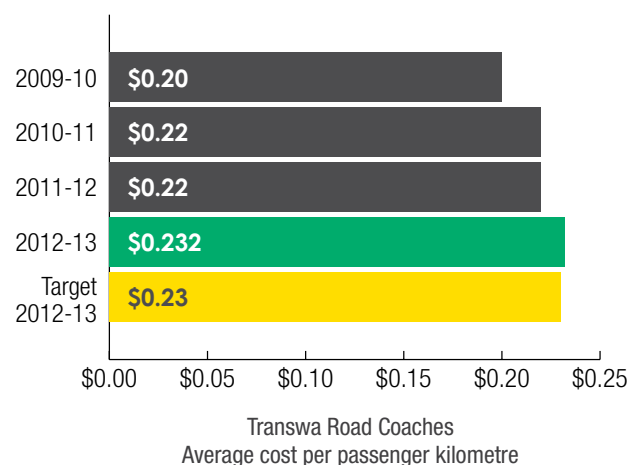


The indicator reached \$0.46, same as the 2012-13 target and 13.77 per cent above the 2011-12 result of \$0.40.

This was mainly due to a 10.22 per cent increase in total expenses to \$34.184 million from \$31.013 million in 2011-12 and a 3.12 per cent decrease in passenger kilometres from 76.756 million in 2011-12 to 74.364 million in 2012-13.

The reduction in passenger kilometres is largely driven by a 4.34 per cent decrease in Prospector patronage. In 2012-13, total Rail service kilometres decreased marginally (0.31 per cent) to 0.992 million kilometres from 0.995 million in 2011-12.

Transwa Road Coach Services



The indicator reached \$0.232, 5.18 per cent above the 2011-12 result of \$0.22 and marginally (0.70 per cent) above the target in 2012-13.

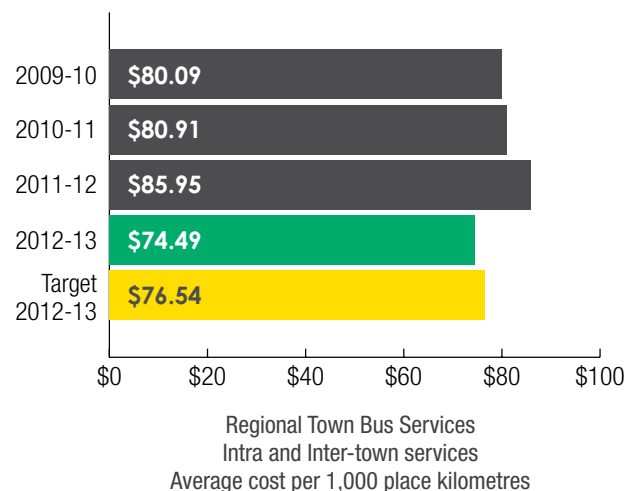
This was mainly due to a 2.04 per cent increase in total expenses to \$14.960 million from \$14.660 million in 2011-12 and a 2.98 per cent decrease in passenger kilometres from 66.574 million in 2011-12 to 64.592 million in 2012-13 driven mainly by a 1.47 per cent decrease in patronage and a marginal (0.40 per cent) decrease in service kilometres.

2. Average Cost per 1000 Place Kilometres

This indicator measures the cost efficiency of providing the service per 1,000 place kilometres and it is calculated for each mode by dividing total cost by place kilometres and multiplying by 1,000. Place kilometres are calculated by multiplying the average fleet capacity by the service kilometres.

Regional Bus Services

Intra-Town and Inter-Town Services



The indicator reached \$74.49, 13.34 per cent below the 2011-12 result of \$85.95 and 2.69 per cent below the target of \$76.54 in 2012-13.

This was mainly due to a 7.77 per cent decrease in total costs from \$17.045 million in 2011-12 to \$15.720 million in 2012-13 and a 6.43 per cent increase in total passenger place kilometres from 198.298 million in 2011-12 to 211.040 million in 2012-13 (largely due to a 3.09 per cent increase in service kilometres from 2.965 million kilometres in 2011-12 to 3.057 million in 2012-13 and increases in average bus fleet capacity following fleet changes in Bunbury, Busselton, Port Hedland, Geraldton and Broome).

3. Total Passenger Place Kilometres (millions)

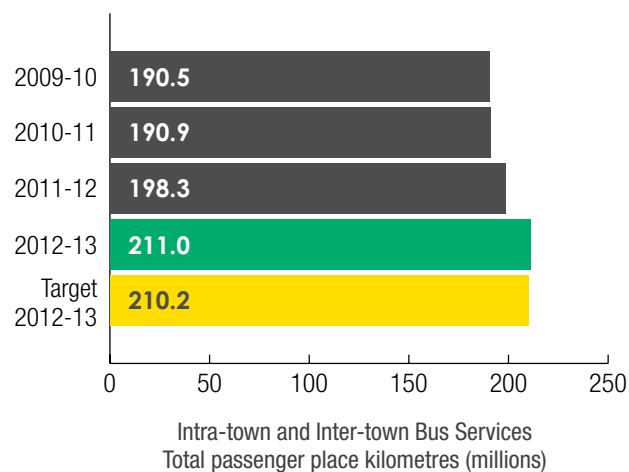
This indicator measures the total number of passengers that can be carried for the service kilometres.

It is calculated for each mode of transport by multiplying the average fleet capacity by the service kilometres and this represents the capacity provided on each mode.

The service kilometres for most intra-town services are calculated using the Transperth Route Information System (TRIS).

Regional Bus Services

Intra-Town and Inter-Town Services

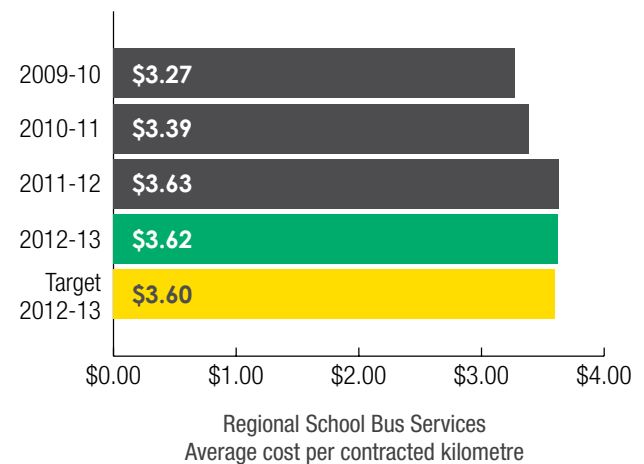


The indicator reached 211.0, 6.43 per cent above the 2011-12 result of 198.3 and 0.38 per cent above the target of 210.2 in 2012-13.

This was mainly due to a 3.09 per cent increase in service kilometres from 2.965 million kilometres in 2011-12 to 3.057 million in 2012-13 and increases in average bus fleet capacity following changes introduced in 2012-13 to bus fleet in Bunbury, Busselton, Port Hedland, Geraldton and Broome.

4. Average Cost per Contracted Kilometres Regional School Bus Services

The cost of administering school bus services on a kilometre basis is calculated by dividing the total cost of school bus contracts and operating expenses by the total contracted kilometres.



The indicator reached \$3.62, 0.29 per cent below the 2011-12 result of \$3.63 and 0.67 per cent above the 2012-13 target of \$3.60.

During the year, total costs increased by 5.97 per cent to \$114.074 million from \$107.652 million in 2011-12 mainly due to the increased costs associated with the increase in student number.

Contract kilometres also increased by 6.28 per cent to 31.476 million kilometres from 29.617 million in 2011-12.

Outcome 2: Protection of the long-term functionality of the rail corridor and railway infrastructure

Effectiveness Indicator

The most significant issue for this outcome is the management of the long-term lease of the rail freight infrastructure to Brookfield Rail Pty Ltd.

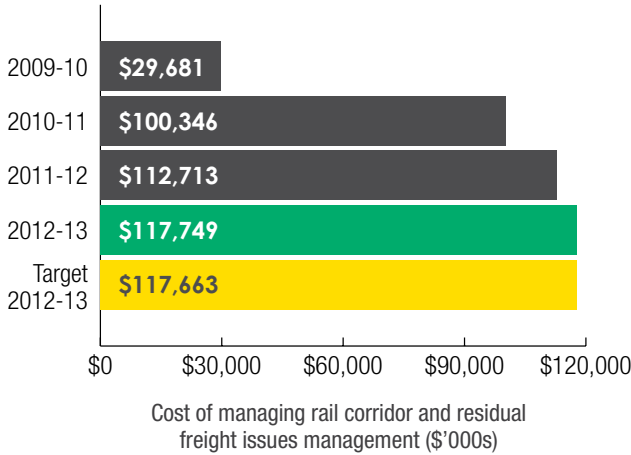
Brookfield Rail manages and operates the rail freight infrastructure under the terms of the Railway Infrastructure Lease. Under the Lease, Brookfield Rail is the ‘accredited owner’ of the infrastructure as defined in the *Rail Safety Act 1998*.

Under the terms and conditions of the Railway Infrastructure Lease, an independent inspection of the railway infrastructure is carried out every five years. The last independent inspection was completed in June 2010.

The results of this inspection did not indicate any cause for concern and confirmed that the rail corridor and infrastructure was being satisfactorily maintained.

Cost Efficiency

The cost efficiency for the management of the long-term lease of the rail freight infrastructure to Brookfield Rail is monitored using the total cost of managing the rail corridor and residual freight issues.



The cost of managing the rail corridor and residual freight issues in 2012-13 was 4.47 per cent above the 2011-12 result and marginally (0.07 per cent) above the target.

This was mainly due to increases in external works and depreciation costs.

The significant increase in 2010-11 was the result of a revaluation of the freight network which increased the depreciation costs by \$76 million.

Financial Statements

For the year ended 30 June 2013

Certification of Financial Statements	121	23 Infrastructure, property, plant, equipment and vehicles	144
Statement of Comprehensive Income	122	24 Intangible assets	147
Statement of Financial Position	123	25 Non-current assets classified as held for sale	147
Statement of Changes in Equity	124	26 Impairment of assets	147
Statement of Cash Flows	125	27 Payables	148
Notes to the Financial Statements	126	28 Borrowings	148
1 Australian Accounting Standards	126	29 Provisions	148
2 Summary of significant accounting policies	126	30 Other current liabilities	150
3 Judgements made by management in applying accounting policies	133	31 Deferred income – operating leases	150
4 Key sources of estimation uncertainty	133	32 Equity	150
5 Disclosure of changes in accounting policy and estimates	134	33 Notes to the Statement of Cash Flows	151
6 Employee benefits expense	139	34 Commitments	152
7 Supplies and services	139	35 Contingent liabilities and contingent assets	153
8 Depreciation and amortisation expense	139	36 Remuneration of members of the accountable authority and senior officers	153
9 Finance costs	139	37 Financial instruments	154
10 Grants and subsidies expense	140	38 Supplementary financial information	159
11 Other expenses	140	39 Events occurring after the end of the reporting period	160
12 User charges and fees	140	40 Explanatory statement	160
13 Operating lease revenue	140	41 Schedule of income and expenses by service	162
14 Commonwealth grants and contributions	141	42 Remuneration of auditor	164
15 Interest revenue	141	43 Act of Grace payments	164
16 Other revenue	141		
17 Net gain/(loss) on disposal of non-current assets	141		
18 Income from State Government	142		
19 Restricted cash and cash equivalents	142		
20 Inventories	143		
21 Receivables	143		
22 Amounts receivable for services (Holding Account)	143		

Certification of Financial Statements

For the year ended 30 June 2013

The accompanying financial statements of the Public Transport Authority of Western Australia 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 2013 and the financial position as at 30 June 2013.

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.



R Waldock
Accountable Authority
10 September 2013



K Kirk
Chief Finance Officer
10 September 2013

Statement of Comprehensive Income

For the year ended 30 June 2013

	Note	2013 \$000	2012 \$000
Cost of Services			
Expenses			
Employee benefits expense	6	140,790	135,193
Supplies and services	7	217,361	197,149
Depreciation and amortisation expense	8	245,404	245,646
Finance costs	9	69,877	67,672
Grants and subsidies	10	427,440	384,157
Energy and fuel		31,176	25,236
Loss on disposal of non-current assets	17	0	816
Other expenses	11	20,320	20,818
Total cost of services		1,152,368	1,076,687
Income			
Revenue			
User charges and fees	12	212,442	192,003
Operating lease revenue	13	5,466	5,466
Commonwealth grants and contributions	14	526	466
Interest revenue	15	2,380	3,125
Gain on disposal of non-current assets	17	77	0
Other revenue	16	37,330	32,164
Total revenue		258,221	233,224
Total income other than income from State Government		258,221	233,224
Net Cost of Services		894,147	843,463
Income from State Government	18		
Operating subsidy contributions		646,521	776,189
Services received free of charge		619	455
Royalties for Regions Fund		3,297	3,007
Contribution – other government agencies		3,529	1,437
Total income from State Government		653,966	781,088
(Deficit)/surplus for the period		(240,181)	(62,375)
Other Comprehensive Income			
Changes in asset revaluation surplus	32	(2,624)	19,184
Total other comprehensive income		(2,624)	19,184
Total comprehensive income for the period		(242,805)	(43,191)

Refer to note 41 'Schedule of income and expenses by service'.

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

Statement of Financial Position

As at 30 June 2013

	Note	2013 \$000	2012 \$000
Assets			
Current Assets			
Cash and cash equivalents	33	56,114	46,396
Restricted cash and cash equivalents	19	8,448	32,337
Inventories	20	13,328	13,147
Receivables	21	27,672	26,291
Amounts receivable for services	22	56,241	24,836
Non-current assets classified as held for sale	25	10,380	12,100
Total Current Assets		172,183	155,107
Non-Current Assets			
Restricted cash and cash equivalents	19	2,984	2,984
Amounts receivable for services	22	946,363	1,003,301
Infrastructure, property, plant, equipment and vehicles	23	5,553,245	5,261,107
Intangible assets	24	8,028	1,599
Total Non-Current Assets		6,510,620	6,268,991
Total Assets		6,682,803	6,424,098
Liabilities			
Current Liabilities			
Payables	27	100,244	97,789
Borrowings	28	68,883	59,918
Provisions	29	42,286	42,219
Other current liabilities	30	265	211
Deferred income – operating leases	31	5,466	5,466
Total Current Liabilities		217,144	205,603
Non-Current Liabilities			
Borrowings	28	1,471,292	1,258,651
Provisions	29	8,862	7,966
Deferred income – operating leases	31	198,324	203,789
Total Non-Current Liabilities		1,678,478	1,470,406
Total Liabilities		1,895,622	1,676,009
Net Assets		4,787,181	4,748,089
Equity	32		
Contributed equity		3,042,004	2,760,107
Reserves		1,974,873	1,977,497
Accumulated surplus		(229,696)	10,485
Total Equity		4,787,181	4,748,089

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

Statement of Changes in Equity

For the year ended 30 June 2013

	Note	Contributed equity \$000	Reserves \$000	Accumulated surplus/(deficit) \$000	Total equity \$000
Balance at 1 July 2011	32	2,557,005	1,958,313	72,860	4,588,178
Surplus/(deficit)		0	0	(62,375)	(62,375)
Other comprehensive income		0	19,184	0	19,184
Total comprehensive income for the period		0	19,184	(62,375)	(43,191)
Transactions with owners in their capacity as owners:					
Capital appropriations		201,813	0	0	201,813
Transfer of net assets from other agencies		1,539	0	0	1,539
Distributions to owners		(250)	0	0	(250)
Total		203,102	0	0	203,102
Balance at 30 June 2012		2,760,107	1,977,497	10,485	4,748,089
Balance at 1 July 2012		2,760,107	1,977,497	10,485	4,748,089
Surplus/(deficit)		0	0	(240,181)	(240,181)
Other comprehensive income		0	(2,624)	0	(2,624)
Total comprehensive income for the period		0	(2,624)	(240,181)	(242,805)
Transactions with owners in their capacity as owners:					
Capital appropriations		245,964	0	0	245,964
New Perth Stadium account		4,621	0	0	4,621
Other contributions by owners		2,600	0	0	2,600
Transfer of net assets from other agencies		31,962	0	0	31,962
Distributions to owners		(3,250)	0	0	(3,250)
Total		281,897	0	0	281,897
Balance at 30 June 2013		3,042,004	1,974,873	(229,696)	4,787,181

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

Statement of Cash Flows

For the year ended 30 June 2013

	Note	2013 \$000	2012 \$000
Cash Flows from State Government			
Operating subsidy contributions		646,521	611,324
Capital appropriation – other government agencies		2,600	490
Capital appropriations		245,964	201,813
New Perth Stadium account		4,621	0
Royalties for Regions Fund		3,297	3,007
Holding account drawdown		25,533	39,958
Net cash provided by State Government		928,536	856,592
Utilised as follows:			
Cash Flows from Operating Activities			
Payments			
Employee benefits		(135,127)	(137,233)
Supplies and services		(246,027)	(227,222)
Finance costs		(70,422)	(67,639)
Grants and subsidies		(427,489)	(380,767)
Receipts paid into consolidated account		(3,500)	(3,052)
GST payments on purchases		(117,147)	(94,981)
Other payments		(17,127)	(10,781)
Receipts			
User charges and fees: Transwa		11,001	11,917
User charges and fees: Transperth train operations and buses		214,734	197,699
Commonwealth grants and contributions		526	466
Interest received		2,651	2,686
GST receipts on sales		25,021	22,225
GST receipts from taxation authority		89,246	71,345
Other receipts		27,004	14,369
Net cash used in operating activities	33	(646,656)	(600,968)
Cash Flows from Investing Activities			
Payments			
Purchase of non-current physical assets		(518,764)	(352,408)
Receipts			
Proceeds from sale of non-current physical assets		1,107	292
Net cash used in investing activities		(517,657)	(352,116)
Cash Flows from Financing Activities			
Payments			
Repayment of borrowings		(69,490)	(79,667)
Other repayments		(365)	(365)
Receipts			
Proceeds from borrowings		291,461	163,394
Net cash provided by financing activities		221,606	83,362
Net (decrease)/increase in cash and cash equivalents		(14,171)	(13,130)
Cash and cash equivalents at the beginning of the period		81,717	94,847
Cash and Cash Equivalents at the end of the period	33	67,546	81,717

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

Notes to the Financial Statements

For the year ended 30 June 2013

1. Australian Accounting Standards

General

The Public Transport Authority of Western Australia's (PTA) financial statements for the year ended 30 June 2013 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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

Early adoption of standards

The PTA cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the PTA for the annual reporting period ended 30 June 2013.

2. Summary of significant accounting policies

a) General statement

The PTA is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act 2006 and the Treasurer's Instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land, buildings, rollingstock, vessels, buses and infrastructure which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the PTA's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 4 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

c) Reporting entity

The PTA is the reporting entity and there are no other related or affiliated bodies.

d) Contributed equity

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

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

Lease income

Lease income from deferred operating leases is recognised as income on a straight-line basis over the term of the lease. (See note 13 'Operating lease revenue' and note 31 'Deferred income – operating leases').

Operating subsidy contributions

Operating subsidy contributions are recognised as revenues at fair value in the period in which the PTA gains control of the appropriated funds. The PTA gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury. (See note 18 'Income from State Government').

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the PTA obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Royalties for Regions funds are recognised as revenue at fair value in the period in which the PTA obtains control over the funds. The PTA obtains control of the funds at the time the funds are deposited into the PTA's bank account.

Infringements

Infringements are recognised at the time payment is received. Outstanding infringements are not recognised as debts, as the future economic benefits are minimal and cannot be reliably measured at the end of the reporting period.

Gains

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

f) Borrowing costs

All borrowing costs are recognised as expenses in the period in which they are incurred. (See note 3 'Judgements made by management in applying accounting policies').

g) Infrastructure, property, plant and equipment and vehicles

Capitalisation/expensing of assets

Items of infrastructure, property, plant and equipment and vehicles costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of infrastructure, property, plant and equipment and vehicles costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

Infrastructure, property, plant and equipment and vehicles are initially recognised at cost.

For items of infrastructure, property, plant and equipment and vehicles acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land, buildings, urban rail system and bus infrastructure, rollingstock, vessels and buses and the historical cost for plant and equipment and motor vehicles. Land is carried at fair value less accumulated impairment losses.

Buildings, urban rail system, freight network infrastructure and bus infrastructure are carried at fair value less accumulated depreciation and accumulated impairment losses. Plant and equipment and motor vehicles are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately.

The revaluation of land controlled by the PTA including metropolitan and regional corridor land, not subject to commercial lease, is provided independently on an annual basis by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of reporting period.

Land and buildings which are commercially leased are independently valued at fair value based on the capitalised value of current leases. Independent valuations are obtained annually.

Buildings, bus infrastructure, rollingstock, vessels and buses have been revalued at fair value using depreciated replacement cost by independent valuers, engineering and management professionals. Valuations are obtained every 3 to 5 years. The fair value is based on depreciated replacement cost as the assets are specialised and no market-based evidence of value is available.

Urban rail system infrastructure and freight network infrastructure are revalued, at least once every five years, to its fair value based on depreciated replacement cost, as the assets are specialised and no market-based evidence of value is available.

When infrastructure is revalued, the accumulated depreciation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Construction in progress is recognised at cost.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, infrastructure and vehicles, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 23 'Infrastructure, property, plant, equipment and vehicles'.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight-line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Class of Asset	Useful Life
Buildings	10 to 50 years
Rollingstock	10 to 45 years
Infrastructure	10 to 75 years
Plant and equipment	5 to 40 years
Buses	10 to 45 years
Motor vehicles	5 to 10 years
Vessels	4 to 20 years
Office equipment	3 to 5 years

Assets under construction are not depreciated until they are available for use.

Land is not depreciated.

h) Intangible assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$5,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

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

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

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight-line basis. All intangible assets controlled by the PTA have a finite useful life and zero residual value.

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

Class of Intangible asset	Useful Life
Software*	2 to 5 years
Website costs	3 to 5 years
Licences	15 years

* Software that is not integral to the operation of any related hardware.

Computer software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

Website costs

Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised or amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

i) Impairment of assets

Property, plant and equipment, infrastructure, vehicles and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the PTA is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to the depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairments at the end of each reporting period.

j) Non-current assets (or disposal groups) classified as held for sale

Non-current assets (or disposal groups) held for sale are recognised at the lower of carrying amount and fair value less costs to sell, and are disclosed separately from other assets in the Statement of Financial Position. Assets classified as held for sale are not depreciated or amortised.

k) Leases

The PTA has entered into a number of operating lease arrangements where the lessor effectively retains materially all of the risks and benefits incidental to ownership of the items held under the operating leases. Operating leases are expensed on a straight line basis over the term of the lease as this represents the pattern of benefits derived from the leased properties.

l) Deferred income operating leases

The sale of the Westrail Freight Business on 17 December 2000 included an operating lease of the freight network infrastructure for 49 years between the Western Australian Government Railways Commission (WAGR) – now Public Transport Authority of Western Australia (PTA) and Westnet Rail Pty Ltd – now Brookfield Rail Pty Ltd. The lease rentals were fully prepaid on 17 December 2000, and credited to deferred income-operating leases. 133 grain receival sites were leased for a 99 year period in two tranches in 2003 and 2004. The rental for sites was prepaid and credited to deferred income-operating leases. (See note 2(e)).

m) Financial instruments

In addition to cash and cash equivalents, the PTA has two categories of financial instruments:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
 - Cash and cash equivalents
 - Restricted cash and cash equivalents
 - Receivables
 - Amounts receivable for services
- Financial Liabilities
 - Payables
 - Other current liabilities
 - Western Australian Treasury Corporation (WATC) loans
 - Commonwealth loans

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

n) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents (and restricted cash and cash equivalents) assets comprise of cash on hand.

o) Accrued salaries

Accrued salaries (refer to note 27 'Payables') represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The PTA considers the carrying amount of accrued salaries to be equivalent to its fair value.

p) Amounts receivable for services (Holding account)

The PTA received income from the State Government partly in cash and partly as an asset (holding account receivable) until 2011-12. From 2012-13, the PTA no longer receives funding into holding account receivable. The accrued amount appropriated is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

q) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory. Inventory recorded using the inventory control system is valued at the weighted average cost and the remainder is valued on a first in first out basis.

Inventories not held for resale are measured at cost unless they are no longer required, in which case they are measured at net realisable value.

r) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment).

The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective

evidence that the PTA will not be able to collect the debts. The carrying amount is equivalent to fair value as they are generally settled within 30 days.

s) Payables

Payables are recognised at the amounts payable when the PTA 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 30 days.

t) Borrowings

All loans payable are initially recognised at fair value, being the net proceeds received. Subsequent measurement is at amortised cost using the effective interest rate method.

u) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

(i) Provisions – employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

The liability for annual leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Annual leave that is not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the PTA does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

The liability for long service leave is recognised at the face value of each employee's long service leave entitlement based on remuneration rates current as at the end of the reporting period, adjusted for the employee's age factor. This method is referred to as the shorthand method.

An actuarial assessment of long service leave undertaken by PriceWaterhouseCoopers Actuaries at 30 June 2013 determined that the liability measured using the short hand measurement technique above was not materially different from the liability determined using the present value of expected future payments. This calculation is consistent with the PTA's experience of employee retention and leave taken.

Unconditional long service leave provisions are classified as current liabilities as the PTA does not have an unconditional right to defer the settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the PTA has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Sick leave

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

Past history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income for this leave as it is taken.

Deferred leave

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional 12 months leave in the fifth year of the agreement.

The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional eight weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liabilities are settled.

Superannuation

The Government Employees Superannuation Board (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.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provider. The PTA makes contributions to GESB or other fund providers on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the PTA's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution

plan for agency purposes because the concurrent contributions (defined contributions) made by the PTA to GESB extinguishes the agency's obligations to the related superannuation liability.

The PTA has no liabilities under the Pension Scheme or the GSS. 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 PTA to the GESB.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

(ii) Provisions – other *Employment on-costs*

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

Public liability

Provision is made for all outstanding public liability claims before 1 July 2005 worth less than \$1 million. The amount of the provision is the estimated outstanding value of the claims at the end of the reporting period.

Workers' compensation

Provision is made for all outstanding claims from periods before 1 July 1997 and any previous years fund contribution assessments based on claims experience and performance adjustment from RiskCover. The amount of the provision is the estimated outstanding value of claims plus any actuarial assessments of the previous years adjusted fund contribution at the end of the reporting period.

Contaminated sites

Provision is recognised for the sites that are classified as contaminated – remediation required or possibly contaminated – investigation required, and where the PTA has a liability in respect of investigation or remediation expenses. Estimates are based on the present value of expected future cash outflows.

v) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), WSS, and the GESBS and other superannuation funds.

w) Assets and services received free of charge or for nominal cost

Assets or services received free of charge (except those designated as contribution from owners) or for nominal cost are recognised as income at the fair value of the assets and/or the fair value of those services that can be reliably measured and the PTA would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from another State Government agency (except those designated as contribution from owners) are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

x) Comparative figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

y) Foreign currency translation

Transactions denominated in a foreign currency are translated at the rates in existence at the dates of the transactions.

3. Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The PTA evaluates these judgements regularly.

Borrowing Costs

The PTA has made a determination to expense all borrowing costs associated with the construction of capital projects as allowed by the alternative accounting treatment under AASB 123 Borrowing Costs.

4. Key sources of estimation uncertainty

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.

Long Service Leave

The PTA undertook an actuarial assessment of its long service leave provision and is using employees' age based factors for discounting its expected future payments between valuations. These factors incorporate a series of assumptions such as demographics, salary inflation, and market yields on commonwealth government bonds. Fluctuations in any of the assumptions used to calculate these factors may impact the provision for annual and long service leave.

Estimating useful life of key assets

The useful lives are estimated having regard to such factors as asset maintenance, rate of technical and commercial obsolescence, and asset usage. The useful lives of key assets are reviewed annually.

Depreciated replacement cost of railway infrastructure assets

The Building Cost Index from the Department of Finance has been applied in a model developed by the PTA for measuring the current replacement cost of the urban railway infrastructure.

The remaining useful life of the freight network infrastructure assets has been assessed by experienced independent engineering and valuation professionals based on a review of information pertaining to age, history, site assessment observation and condition. The PTA has assumed no residual value on life expired freight network infrastructure assets.

Workers' Compensation provision

The Workers' Compensation Deposit Contributions are initially calculated on estimates of wages, prior year claims and budgeted investment income and are then adjusted on the actual outcomes of these factors for the period of cover. Workers' Compensation Contributions are adjusted three years after the close of the period of cover and the PTA has made a provision based upon the RiskCover performance adjustment. The performance adjustment outcome for a year is influenced by the actual experience for a year being different to what was expected when the Deposit Fund Contribution was set. Differences can arise when the actual outcome is different from that originally projected, specifically in relation to number of claims received, cost of the claims, reinsurance costs and investment returns.

Contaminated sites provision

The contaminated sites provision was based on estimates made by management for investigation or remediation expenses of contaminated or suspected contaminated sites.

5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The PTA has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2012 that impacted on the PTA.

AASB 2011-9	Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). There is no financial impact.
--------------------	--

Future impact of Australian Accounting Standards not yet operative

The PTA cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the PTA has not applied early any of the following Australian Accounting Standards that have been issued that may impact the PTA. Where applicable, the PTA plans to apply these Australian Accounting Standards from their application date.

AASB 9	Financial Instruments This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments. AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures amended the mandatory application date of this Standard to 1 January 2015. The PTA has not yet determined the application or the potential impact of the Standard. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2015.
AASB 10	Consolidated Financial Statements This Standard supersedes AASB 127 Consolidated and Separate Financial Statements and Int 112 Consolidation – Special Purpose Entities, introducing a number of changes to accounting treatments. Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments. The PTA has not yet determined the application or the potential impact of the Standard. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2014.
AASB 11	Joint Arrangements This Standard supersedes AASB 131 Interests in Joint Ventures, introducing a number of changes to accounting treatments. Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The PTA has not yet determined the application or the potential impact of the Standard. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2014.

AASB 12	<p>Disclosure of Interests in Other Entities</p> <p>This Standard supersedes disclosure requirements under AASB 127 Consolidated and Separate Financial Statements, AASB 131 Interests in Joint Ventures.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The PTA has not yet determined the application or the potential impact of the Standard.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2014.</p>
AASB 13	<p>Fair Value Measurement</p> <p>This Standard defines fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>
AASB 119	<p>Employee Benefits</p> <p>This Standard supersedes AASB 119 (October 2010), making changes to the recognition, presentation and disclosure requirements.</p> <p>The PTA does not have any defined benefit plans, and therefore the financial impact will be limited to the effect of discounting annual leave and long service leave liabilities that were previously measured at the discounted amounts.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>
AASB 127	<p>Separate Financial Statements</p> <p>This Standard supersedes AASB 127 Consolidated and Separate Financial Statements, introducing a number of changes to accounting treatments.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The PTA has not yet determined the application or the potential impact of the Standard.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2014.</p>
AASB 128	<p>Investments in Associates and Joint Ventures</p> <p>This Standard supersedes AASB 128 Investments in Associates, introducing a number of changes to accounting treatments.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The PTA has not yet determined the application or the potential impact of the Standard.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2014.</p>
AASB 1053	<p>Application of Tiers of Australian Accounting Standards</p> <p>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2013.</p>

AASB 1055	<p>Budgetary Reporting</p> <p>This Standard specifies the nature of budgetary disclosures, the circumstances in which they are to be included in the general purpose financial statements of not-for-profit entities within the General Government Sector (GGS). The PTA will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2014.</p>
AASB 2010-2	<p>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Int 2, 4, 5, 15, 17, 127, 129 & 1052]</p> <p>This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2013.</p>
AASB 2010-7	<p>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>AASB 2012-6 amended the mandatory application date of this Standard to 1 January 2015. The PTA has not yet determined the application or the potential impact of the Standard.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2015.</p>
AASB 2011-2	<p>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]</p> <p>This Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2013.</p>
AASB 2011-6	<p>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, 128 & 131]</p> <p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2013.</p>

AASB 2011-7	<p>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17]</p> <p>This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures. For not-for-profit entities it applies to annual reporting periods beginning on or after 1 January 2014. The PTA has not yet determined the application or the potential impact of the Standard.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>
AASB 2011-8	<p>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]</p> <p>This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>
AASB 2011-10	<p>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14]</p> <p>This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>
AASB 2011-11	<p>Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</p> <p>This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2013.</p>
AASB 2012-1	<p>Amendments to Australian Accounting Standards – Fair Value Measurement – Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141]</p> <p>This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2013.</p>
AASB 2012-2	<p>Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]</p> <p>This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.</p> <p>There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>

AASB 2012-3	<p>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]</p> <p>This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2014.</p>
AASB 2012-5	<p>Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 & 134 and Int 2]</p> <p>This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>
AASB 2012-6	<p>Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]</p> <p>This Standard amends the mandatory effective date of AASB 9 Financial Instruments to 1 January 2015. Further amendments are also made to consequential amendments arising from AASB 9 that will now apply from 1 January 2015 and to consequential amendments arising out of the Standards that will still apply from 1 January 2013. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>
AASB 2012-7	<p>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 7, 12, 101 & 127]</p> <p>This Standard adds to or amends the Australian Accounting Standards to provide further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general financial statements. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2013.</p>
AASB 2012-10	<p>Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 & 2011-7 and Int 12]</p> <p>This Standard makes amendments to AASB 10 and related Standards to revise the transition guidance relevant to the initial application of those Standards, and to clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.</p> <p>The Standard was issued in December 2012. The PTA has not yet determined the application or the potential impact of the Standard.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2013.</p>
AASB 2012-11	<p>Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments [AASB 1, 2, 8, 10, 107, 128, 133, 134 & 2011-4]</p> <p>This Standard makes various editorial corrections to Australian Accounting Standards – Reduced Disclosure Requirements (Tier 2). These corrections ensure that the Standards reflect decisions of the AASB regarding the Tier 2 requirements.</p> <p>This Standard also extends the relief from consolidation and the equity method (in the new Consolidation and Joint Arrangements Standards) to entities complying with Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.</p> <p>The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2013.</p>

6. Employee benefits expense

	2013 \$000	2012 \$000
Wages and salaries (i)	129,352	124,115
Superannuation – defined contribution plans (ii)	11,438	11,078
	140,790	135,193

(i) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component, leave entitlements including superannuation contribution component.

(ii) Defined contribution plans include West State, Gold State, GESBS and other eligible funds.

Employment on-costs expenses such as workers' compensation insurance and payroll tax are included at note 11 'Other expenses'. Employment on-cost liability is included at note 29 'Provisions'.

7. Supplies and services

Contractors	161,498	140,131
Materials and signs	20,793	21,963
Consumables	7,537	6,874
Travel	12,608	8,804
Communications	1,458	1,262
Other	13,467	18,115
	217,361	197,149

8. Depreciation and amortisation expense

Depreciation

Buildings	4,699	4,689
Freight network infrastructure	85,789	83,417
Rollingstock	32,678	32,678
Railway infrastructure	77,230	83,678
Plant, equipment and motor vehicles	3,941	4,809
Bus infrastructure	6,190	6,087
Vessels	80	80
Buses	33,705	28,627
Total depreciation	244,312	244,065

Amortisation

Computer software	1,082	1,581
Licences	10	0
Total amortisation	1,092	1,581
Total depreciation and amortisation	245,404	245,646

9. Finance costs

Interest expense on Western Australian Treasury Corporation (WATC) loans	69,761	67,539
Interest expense on Commonwealth loans	116	133
Finance costs expensed	69,877	67,672

10. Grants and subsidies expense

	2013 \$000	2012 \$000
Bus operators	303,892	259,445
School bus services	108,200	103,062
Regional bus services	14,563	14,932
Rail corridor and freight issues management	0	3,325
Ferry services	763	728
Grants to local government	22	1,165
Grants to other government agencies	0	1,500
	427,440	384,157

11. Other expenses

Employment on-costs (i)	295	187
Payroll tax	7,502	7,505
Workers' compensation	7,942	9,301
Doubtful debts expense	285	148
Notional charges for services provided by government agencies	619	455
Audit fees	177	170
Payment of infringements to consolidated account	3,500	3,052
	20,320	20,818

- (i) Includes workers' compensation insurance and payroll tax relating to annual and long service leave. The on-costs liabilities associated with the recognition of annual and long service leave liabilities are included at note 29 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

12. User charges and fees

Transperth system revenue	196,367	176,039
School bus services revenue	4,831	4,747
Country passenger operations revenue	11,244	11,217
	212,442	192,003

13. Operating lease revenue

Rental income from freight network infrastructure (i)	5,383	5,383
Rental income from grain receival sites (ii)	83	83
	5,466	5,466

- (i) The sale of the Westrail Freight Business on 17 December 2000 included an operating lease of the freight network infrastructure for 49 years between the Western Australian Government Railways Commission (WAGR) – now Public Transport Authority of Western Australia (PTA) and Westnet Rail Pty Ltd – now Brookfield Rail Pty Ltd. The lease rentals were fully prepaid on 17 December 2000, and credited to deferred operating lease revenue.
- (ii) A 99 year operating lease for 118 grain receival sites was entered into with Co-operative Bulk Handling (CBH) in 2003. Rental income for 99 years of \$7.45 million was received in full at the commencement of the lease, and is accounted for as revenue over the 99 year lease period, with the prepaid portion shown as deferred income. (See note 31 'Deferred income – operating leases').

A further 99 year operating lease for 15 grain receival sites was entered into with CBH in 2004. Rental income for 99 years of \$775,000 was received in full at the commencement of the lease, and is accounted for as revenue over the 99 year lease period, with the prepaid portion shown as deferred income. (See note 31 'Deferred income – operating leases').

14. Commonwealth grants and contributions

Chamber of Commerce and Industry

National Partnership Agreement – concessions for pensioners and seniors card holders

2013 \$000	2012 \$000
17	11
509	455
526	466

15. Interest revenue

Interest revenue

2,380	3,125
--------------	--------------

Interest revenue is received quarterly from Department of Treasury calculated on the daily balance held on the interest bearing bank account.

16. Other revenue

Rents and leases

External works

Advertising income

Infringements

Parking

SmartRider card sales

Cost savings from commonwealth project

Miscellaneous

14,763	12,906
5,751	2,909
5,952	4,823
3,567	3,280
2,463	2,340
1,291	1,194
0	1,089
3,543	3,623
37,330	32,164

17. Net gain/(loss) on disposal of non-current assets

Proceeds from disposal of non-current assets

Land

Buses

Other

Net costs of disposal of non-current assets

Land

Buses

Other

0	1,685
1,114	43
27	0
0	(1,685)
(1,049)	(416)
(15)	(443)
77	(816)

Net gain/(loss)

18. Income from State Government

Appropriation received during the period:

Operating subsidy contributions (i)

Services received free of charge from other State government agencies during the period:

Landgate

Department of Finance

Main Roads WA

Building Management and Works

Royalties for Regions Fund:

Regional Community Services Account (ii)

Contribution – other government agencies

Department of Finance – funding for the new Perth Stadium

Department of Transport – funding for CAT bus replacement and new CAT depot

Department of Transport – funding for the Central Northern Corridor LRT project

	2013 \$000	2012 \$000
Operating subsidy contributions (i)	646,521	776,189
Services received free of charge from other State government agencies during the period:		
Landgate	595	450
Department of Finance	13	0
Main Roads WA	11	0
Building Management and Works	0	5
	619	455
Royalties for Regions Fund:		
Regional Community Services Account (ii)	3,297	3,007
	3,297	3,007
Contribution – other government agencies		
Department of Finance – funding for the new Perth Stadium	3,529	947
Department of Transport – funding for CAT bus replacement and new CAT depot	0	163
Department of Transport – funding for the Central Northern Corridor LRT project	0	327
	3,529	1,437
	653,966	781,088

(i) Operating subsidy contributions fund the net cost of services delivered except depreciation expense.

(ii) This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas.

19. Restricted cash and cash equivalents

Current

Capital Grant from the City of Perth (i)

Royalties for Regions Fund (ii)

Parental Leave

Commonwealth Funds – Eastern Goldfield Railway project

Funding segregated for specific projects

Non-Current

Accrued salaries suspense account (iii)

Capital Grant from the City of Perth (i)	0	28,239
Royalties for Regions Fund (ii)	279	(585)
Parental Leave	13	1
Commonwealth Funds – Eastern Goldfield Railway project	1,089	1,089
Funding segregated for specific projects	7,067	3,593
	8,448	32,337
Non-Current		
Accrued salaries suspense account (iii)	2,984	2,984
	2,984	2,984

(i) Funds held for the construction of the Perth City Link project.

(ii) Unspent funds are committed to projects and programs in WA regional areas.

(iii) Funds held in suspense account used only for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

20. Inventories

Current

Inventories not held for resale:

Maintenance spares – at cost

2013 \$000	2012 \$000
13,328	13,147
13,328	13,147

21. Receivables

Current

Receivables

Allowance for impairment of receivables

Accrued revenue

GST receivable

Other receivables – external works

4,379	5,612
(290)	(154)
8,964	7,951
12,976	10,487
231	668
26,260	24,564
1,412	1,727
27,672	26,291

Prepayments

Total receivables

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of period

Doubtful debts expense

Amount written off during the period

Amount recovered during the period

Balance at end of period

154	12
285	148
(85)	0
(64)	(6)
290	154

22. Amounts receivable for services (Holding Account)

Current

Non-current

56,241	24,836
946,363	1,003,301
1,002,604	1,028,137

Represents the non-cash component of operating subsidy contributions. It is restricted in that it can only be used for asset replacement or payment of leave liability.

	2013	2013	2013	2013	2012	2012	2012	2012
	Cost	At Fair Value	Accumulated depreciation	Carrying amount as at 30 June 2013	Cost	At Fair Value	Accumulated depreciation	Carrying amount as at 30 June 2012
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Owned Assets:								
Land (i)	0	360,833	0	360,833	0	361,222	0	361,222
Buildings (ii)	0	211,026	103,185	107,841	0	211,026	98,486	112,540
Freight network infrastructure (iii)(vi)	0	5,153,415	3,962,906	1,190,509	0	5,121,807	3,877,117	1,244,690
Rollingstock (ii)	0	1,023,824	435,223	588,601	0	1,023,824	402,545	621,279
Railway infrastructure (iv)	0	2,968,445	917,805	2,050,640	0	2,949,634	840,575	2,109,059
Plant, equipment and motor vehicles	39,940	0	21,484	18,456	35,121	0	17,793	17,328
Bus infrastructure (ii)	0	239,446	114,129	125,317	0	235,516	107,940	127,576
Vessels (ii)	0	3,200	1,931	1,269	0	3,200	1,851	1,349
Buses (ii)	0	746,661	372,058	374,603	0	713,858	364,796	349,062
Construction in progress (v)	735,176	0	0	735,176	317,002	0	0	317,002
Total	775,116	10,706,850	5,928,721	5,553,245	352,123	10,620,087	5,711,103	5,261,107

- (i) Land controlled by the PTA has been revalued as at 1 July 2012 by Landgate (Valuation Services) and Burgess Rawson. The valuations were performed during the year ended 30 June 2013 and recognised at 30 June 2013. The fair value was determined by reference to market values. See note 2(g).

To ensure the valuations provided by Valuation Services were compliant at 30 June 2013 with the fair value requirements under AASB 116, Valuation Services provided the Department of Treasury with information that tracked the general movement in the market value of land and in building construction costs from 1 July 2012 (the date of valuation) to 30 June 2013. Department of Treasury reviewed the information and determined that the valuations provided by Valuation Services (as at 1 July 2012) were compliant with fair value requirements for 30 June 2013 reporting without further adjustment by reference to market values based on existing use.

Land and buildings which are commercially leased were independently valued on the capitalised value of current lease by Burgess Rawson. The valuations were performed during the year ended 30 June 2013 and recognised at 30 June 2013.

- (ii) Buildings, rollingstock, bus infrastructure, vessels and buses were last revalued on 30 June 2010 by independent valuers, engineering and management professionals at depreciated replacement cost which represents the fair value of the assets.
- (iii) Freight network infrastructure was revalued on 30 June 2010 at depreciated replacement cost which represents the fair value of the assets. A model was developed using independent third party audited information, engineering and independent valuers.
- (iv) Railway infrastructure was revalued on 30 June 2012. Railway infrastructure has been revalued by PTA's management professionals and third party vendors. The methodology adopted has been depreciated replacement cost with a modern equivalent asset capable of delivering the same service potential. This represents the fair value of the assets.
- (v) Construction in progress is valued at cost.
- (vi) The PTA entered into a finance lease with Karara Mining Limited and Gindalbie Metals Limited during the year. The lease is over a railway line from Tilley to Karara which was constructed by Karara for its exclusive use over the period of the lease term of 49 years. While legal ownership is vested in PTA, beneficial ownership and the asset will be transferred to PTA upon the expiry of the lease.

Reconciliations of the carrying amounts of infrastructure, property, plant, equipment and vehicles at the beginning and end of the reporting period are set out in the table below.

2013	Carrying amount at start of period \$'000	Additions \$'000	Transfers (vii) \$'000	Revaluation Increments \$'000	Disposals \$'000	Depreciation \$'000	Carrying amount at end of period \$'000
Owned Assets:							
Land	361,222	160	355	(904)	0	0	360,833
Buildings	112,540	0	0	0	0	(4,699)	107,841
Freight network infrastructure	1,244,690	0	31,608	0	0	(85,789)	1,190,509
Rollingstock	621,279	0	0	0	0	(32,678)	588,601
Railway infrastructure	2,109,059	2,172	16,639	0	0	(77,230)	2,050,640
Plant, equipment and motor vehicles	17,328	4,583	501	0	(15)	(3,941)	18,456
Bus infrastructure	127,576	889	3,042	0	0	(6,190)	125,317
Vessels	1,349	0	0	0	0	(80)	1,269
Buses	349,062	2,737	57,558	0	(1,049)	(33,705)	374,603
Construction in progress	317,002	502,360	(84,186)	0	0	0	735,176
Total	5,261,107	512,901	25,517	(904)	(1,064)	(244,312)	5,553,245

(vii) On the 30th June 2013, the PTA recognised transferred assets from Main Roads WA for land at Wanneroo (\$355,000) and rail corridor and level crossings along the Freight Network (\$31,608,000) and transferred assets to Main Roads WA for priority bus lanes along the Great Eastern Highway from Kooyong Road to Tonkin Highway (\$3,250,000).

2012	Carrying amount at start of period \$'000	Additions \$'000	Transfers \$'000	Revaluation Increments \$'000	Disposals \$'000	Depreciation \$'000	Carrying amount at end of period \$'000
Owned Assets:							
Land	350,737	0	4,529	5,956	0	0	361,222
Buildings	113,492	323	3,414	0	0	(4,689)	112,540
Freight network infrastructure	1,290,996	0	37,111	0	0	(83,417)	1,244,690
Rollingstock	653,957	0	0	0	0	(32,678)	621,279
Railway infrastructure	2,131,920	755	45,189	15,328	(455)	(83,678)	2,109,059
Plant, equipment and motor vehicles	24,154	2,046	(4,055)	0	(8)	(4,809)	17,328
Bus infrastructure	130,579	146	2,938	0	0	(6,087)	127,576
Vessels	1,429	0	0	0	0	(80)	1,349
Buses	318,456	0	59,629	0	(396)	(28,627)	349,062
Construction in progress	121,368	257,130	(61,496)	0	0	0	317,002
Total	5,137,088	260,400	87,259	21,284	(859)	(244,065)	5,261,107

24. Intangible assets

Software – at cost

Accumulated amortisation

Licences – at cost

Accumulated amortisation

Reconciliations:

Software

Carrying amount at start of period

Additions and transfers in

Amortisation expense and disposal

Carrying amount at end of period

Licences

Additions

Amortisation expense

Carrying amount at end of period

25. Non-current assets classified as held for sale

Freehold land

Opening balance

Revaluation

Assets sold

Closing balance

	2013 \$000	2012 \$000
Software – at cost	11,474	8,559
Accumulated amortisation	(7,676)	(6,960)
	3,798	1,599
Licences – at cost	4,240	0
Accumulated amortisation	(10)	0
	4,230	0
	8,028	1,599
Reconciliations:		
Software		
Carrying amount at start of period	1,599	3,014
Additions and transfers in	3,281	166
Amortisation expense and disposal	(1,082)	(1,581)
Carrying amount at end of period	3,798	1,599
Licences		
Additions	4,240	0
Amortisation expense	(10)	0
Carrying amount at end of period	4,230	0
25. Non-current assets classified as held for sale		
Freehold land		
Opening balance	12,100	15,885
Revaluation	(1,720)	(2,100)
Assets sold	0	(1,685)
Closing balance	10,380	12,100

The PTA holds land surplus to its operational requirements. Various properties have been identified as land for future sales. The PTA anticipates that all the freehold land in the closing balance will be disposed of in accordance with the Government's asset disposal policy in the next reporting period. See also note 2(j) Non-current assets (or disposal groups) classified as held for sale.

26. Impairment of assets

There were no indications of impairment to property, plant and equipment, vehicles, infrastructure or intangible assets at 30 June 2013.

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

All surplus assets at 30 June 2013 have either been classified as assets held for sale or written-off.

27. Payables

Current

	2013 \$000	2012 \$000
Trade payables	5,381	9,553
Accrued operational expenses	73,909	68,630
Accrued salaries	6,227	4,634
Accrued interest	12,880	13,426
Other payables	1,847	1,546
	100,244	97,789

28. Borrowings

Current

Western Australian Treasury Corporation loans	68,533	59,553
Commonwealth loans	350	365
	68,883	59,918

Non-Current

Western Australian Treasury Corporation loans (i)	1,470,041	1,257,049
Commonwealth loans	1,251	1,602
	1,471,292	1,258,651

(i) The non-current amount includes an amount that will be due and payable during the year 2013-14 which will be refinanced rather than repaid and therefore is not recognised as current borrowings.

29. Provisions

Current

Employee benefits provision

Annual leave (i)	14,078	13,198
Long service leave (ii)	14,668	12,543
Deferred salary scheme (iv)	36	103
	28,782	25,844

Other provisions

Public liability provision	40	710
Workers' compensation	7,925	9,586
Contaminated sites	2,729	3,555
Employment on-costs (iii)	2,810	2,524
	13,504	16,375
	42,286	42,219

Non-Current

Employee benefits provision

Long service leave (ii)	6,593	6,462
	6,593	6,462

Other provisions

Contaminated sites	1,605	850
Employment on-costs (iii)	664	654
	2,269	1,504
	8,862	7,966

2013 \$000	2012 \$000
---------------	---------------

- (i) Annual leave liabilities have been 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 settlement of liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	10,501	9,872
More than 12 months after the end of the reporting period	3,577	3,326
	14,078	13,198

- (ii) 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. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	2,469	2,240
More than 12 months after the end of the reporting period	18,792	16,765
	21,261	19,005

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

The associated expense is disclosed in note 11 'Other expenses'.

- (iv) Deferred salary scheme 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. Actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	36	103
More than 12 months after the end of the reporting period	0	0
	36	103

Movements in other provisions

Movements in each class of provisions during the period, other than employee benefits, are set out below:

Public liability provision

Carrying amount at start of period	710	141
Additional provisions recognised	(416)	576
Payments/other sacrifices of economic benefit	(254)	(7)
Carrying amount at end of period	40	710

Workers' compensation provisions

Carrying amount at start of period	9,586	5,546
Additional provisions recognised	7,942	9,301
Payments/other sacrifices of economic benefit	(9,603)	(5,261)
Carrying amount at end of period	7,925	9,586

Employment on-cost provision

Carrying amount at start of period	3,178	2,949
Additional provisions recognised	1,652	1,636
Payments/other sacrifices of economic benefit	(1,356)	(1,407)
Carrying amount at end of period	3,474	3,178

	2013 \$000	2012 \$000
Contaminated sites provision		
Carrying amount at start of period	4,405	5,054
Additional provisions recognised	4,041	2,173
Payments/other sacrifices of economic benefit	(4,112)	(2,822)
Carrying amount at end of period	4,334	4,405

Provision has been established to cover for the costs related to 54 contaminated and suspected contaminated sites.

30. Other current liabilities

Contractors' deposits	64	80
Payments held in suspense	188	130
Parental leave	13	1
	265	211

31. Deferred income – operating leases

Current

Freight network infrastructure prepaid operating lease	5,383	5,383
Co-operative Bulk Handling 99 year lease	83	83
	5,466	5,466

Non-Current

Freight network infrastructure prepaid operating lease	191,088	196,470
Co-operative Bulk Handling 99 year lease	7,236	7,319
	198,324	203,789
	203,790	209,255

32. Equity

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

Contributed equity

Balance at start of period	2,760,107	2,557,005
Contributions by owners		
Capital appropriations	245,964	201,813
New Perth Stadium account	4,621	0
Other contributions by owners		
Department of Transport	2,600	0
Transfer of net assets from other agencies		
Main Roads WA	31,962	1,539
Total contributions by owners	285,147	203,352

	2013 \$000	2012 \$000
Distributions to owners		
Transfer of net assets to other agencies		
Main Roads WA	(3,250)	(250)
Total distributions to owners	(3,250)	(250)
Balance at end of period	3,042,004	2,760,107
Reserves		
Asset revaluation surplus		
Balance at start of period	1,977,497	1,958,313
Net revaluation increments/(decrements):		
Land	(2,624)	3,856
Rail infrastructure	0	15,328
Balance at end of period	1,974,873	1,977,497
Accumulated surplus		
Balance at start of period	10,485	72,860
Result for the period	(240,181)	(62,375)
Balance at end of period	(229,696)	10,485
Total Equity at end of period	4,787,181	4,748,089

33. Notes to the Statement of Cash Flows

Reconciliation of cash and cash equivalents

Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash equivalents	56,114	46,396
Restricted cash and cash equivalents (refer to note 19)	11,432	35,321
	67,546	81,717

Financing facilities

The PTA has a short-term liquidity facility of \$200 million (2011-12: \$200 million) with the WATC.

Amounts drawn from this facility at June 30	0	0
---	---	---

2013 \$000	2012 \$000
---------------	---------------

Reconciliation of net cost of services to net cash flows used in operating activities

Net cost of services	(894,147)	(843,463)
Non cash items:		
Depreciation and amortisation expense	245,404	245,646
(Gain)/loss on sale of property, plant and equipment	(77)	816
Services received free of charge	619	455
Write-off of assets	2,655	0
(Increase)/decrease in assets:		
Current receivables	1,108	(2,194)
Current inventories	(181)	(301)
Increase/(decrease) in liabilities:		
Current payables	4,900	678
Current provisions	67	6,951
Other current liabilities	54	(1,043)
Non-current provisions	896	(496)
Non-current deferred operating lease revenue	(5,465)	(5,466)
Change in GST receivables/payments	(2,489)	(2,551)
Net cash used in operating activities	(646,656)	(600,968)

34. Commitments

The commitments below are inclusive of GST.

Capital expenditure commitments:

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

Within one year	258,019	352,729
Later than one year and not later than five years	476,014	452,388
Later than five years	54,220	275,752
	788,253	1,080,869

Non-cancellable operating lease commitments:

Vehicle lease commitments for minimum lease payments are payable as follows:

Within one year	810	686
Later than one year and not later than five years	772	460
	1,582	1,146

Other expenditure commitments:

Other expenditure commitments contracted for at the end of the reporting period but not recognised as liabilities, are payable as follows:

Within one year	619,483	531,819
Later than one year and not later than five years	2,126,104	1,715,861
Later than five years	2,468,855	2,089,025
	5,214,442	4,336,705

35. Contingent liabilities and contingent assets

Contingent liabilities

The following contingent liabilities are additional to the liabilities included in the financial statements:

Litigation in progress

A third party has an ongoing (commenced in February 2012) Supreme Court action against the PTA relating to a claim to provide a Railway Crossing pursuant to Section 102 of the Public Works Act. The PTA has denied all liability and is defending the action. It is not possible to estimate the amount of any eventual payments in relation to this claim at balance sheet date.

Contaminated Sites

Under the Contaminated Sites Act 2003, the PTA is required to report known and suspected contaminated sites to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the PTA may have a liability in respect of investigation or remediation expenses.

During the year the PTA reported one additional suspected contaminated site to DEC. This has yet to be classified. The PTA is unable to assess the likely outcome of the classification process, and accordingly, it is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows. Whilst there is no possibility of reimbursement of any future expenses that may be incurred in the remediation of these sites, the PTA may apply for funding from the Contaminated Sites Management Account to undertake further investigative work or to meet remediation costs that may be required.

36. Remuneration of members of the accountable authority and senior officers

Remuneration of members of the accountable authority

The number of members of the accountable authority, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$	2013	2012
0 – 10,000	1	1
	2013 \$000	2012 \$000
The total remuneration of members of the accountable authority	0	0

The total remuneration includes the superannuation expense incurred by the PTA in respect of the member of the accountable authority.

The accountable authority of the PTA is the Director General – Transport who oversees the agencies Main Roads WA, the Department of Transport and the PTA from 3 May 2010. The Director General's remuneration is paid by the Department of Transport. The day-to-day operations of the PTA are overseen by the Managing Director whose remuneration is reported under the remuneration of senior officers.

Remuneration of senior officers

The number of senior officers, other than senior officers reported as members of the accountable authority, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands are:

\$	2013	2012
130,001 – 140,000	1	0
160,001 – 170,000	1	0
170,001 – 180,000	0	1
180,001 – 190,000	1	1
190,001 – 200,000	0	3
200,001 – 210,000	3	4
210,001 – 220,000	4	1
230,001 – 240,000	0	1
240,001 – 250,000	1	0
280,001 – 290,000	0	1
310,001 – 320,000	1	0
	12	12
	2013 \$000	2012 \$000
Base remuneration and superannuation	2,135	2,173
Annual leave and long service leave accruals	298	266
Other benefits	93	55
The total remuneration of senior officers	2,526	2,494

The total remuneration includes the superannuation expense incurred by the PTA in respect of senior officers other than the senior officer reported as the member of the accountable authority.

37. Financial instruments

a) Financial risk management objectives and policies

Financial instruments held by the PTA are cash and cash equivalents, restricted cash and cash equivalents, WATC borrowings, finance leases, receivables and payables. The PTA has limited exposure to financial risks. The PTA's overall risk management program focuses on managing the risks identified below.

Credit risk

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 37 'Financial instruments' and note 21 'Receivables'.

Credit risk associated with the PTA's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the PTA trades only with recognised, creditworthy third parties. The PTA 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 PTA's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

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

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

The PTA has appropriate procedures to manage cash flows including drawdown of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

The PTA has a short-term liquidity facility of \$200 million on which it can draw down to fund temporary cash shortfall. The PTA is currently in a net current liability position but can convert their short-term borrowings at any time as approval from the Western Australian Treasury Corporation (WATC) has been obtained. As such, this does not pose a liquidity risk to the PTA.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the PTA's income or the value of its holdings of financial instruments.

The PTA's exposure to market risk for changes in interest relates primarily to the long-term debt obligations. The PTA's borrowings are all obtained through WATC and are repayable at fixed rates with varying maturities. The risk is managed by WATC through portfolio diversification and variation in maturity dates. The PTA earns interest on the daily balance of its bank account.

b) Categories of financial instruments

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

	2013 \$000	2012 \$000
Financial assets		
Cash and cash equivalents	56,114	46,396
Restricted cash and cash equivalents	11,432	35,321
Loans and receivables (i)	1,015,888	1,042,214
Financial liabilities		
Financial liabilities measured at amortised cost	1,640,684	1,416,569

(i) The amount of loan and receivables excludes GST recoverable from the ATO (statutory receivable) and prepayments.

c) Financial instrument disclosures

Credit risk

The following table discloses the PTA's maximum exposure to credit risk and the ageing analysis of financial assets. The PTA's maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the PTA.

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

Aged analysis of financial assets

				Past due but not impaired					
	Note	Carrying Amount \$000	Not past due and not impaired \$000	Up to 1 month \$000	1 to 3 months \$000	3 months to 1 year \$000	1 to 5 years \$000	More than 5 years \$000	Impaired financial assets \$000
2013									
Cash and cash equivalents	33	56,114	56,114	0	0	0	0	0	0
Restricted cash and cash equivalents	19	11,432	11,432	0	0	0	0	0	0
Receivables (i)	21	13,284	9,345	2,087	1,667	0	0	0	185
Amounts receivable for services	22	1,002,604	1,002,604	0	0	0	0	0	0
		1,083,434	1,079,495	2,087	1,667	0	0	0	185
2012									
Cash and cash equivalents	33	46,396	46,396	0	0	0	0	0	0
Restricted cash and cash equivalents	19	35,321	35,321	0	0	0	0	0	0
Receivables (i)	21	14,077	12,656	474	309	484	0	0	154
Amounts receivable for services	22	1,028,137	1,028,137	0	0	0	0	0	0
		1,123,931	1,122,510	474	309	484	0	0	154

(i) The amount of receivables excludes GST recoverable from the ATO (statutory receivable) and prepayments.

Liquidity risk and interest rate exposure

The following table details the PTA'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 exposures and maturity analysis of financial assets and financial liabilities

		Interest rate exposure					Maturity dates				
	Weighted average interest rate %	Carrying Amount \$000	Fixed interest rate \$000	Variable interest rate (ii) \$000	Non-interest bearing \$000	Nominal Amount \$000	Up to 1 month \$000	1 to 3 months \$000	3 months to 1 year \$000	1 to 5 years \$000	More than 5 years \$000
2013											
Financial Assets											

(i) The amount of receivables excludes GST recoverable from the ATO (statutory receivable) and prepayments.

(ii) Variable interest rates represent the most recently determined rate applicable to the instrument at the end of the reporting period.

(iii) The principal repayment of the WATC loans is based on a 25 year repayment schedule.

		Interest rate exposure					Maturity dates				
	Weighted average effective interest rate %	Carrying Amount \$000	Fixed interest rate \$000	Variable interest rate (ii) \$000	Non-interest bearing \$000	Nominal Amount \$000	Up to 1 month \$000	1 to 3 months \$000	3 months to 1 year \$000	1 to 5 years \$000	More than 5 years \$000
Note											
2012											
Financial Assets											
Cash and cash equivalents	33	46,396	0	46,396	0	46,396	46,396	0	0	0	0
Restricted cash and cash equivalents	19	35,321	0	35,321	0	35,321	35,321	0	0	0	0
Receivables (i)	21	14,077	0	0	14,077	14,077	14,077	0	0	0	0
Amounts receivable for services	22	1,028,137	0	0	1,028,137	1,028,137	0	0	24,836	137,468	865,833
		1,123,931	0	81,717	1,042,214	1,123,931	95,794	0	24,836	137,468	865,833
Financial Liabilities											
Payables	27	97,789	0	0	97,789	97,789	97,789	0	0	0	0
Other current liabilities	30	211	0	0	211	211	211	0	0	0	0
WATC loans (iii)	28	1,316,602	1,316,602	0	0	1,653,752	207,120	2,304	83,552	391,116	969,660
Commonwealth loans	28	1,967	1,967	0	0	2,475	0	0	481	1,458	536
		1,416,569	1,318,569	0	98,000	1,754,227	305,120	2,304	84,033	392,574	970,196

(i) The amount of receivables excludes GST recoverable from the ATO (statutory receivable) and prepayments.

(ii) Variable interest rates represent the most recently determined rate applicable to the instrument at the end of the reporting period.

(iii) The principal repayment of the WATC loans is based on a 25 year repayment schedule.

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the PTA's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

		-100 basis points		+100 basis points	
	Carrying amount	Surplus	Equity	Surplus	Equity
2013	\$000	\$000	\$000	\$000	\$000
Financial Assets					
Cash and cash equivalents	56,114	(561)	(561)	561	561
Restricted cash and cash equivalents	11,432	(114)	(114)	114	114
Total increase/(decrease)		(675)	(675)	675	675

		-100 basis points		+100 basis points	
	Carrying amount \$000	Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
Financial Assets					
Cash and cash equivalents	46,396	(481)	(481)	481	481
Restricted cash and cash equivalents	35,321	(336)	(336)	336	336
Total increase/(decrease)		(817)	(817)	817	817

Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

38. Supplementary financial information

	2013 \$000	2012 \$000
Write-offs		
Public property written-off by the Executive Council during the period (i)	991	9
Revenue written-off (i)	85	0
	1,076	9
Losses through theft, defaults and other causes		
Losses of public moneys and public and other property through theft or default	2	17

(i) During the financial year \$991,434 (2012: \$9,345) was written off the PTA's asset register and \$85,298 (2012: \$113) of bad debts were written off.

39. Events occurring after the end of the reporting period

The PTA has not identified any material events after the end of the reporting period that would require adjustment or disclosure to be made.

40. Explanatory statement

Significant variations between estimates and actual results for 2013 and between the actual results for 2012 and 2013 are shown below. Significant variations are considered to be those greater than 10% or \$5 million.

a) Significant variances between estimated and actual result for 2013

	2013 Estimate \$000	2013 Actual \$000	Variance \$000
User charges and fees	200,228	212,442	12,214
Grants and subsidies expenses	415,341	427,440	(12,099)
Supplies and services	205,598	217,361	(11,763)
Depreciation and amortisation	254,953	245,404	9,549
Finance costs	94,809	69,877	24,932

User charges and fees

Increased user charges and fees mainly due to patronage.

Grants and subsidies expenses

Increased grants and subsidies expenses mainly due to increased bus service kilometres for the Transperth Bus Network.

Supplies and services

- Increased costs of providing services funded by external parties;
- Forward planning and design works for future projects;
- Increased mesothelioma cost.

Depreciation and amortisation

Decreased depreciation costs of \$9.5 million resulting from deferral of the asset investment program.

Finance costs

Decreased interest cost mainly due to deferral of the asset investment program and lower interest rate.

b) Significant variances between actual results for 2012 and 2013

	2013 Actual \$000	2012 Actual \$000	Variance \$000
Income			
User charges and fees	212,442	192,003	20,439
Other revenue	37,330	32,164	5,166
Expenses			
Employee benefits expense	140,790	135,193	(5,597)
Grants and subsidies expense	427,440	384,157	(43,283)
Supplies and services	217,361	197,149	(20,212)
Energy and fuel	31,176	25,236	(5,940)

User charges and fees

Increased user charges and fees mainly due to patronage and fare increase.

Other revenue

Increased revenue from services funded by external parties and income from leased properties and advertising.

Employee benefits expense

Increased employee benefits expense mainly due to salary and wages increment based on the Enterprise Bargaining Agreements.

Grants and subsidies expense

Increased grants and subsidies expense mainly due to increased:

- Bus service kilometres for the Transperth Bus Network;
- Labour and fuel costs for the Transperth and School bus operators;
- Bus contract cost escalation.

Supplies and services

Increased supplies and services expense mainly due to:

- Forward planning and design works for future projects;
- Increased maintenance of railcars;
- Increased security on rail and buses;
- Increased contaminated sites provision;
- Increased mesothelioma cost.

Energy and fuel

Increased energy costs mainly due to additional train services and increased electricity tariffs.

41. Schedule of income and expenses by service

	Metropolitan and Regional Passenger Services		Country Passenger Rail and Road Coach Services		Regional School Bus Services		Rail Corridor and Residual Freight Issues			Total
	2013 \$000	2012 \$000	2013 \$000	2012 \$000	2013 \$000	2012 \$000	2013 \$000	2012 \$000	2012 \$000	
Cost of Services Expenses										
Employee benefits expenses	114,495	112,952	13,786	12,607	4,107	3,543	8,402	6,091	140,790	135,193
Supplies and Services	176,590	164,909	24,116	22,184	1,879	1,393	14,776	8,663	217,361	197,149
Depreciation and amortisation expense	150,711	153,003	4,172	4,409	1,311	1,077	89,210	87,157	245,404	245,646
Finance costs	64,026	59,561	3,063	3,415	0	0	2,788	4,696	69,877	67,672
Grants and subsidies	319,240	276,663	0	0	108,200	103,079	0	4,415	427,440	384,157
Energy and fuel	26,382	21,474	3,437	2,624	0	24	1,357	1,114	31,176	25,236
Loss on disposal of non-current assets	0	816	0	0	0	0	0	0	0	816
Other expenses	16,990	18,501	1,390	1,268	724	472	1,216	577	20,320	20,818
Total cost of services	868,434	807,879	49,964	46,507	116,221	109,588	117,749	112,713	1,152,368	1,076,687
Income										
User charges and fees	196,367	176,039	11,244	11,217	4,831	4,747	0	0	212,442	192,003
Operating lease revenue	0	0	0	0	0	0	5,466	5,466	5,466	5,466
Commonwealth grants and contributions	443	364	66	91	0	0	17	11	526	466
Interest revenue	0	0	0	0	0	0	2,380	3,125	2,380	3,125
Gain on disposal of non-current assets	65	0	0	0	0	0	12	0	77	0
Other revenue	24,656	20,770	1,574	18	0	0	11,100	11,376	37,330	32,164
Total income other than income from State Government	221,531	197,173	12,884	11,326	4,831	4,747	18,975	19,978	258,221	233,224
Net Cost of Services	646,903	610,706	37,080	35,181	111,390	104,841	98,774	92,735	894,147	843,463

	Metropolitan and Regional Passenger Services		Country Passenger Rail and Road Coach Services		Regional School Bus Services		Rail Corridor and Residual Freight Issues		Total	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000	2013 \$000	2012 \$000	2013 \$000	2012 \$000	2013 \$000	2012 \$000
Income from State Government										
Operating subsidy contributions	495,159	634,981	33,080	38,863	107,651	102,146	10,631	199	646,521	776,189
Services received free of charge	0	0	0	0	0	0	619	455	619	455
Royalties for Regions	0	0	9	7	3,288	3,000	0	0	3,297	3,007
Contributions – Other Government Agencies	3,529	1,437	0	0	0	0	0	0	3,529	1,437
Total income from State Government	498,688	636,418	33,089	38,870	110,939	105,146	11,250	654	653,966	781,088
Surplus/(deficit) for the period	(148,215)	25,712	(3,991)	3,689	(451)	305	(87,524)	(92,081)	(240,181)	(62,375)

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

2013 \$000	2012 \$000
---------------	---------------

42. Remuneration of auditor

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 and key performance indicators

160	166
------------	------------

43. Act of Grace payments

Eight Act of Grace payments made pursuant to authorisations given under Section 80(1) of the *Financial Management Act 2006*. (2012: NIL payment)

50	0
-----------	----------

**Thank you for
travelling with
Transperth**



Public Transport
Authority



Transperth



Transwa

Public Transport Centre

West Parade
Perth, WA 6000

PO Box 8125
Perth Business Centre
Perth, WA 6849

enquire@pta.wa.gov.au
Telephone (08) 9326 2000

www.pta.wa.gov.au

