

# Landgate Annual Report 2021-22

[landgate.wa.gov.au](http://landgate.wa.gov.au)



## Acknowledgement of Country

Landgate recognises the diversity of the First Nations peoples of Western Australia and acknowledges the Traditional Owners and custodians and their connection to this land and its waterways. We pay our respect to Elders past and present and those who will follow in their footsteps.

## Our vision

To fully harness the value of *where* to power a thriving Western Australia.

## Our purpose

Landgate supports the sustainable economic, social and environmental management and development of land in Western Australia by securing land interests, valuing property and providing and promoting the use of location information and services.

## Our values



### Commit and act

We do what we say we will do.

### Dynamic and engaged

We are passionate, proud and enthusiastic.



### Innovate and achieve

We continually improve and deliver for our customers.

### Honest and true

Integrity is everything in our business.



# Table of Contents

<b>Section:1: Welcome</b>	<b>2</b>
Report overview	2
Statement of compliance	3
Executive foreword	4
Our year at a glance	6
<b>Section 2: Our agency</b>	<b>8</b>
What Landgate delivers	8
Our core services	9
Our governance and operating structure	10
Organisational structure	14
The WA context	17
<b>Section 3: Performance summary</b>	<b>21</b>
Financial summary	21
Performance summary	21
<b>Section 4: Agency performance</b>	<b>24</b>
Delivering our Statement of Corporate Intent	24
Locate	26
Secure	31
Value	34
Delivering value to our customers and community	36
<b>Section 5: Disclosures and legal compliance</b>	<b>42</b>
Governance disclosures	42
<b>Section 6: Key performance indicators</b>	<b>57</b>
Certification of key performance indicators	57
Performance management framework	58
<b>Section 7: Financial statements and notes</b>	<b>71</b>
Certification of financial statements	71
Financial statements and notes	77

# Section 1: Welcome

## Report overview

The annual report of the Western Australian Land Information Authority, trading as Landgate, informs our customers, people and community about our functions, performance and governance for the 2021-22 financial year. It measures our achievements against the initiatives in our 2021-22 Statement of Corporate Intent (SCI).

The key achievements section of this report is structured around these key SCI themes which are aligned to our core functions:



### Locate

Trusted location data and services that supports the management and development of our state.



### Secure

Land titling services that secure the property interests of the community in a digital economy.



### Value

A valuation service that meets the needs of our customers.



### Customers, Corporate and Commercial

We deliver value to our customers and community

Landgate's financial and operational performance is reflected in the audited financial statements and key performance indicators in this annual report.



Ben Hastings, Kristie Kent and Kalise McManus from our People, Culture and Environment team

# Statement of Compliance

For the year ended 30 June 2022



**Hon John Carey BA MLA**

**Minister for Housing; Lands; Homelessness; Local Government**

In accordance with section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the Western Australian Land Information Authority, trading as Landgate, for the year ended 30 June 2022.

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

A handwritten signature in black ink, appearing to read 'R Cole'.

**Robert Cole**

**Chair**

13 October 2022

A handwritten signature in black ink, appearing to read 'Gammie'.

**Graeme Gammie**

**Chief Executive Officer**

13 October 2022

## Executive foreword

### Message from the Chair and Chief Executive Officer



**Robert Cole**  
Chair

On behalf of the Western Australian Land Information Authority - Landgate - we are pleased to present our annual report for 2021-22.

Like every business in the state, Landgate faced the challenges of transitioning from the relative normality of 2021 to living with COVID in 2022. This is in addition to navigating geopolitical risks which impacted labour shortages as well as the impact of rising inflation. These challenges were met head on by our terrific team of employees, and we want to acknowledge up front that it is through their efforts that Landgate has achieved so much this financial year. We encourage you to read through all our achievements in this report and offer just some of the highlights in this executive foreword.

We are pleased to report that over this challenging period, Landgate has achieved great results against our key performance indicators and delivered the objectives set out in our Statement of Corporate Intent. In addition, Landgate's finances have been well-managed, consistent with the *Land Information Authority Act 2006* obligations to operate cost effectively and in accordance with prudent commercial principles, delivering a solid performance during the year.

Our team is committed to the vision - To fully harness the value of *where* to power a thriving Western Australia - by delivering a vast array of essential land information services and products to our government, industry and community customers.



**Graeme Gammie**  
Chief Executive Officer

With the property industry experiencing a period of boom, our business has seen a significant uplift in activity across our three core functional areas: Location Services, Registration Services and Valuation Services. This activity has all been in support of powering the thriving WA our vision describes, and we celebrate our contribution to the state's economic performance.

In our land titling function, Landgate accepted over 414,000 document lodgements in 2021-22, significantly up from less than 350,000 the previous year. This is a clear reflection of the strong property market, including increased property sales and associated lending, as well as a boost to refinancing as customers sought to secure better mortgage terms and interest rates.

Valuation Services delivered more than one million unimproved values and more than 160,000 regional gross rental valuations. These programs are a substantial undertaking, and are important contributors to local economies, with the valuations enabling rating authorities, including local governments and the state's taxing authority, to equitably distribute the cost of rates, land tax, service charges and levies across property owners.

On the legislation front, we welcomed the passing of the Transfer of Land Amendment Bill 2021 by State Parliament, which further modernises and streamlines conveyancing in WA. The amendments will come into effect following industry and stakeholder consultation over 12 months and will transform three key

sections of the legislation. The removal of duplicate (paper) certificates of title will be the most significant change followed by enabling the service of electronic notices to landowners and their representatives.

Landgate has invested heavily in recent years to make strata better for the half-a-million West Australians who live in strata properties. This year, to further support the recently amended *Strata Titles Act 1985*, our new Strata Direct service connected just over 5,300 customers directly with Landgate strata experts. This dedicated phone service added to our existing webchat, email and online channels and reinforced our commitment to providing customers with accurate and timely information to facilitate a stronger understanding of what strata schemes involve.

Continuing our support for consumer choice in electronic conveyancing, Landgate began operation with the Australia's second Electronic Lodgment Network Operator – Sympli Australia – joining PEXA as an operator in this key part of the property transaction chain.

As part of our vision to leverage the value of location data for the state, we continued progressing our Spatial WA concept. Spatial WA will maximise the value of the state's location data, enabling it to be shared, discovered and visualised in a spatially accurate digital twin. In this digital twin, government agencies will have the ability to plan, coordinate and collaborate in a virtual WA, enhancing how decisions are made and services delivered.

Landgate's commitment to First Nations peoples is well described by the vision statement in our latest *Innovate Reconciliation Action Plan*. The vision statement highlights our drive to share a connection to Country with the First Nations peoples of this state and to honour that connection in everything we do. Launched in May, our Innovate RAP is a comprehensive roadmap of our reconciliation commitments over the next two years.

We also saw this commitment through our place naming administration, which includes Aboriginal and dual naming. In November 2021, we were proud to work with the City of Perth, including its Elders Advisory Group and Main Roads to

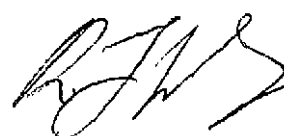
rename the western portion of Riverside Drive to Birdiya Drive (with Birdiya meaning Elders/ Noongar leaders). Renaming this section between William Street and Mounts Bay Road was an important step in acknowledging our First Nations Elders and honouring their cultural identity. Our many other achievements are outlined further in this report.

On a nostalgic note, staff and guests at our Midland headquarters celebrated nearly 30 years as part of the local community with the unearthing of a time capsule buried in 1993 when our office was built. 60 members of our team have been part of our success for that entire time, with many there to witness the event. We look forward to our next chapter in Midland and working in a refreshed and refurbished building, welcoming in other government agencies and cementing our future in the local community.

With a view to the future, the five-yearly review of our enabling legislation - the *Land Information Authority Act 2006* – commenced this year. We look forward to learning from the feedback that our customers and stakeholders share as part of this review to ensure we can continue to reshape and refine our business to be even better in the years to come. The review will be finalised by the end of the 2022 calendar year when it is tabled in Parliament by the Minister for Lands.

In thanking our Board colleagues for their dedication and commitment throughout the year, we particularly commend our former deputy chair, Anne Arnold, for almost a decade of service to the business, and welcome Kylee Schoonens as our newest member.

Finally, we would like to acknowledge and thank our Minister, the Hon John Carey BA MLA and former Minister, the Hon Dr Tony Buti MLA, both of whom are champions of Landgate and the vital work we do for government, industry and the community.



**Robert Cole**

**Chair**

13 October 2022




**Graeme Gammie**


**Chief Executive  
Officer**


13 October 2022

## Our year at a glance

Over **179,900**  
**customers**  
served

  
**17%**  
in person

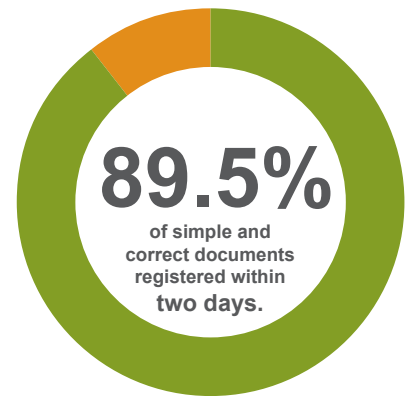
  
**58%**  
by phone

  
**25%**  
digital channels

**5,333**  
strata enquiries  
to Landgate's Strata  
Direct service

  
**17,285**  
plans lodged

**414,266**  
documents lodged



**1,504,188**  
certificates of title  
secured in the register



A second Electronic Lodgment  
Network Operator approved  
and started operation in WA



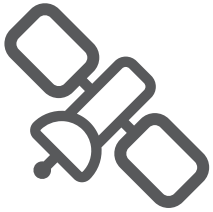
Transfer of  
Land Amendment  
Bill 2021 passed

Gross Rental Value general  
valuation program for

**40**  
regional local  
governments delivered

 Over **160,000**  
gross rental values  
and  
**1.02 million**  
unimproved valuations determined





Over **7 billion**  
square kilometres of satellite and aerial  
imagery captured, processed and made  
available

Over **4,000**  
easements  
back captured in  
Landgate's Spatial  
Cadastral Database

**94**

naming approvals  
of Aboriginal origin  
for road names,  
geographic features and  
administrative boundary  
names, of which 22  
geographic features  
were dual named.



**97%**  
of staff participated in  
**Respectful  
Behaviours  
training**



**3,402,044**  
visits to Landgate's website



Innovate  
**Reconciliation**  
Action Plan launched



**1,693**  
active users  
of **SLIP**



**SLIP** had  
**146** million  
hits

# Section 2: Our agency

## What Landgate delivers

We deliver value to the state through three core functions relating to land information:

**We help people locate their place in the world**

**We secure our interests in property**

**We value our homes and investments**

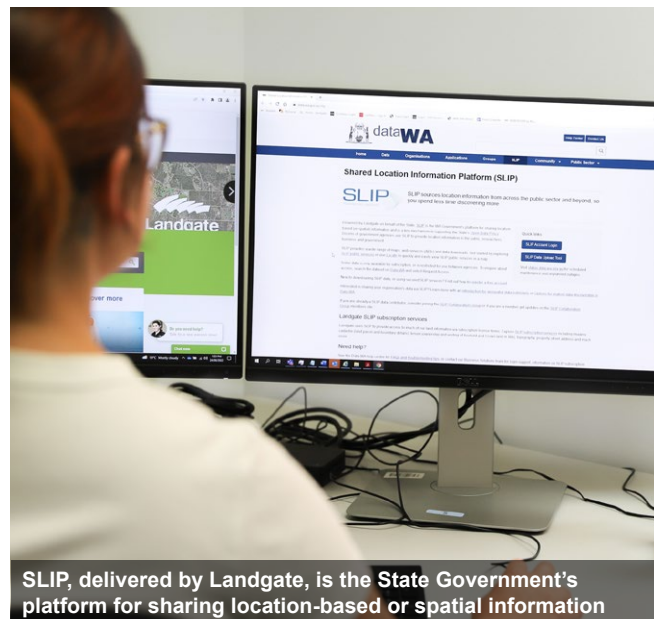
We honour the deep connection that is held between people and land in WA, particularly our First Nations peoples, recognising its timeless importance to our communities and to their sense of identity, purpose and belonging. We are the state's trusted and respected source of land and geographic information for our government, business and community customers. This information assists decision-making, provision of emergency services, planning for land-use and infrastructure and management of agriculture and natural resources.

Landgate maintains the official register of land ownership and survey information for WA. Through this, we support the functioning of the state's property market, with the value of sales registered totalling \$63.9 billion in the last financial year. We also support the finance sector in lending funds secured by mortgages in the Register, with about \$52.6 billion secured this financial year. We are responsible for valuing all land and property assets in the state, which help inform rating and taxing revenue for both local and state governments. Additionally, we value and maintain the register of the government-owned property asset portfolio.

Landgate coordinates access to location information held across State Government departments through the Western Australian Land Information System (WALIS). This information is made available through an open data platform called the Shared Location Information Platform (SLIP), which is accessed through the State Government's open data website, DataWA. Landgate also manages the Capture WA program, which coordinates spatial imagery captures on behalf of all state and local government agencies in WA in a bid to reduce costs and duplication.

As Western Australia's Land Information Authority, we deliver on our legislated responsibilities and community obligations. This includes advocating for and administering legislative reform within the Lands portfolio to address community and industry needs, State Government priorities and technological progress.

Where our work adds value to the state, we explore commercial opportunities and actively collaborate with government and industry to develop innovative opportunities and share WA's location information.



SLIP, delivered by Landgate, is the State Government's platform for sharing location-based or spatial information

## Our core services



### Locate

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

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

These services include:

- Mapping boundaries for all land titles in WA to maintain the state's primary location information asset, the Spatial Cadastral Database.
- Satellite and aerial imagery for remote sensing applications to help manage land and map fire hotspots and floods.
- Naming and addressing WA localities, streets and geographical features.
- Topographic information to support the mapping of statewide natural and built features.
- Delivering a reliable geodetic framework that provides the surveying and spatial industries with the positioning solutions they need anywhere in WA.
- Delivering Data WA, the portal to the State Government's open data catalogue and Landgate's Shared Location Information Platform (SLIP).
- Supporting innovation and entrepreneurship through Landgate's spatial expertise and grants program.



### Secure

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

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

These services include:

- Cadastral survey plans, which define property and land boundaries being registered in WA's Land Titles Register.
- Creating and issuing certificates of title for each new land parcel in the state.
- Registering interests in land, such as land ownership, easements, covenants, mortgages, caveats, leases, memorials and powers of attorney.
- Land transaction management to support the sale of over 100,000 WA properties each year<sup>1</sup>.
- Supporting digitisation, like electronic conveyancing, to make transacting in property more secure and faster.



### Value

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

Landgate provides independent expert valuations and analytics for WA properties.

These services include:

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

<sup>1</sup>102,489 transfers were lodged at Landgate in 2021-22

## Our governance and operating structure

### Enabling legislation

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

### Administered legislation

Landgate administers legislation relating to the registration of land transactions, regulation of land surveyors and the valuation of land.

The principal Acts regulating the registration of land transactions, subdivision and valuation of land in WA include the following:

- *The Transfer of Land Act 1893*
- *Electronic Conveyancing Act 2014*
- *Strata Titles Act 1985*
- *Community Titles Act 2018*
- *Valuation of Land Act 1978*
- *The Licensed Surveyors Act 1909* establishes the Land Surveyors Licensing Board and regulates the registration, licensing and practice of land surveyors.

Other legislation Landgate is responsible for administering related to the lands portfolio includes:

- *Amendment of Deeds of Grant Act 1884*
- *Land Boundaries Act 1841*
- *Real Property (Commonwealth Titles) Act 1925*
- *Real Property (Foreign Governments) Act 1951*
- *Redemption of Annuities Act 1909*
- *Registration of Deeds Act 1856*
- *Sale of Land Act 1970*
- *Standard Survey Marks Act 1924*
- *Street Alignment Act 1844*
- *Town Allotments (Boundaries) Act 1844*
- *Town Boundary Marks Ordinance 1853.*

### Further legislation

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

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



Landgate CEO Graeme Gammie and Minister for Lands John Carey at the Midland customer contact centre

## Our Board



### Robert Cole Chair

Robert Cole is a lawyer and corporate executive with 35 years' public and private sector experience. Robert is a former executive director on the board of Woodside Petroleum, former managing director of Beach Energy and former chairperson of the Southern Ports Authority. He had an extensive legal career with international law firm King & Wood Mallesons.

Robert's experience is highly valuable to Landgate, as a government agency with significant commercial responsibilities.

Roles include:

- Chair of Synergy board.
- Member of Curtin University Council.
- Holds various non-executive board positions across a number of mining and resource companies and for the charitable organisation, St Bartholomew's House.

[View Robert Cole's LinkedIn profile](#)



### Monish Paul Deputy Chair

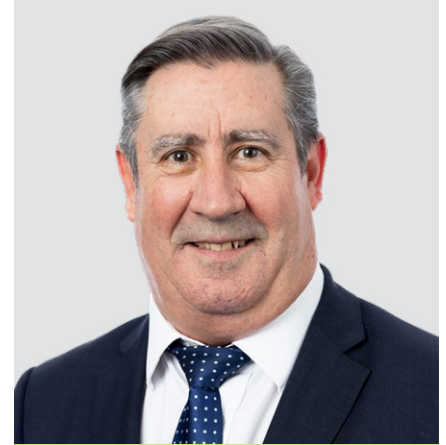
Monish Paul is a non-executive director and advisor with expertise in organisational performance and transformation. He has worked in senior advisory roles with IBM, Deloitte, Arthur Andersen and the Australian Federal and State Public Service.

Monish brings to Landgate's board well-established capabilities across financial advisory, business and digital strategy, regulation and public policy, and organisational transformation.

Roles include:

- Member of the People, Environment and Sustainability Board sub-committee.
- Senior managing director of FTI Consulting.
- Holds various non-executive positions on boards including Western Power Corporation and Police & Nurses Limited.

[View Monish Paul's LinkedIn profile](#)



### Graeme Gammie Chief Executive Officer

Graeme Gammie is an experienced leader and strategist in WA's Public Sector. His most recent roles include serving as the executive director of the State Heritage Office, assistant director general at the Department of Planning, Lands and Heritage, and leading significant reforms in historic and Aboriginal heritage regulation and the Government's response to an independent review of Western Australia's planning system in 2018.

Graeme brings to the board proven success in engaging stakeholders and the community to achieve challenging business goals and organisational transformation.

Roles include:

- Chief executive officer of Landgate (since March 2019).
- Deputy chair of charity, Fairbridge Western Australia.

[View Graeme Gammie's LinkedIn profile](#)



[View Ian Callahan's LinkedIn profile](#)

### **Ian Callahan** **Board Member**

Ian Callahan is a chartered accountant who is active on multiple boards as a non-executive director, after a multi-sector career in senior executive positions across education, healthcare, engineering and software development. Ian's leadership roles most recently included being chief operating officer at Curtin University.

Ian's considerable strategic, commercial and financial experience are a significant asset to Landgate's board.

Roles include:

- Chair of the Audit and Risk Board sub-committee.
- Commissioner on the board of the WA Football Commission.



[View Pia Turcinov's LinkedIn profile](#)

### **Pia Turcinov** **Board Member**

Pia Turcinov holds a portfolio career comprising positions that are connected by a common focus on innovation, technology and entrepreneurship. Pia has over 30 years' leadership experience across the private, not-for-profit and government sectors, after starting her career as a corporate and commercial lawyer.

Pia brings significant governance, commercialisation and industry expertise to Landgate's Board through her commercial ventures, legal background and senior executive roles.

Roles include:

- Member of the Audit and Risk Board sub-committee.
- Chair of the WA AustCyber Innovation Hub and non-executive director of ASX listed BrainChip Holdings.
- Holds non-executive positions on boards including as a council member of Edith Cowan University and the East Metropolitan Health Services board.



[View Melissa Perry's LinkedIn profile](#)

### **Melissa Perry** **Board Member**

Melissa Perry is a passionate advocate and leader of social and economic inclusion for vulnerable people and communities. Melissa has extensive leadership and advisory experience in WA's community services sector, driving changes to social policy, organisational culture, strategic development and service delivery.

Melissa's expertise as a leader of social and organisational change within complex environments is of great value to Landgate's board.

Roles include:

- Chair of the People, Environment and Sustainability Board sub-committee.
- Chief Executive Officer of Communicare and White Ribbon Australia.
- Holds non-executive board positions for Community Employers WA and the Supporting Communities Forum.



[View Kylee Schoonens' LinkedIn profile](#)

### **Kylee Schoonens** **Board Member**

Kylee Schoonens is a registered architect with over 20 years' experience and a director of her own practice since 2010. Kylee has held non-executive director roles in government bodies including DevelopmentWA (DWA), LandCorp and the Metropolitan Redevelopment Authority. Her committee expertise includes having chaired the DWA Statutory Planning Committee and the Scarborough and Midland redevelopment committees.

Kylee's vast experience across WA's property and development industry adds a valuable perspective to Landgate's board.

Roles include:

- Member of the Audit and Risk and People, Environment and Sustainability Board sub-committees.
- Director of architecture, interior and urban design practice, Fratelle.
- Residential Property Committee member of the Property Council of Australia (WA).
- Active on several boards, as chair of Bethanie Housing Limited and a non-executive director for The Bethanie Group and for Geniux, a cleantech infrastructure company.

## Organisational structure

Landgate’s structure is organised to support delivery of its key functions and strong governance and decision making.

Landgate’s ‘Locate’, ‘Secure’ and ‘Value’ functions are delivered by its Location Services, Registration Services and Valuation Services business units.

Landgate is managed by a Board, which reports to the Minister for Lands. The Minister for Lands is accountable to Parliament for Landgate’s performance.

Under the Act, the Board delegates Landgate’s day-to-day operations to the Chief Executive Officer.

### Landgate’s organisational chart





## Corporate Executive



**Graeme Gammie**  
Chief Executive Officer

- Executive management.
- Ministerial and Parliamentary liaison.
- Strategic planning and communications.
- Audit, compliance and governance.
- Legal, legislation and policy.



**Trish Scully**  
General Manager,  
Location Services

- Data sharing and collaboration.
- Aerial and satellite imagery and remote sensing applications.
- Topography; names and addressing.
- Geodetic and cadastral surveying, data and systems.
- Geospatial and graphic services.



**Bruce Roberts**  
General Manager,  
Registration Services;  
Registrar of Titles

- Land titles operations.
- Land titles assurance.
- Commissioner of Titles Office.
- Chair of the Australian Registrars National Electronic Conveyancing Council.



**Grant Goldfinch**  
General Manager,  
Valuation Services

- Statewide valuations and property analytics.
- Rating and taxing valuations.
- Specialist valuations, government property assets.
- Policy and Regulation.



**Travis Beasley**  
**General Manager,  
Corporate Services**

- Strategy, business insights and improvements, data analytics.
- Risk, innovation and research.
- Customer service.
- Finance, procurement and contract management.
- People and culture and the workplace environment.
- Information Technology.



**Graeme Dewar**  
**Chief Finance Officer  
(Non-voting)**

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



**Belinda Towart**  
**Director,  
Office of the Chief  
Executive  
(Non-voting)**

- Strategic communications.
- Ministerial and Parliamentary liaison.
- Landgate Board and Corporate Executive support.

## The WA context

### The year that was

Western Australia experienced strong economic growth during the year. The state's success in limiting the impact of COVID led to increased consumer and business confidence, with household spending channelled into the local economy rather than international travel. Commodity prices were high, and the flow on effect from Commonwealth and State Government stimulus grants in 2020 resulted in strong activity in the construction and property sector.

Supply chain issues, both in Australia and internationally, caused a shortage of some consumer goods and building materials. Labour shortages were also experienced, with unemployment at its lowest rate in over a decade. The rise in COVID cases in WA over March and April 2022 following removal of the state's hard border created additional labour challenges in an already tight jobs market.

### Future outlook

The outlook for WA is positive, though a number of significant uncertainties loom in the domestic and global environment. These include international tensions and the impact on supply chain issues, the ongoing challenges of managing COVID and increases in inflation and interest rates, both in Australia and internationally.

It is anticipated the property market will moderate in 2022-23, as new home builds complete construction and interest rate increases result in a slowing of activity, however government infrastructure development will continue to be strong.



## Our strategic plan

Landgate's strategy is focused on improving delivery of its core services. It emphasises development of the agency's spatial capabilities, industry leadership, collaboration and advocacy to support the state's economic development.

Landgate's *Strategic Development Plan* (SDP) is developed during the agency's strategic planning cycle. The SDP outlines our strategic objectives over the next five years, through the following nine objectives across four key theme areas.



### Support a strong WA economy

- Contribute to the state's economic development through efficient and effective service delivery.
- Develop a whole of government 2D/3D/4D data sharing environment to advance the state's digital spatial capability, promote collaboration, streamline decision-making and better serve our customers.



### Meet evolving customer and community needs

- Work with the community, industry and government to review, advocate for, and drive changes to legislation impacting the land information industry to meet contemporary societal needs.
- Explore solutions that expands delivery of digital services, promotes innovation and information sharing.



### Shape perspectives and outcomes in the interest of WA

- Lead strategic conversations to shape the future of the land information industry and improve services for the benefit of the community.
- Participate in national forums to progress the harmonisation of legislation, standards, strategies and practices.



### Realise the potential of our business

- Evolve our business model to optimise the value created by our people and assets.
- Ensure we have the culture, capability and skills that enable our business for the future.
- Continue our reconciliation journey and further embrace all forms of diversity to enrich our organisation.

## Significant issues and trends

### Supporting the WA economy

Landgate will continue to play a role in supporting the state's economy through efficient processing of property transactions, provision of fair, impartial valuations for rating and taxing and delivery of location information and services to support state infrastructure development.

### Evolving legislation as society changes

Societal expectations and preferences continue to evolve. To meet these expectations and facilitate change, the legislative framework that supports their activities must also develop.

We will continue to monitor developments and advocate appropriate legislative change to ensure that contemporary community needs are reflected in the legislation we administer and shape national agendas for the benefit of West Australians.

### Property industry dynamics

Consumer expectations and technology will create impetus for digital transformation in the real estate and finance industries. The industry is changing the way property transactions occur to provide consumers with faster service and greater choice.

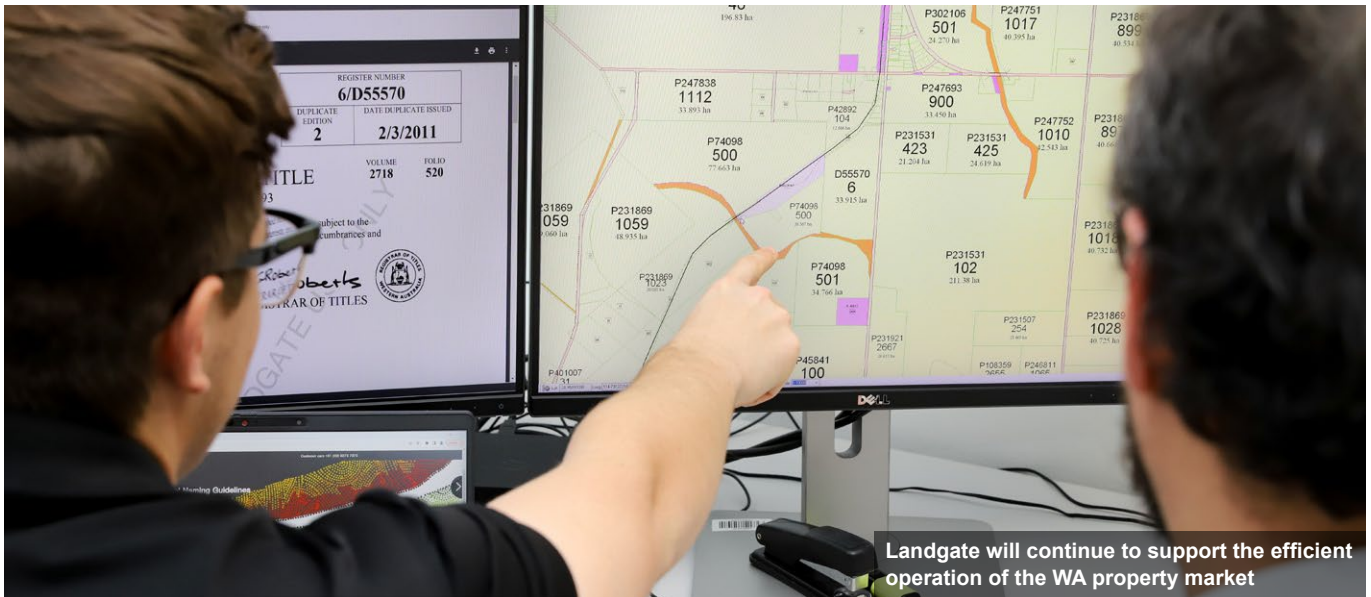
Landgate has delivered amendments to the *Transfer of Land Act 1893*, which enable a more digital conveyancing process by removing the need for paper documents. Once introduced, the changes will amend three sections of the legislation. These will include the removal of duplicate (paper) certificates of title, enable electronic service of notices and clarify the definition of counterpart documents. The Transfer of Land Amendment Bill 2021 passed in Parliament in June 2022.

At a national industry level, work is underway through the Australian Registrars' National Electronic Conveyancing Council to enable interoperability between multiple electronic lodgment network operators (ELNOs). With another ELNO made operational in Western Australia this financial year, Landgate will be implementing the legislative, process and system changes needed to enable interoperability in WA, providing consumers with greater choice and supporting greater competition between ELNOs.

Landgate is working with industry to progress legislative changes that will enable digital mortgages and digital deeds to remove paper from the middle of an electronic process and make the process more efficient for industry and customers. This will make the property transaction process simpler and quicker, from offer and acceptance to financing, mortgaging, settlement and the registration of a land transaction.

### Customer and community expectations

We continue to engage with our customers and stakeholders to understand their needs and leverage technology and process improvements to enhance our service offering. With growing community expectation that government increase transparency and collaboration to deliver better, more efficient services, we continue to proactively work with our public sector peers and industry to find ways to optimise our services for the benefit of the community. Our five-yearly review of our enabling legislation the *Land Information Authority Act 2006*, which commenced this financial year, provides us with the opportunity to assess what Landgate has done well over the preceding period, what we could improve and how we could better meet the needs of the state.



Landgate will continue to support the efficient operation of the WA property market

## Digital transformation and data sharing

For land information, the fusing of technologies is creating new opportunities in the way land is located, transacted and valued.

The *Digital Strategy for the Western Australian Government 2021-2025* sets the vision for a government that provides convenient and secure online services informed by quality data insights. It also articulates some strategic directions around ICT as a service, digital inclusivity and data sharing. In addition, the Intergovernmental Agreement on Data Sharing between Commonwealth, State and Territory governments commits all jurisdictions to share public sector data as a default position, where it can be done safely, lawfully and ethically.

Landgate will have a significant role in the future of the way the public sector shares its data, as the responsible agency for enabling cross-government data sharing, collaboration and use of location information as seen through our Capture WA and SLIP programs.

## The value of location information

Location information is increasing in value as it becomes central to how our society connects, uses services, and makes sense of the world around it. It is now being visualised in 3- and 4- dimensions (the fourth dimension being 'time') and will play an increasingly critical role in supporting a growing state through concepts such as digital twins improving state planning and resource management.

Landgate's strategy aims to realise greater value in how location data is currently used to support government service delivery and infrastructure development through enhancement of WA's spatial technology and capabilities.

# Section 3: Performance summary

## Financial summary

	Result (\$'000)	Target (\$'000)	Achieved
Revenue	136,502	120,774	✓
Expenditure	106,350	120,720	✓
Profit before tax	30,152	54	✓

## Performance summary

### Key performance indicators

	Result	Target	Achieved
<b>Service 1: Land titling</b>			
Simple and correct documents are registered within two working days of lodgement	89.51%	80.00%	✓
No. of adjusted Certificates of Title arising from identified errors as a percentage of the total Certificates of Title on the land titles register	0.10%	≤0.25%	✓
Average cost of maintaining land tenure information, certainty of ownership and other interests in land, per Certificate of Title.	\$21.58	\$23.92	✓
<b>Service 2: Valuations</b>			
Benchmark for accuracy of Unimproved Values	90.80%	>92.50%	X
Benchmark for uniformity of Unimproved Values	7.45%	<15.00%	✓
Benchmark for accuracy of Gross Rental Values	91.60%	>92.50%	X
Benchmark for uniformity of Gross Rental Values	4.25%	<7.00%	✓
Adjustments of rating and taxing values as a result of objections and appeals, as a percentage of total values in force	0.011%	<0.20%	✓
Average cost per valuation	\$15.54	\$17.34	✓
<b>Service 3: Land information and services</b>			
Completion rate of names and addressing jobs delivered within 10 business days.	88.74%	80.00%	✓
Completion rate of property boundary related jobs within the agreed benchmarks.	97.46%	97.20%	✓
Imagery Systems availability supporting the state's mapping, monitoring and predicting of bushfires.	99.92%	99.00%	✓
Overall satisfaction with the capture of, access to and useability of government location information.	84%	80%	✓
Average cost of providing land information and services for the state (per square km).	\$11.96	\$13.97	✓
<b>Service 4: Access to location information</b>			
Average cost per dataset.	\$803.03	\$1,027.88	✓



## Progressing Spatial WA

Spatial WA is a concept proposing a whole of government spatial digital twin. In this spatial digital twin, government would have the ability to:

- share, discover and visualise location-based data about the built and natural environment
- streamline cross-agency approvals through digital workflows
- access analytics to model scenarios in a virtual world.

Landgate developed a draft business case to progress the Spatial WA concept during the year. The business case demonstrates how a spatially accurate digital twin of Western Australia can enhance multiple government services to help deliver State Government priorities and realise significant benefits for government, industry and the community.

## Supporting a strong WA property market

Landgate supported a buoyant property market, with a significant increase in document lodgements across the year, as well as high plan lodgements. Landgate received 414,266 document lodgements in the 2021-22 financial year, an increase of 18.6 per cent from 2020-21. Landgate's Perth and Midland customer sites served over 179,900 customers.

<sup>2</sup> For simple and correct documents including transfers, mortgages, discharge of mortgages, caveats and withdrawal of caveats

Despite the challenges of high document and customer volumes, Landgate achieved strong document turn-around time targets<sup>2</sup> and achieved its customer satisfaction target of 80 per cent.

## Supporting a competitive environment for e-conveyancing

In early 2022, Landgate approved Sympli as a second Electronic Lodgment Network Operator (ELNO), providing greater competition in the electronic conveyancing market and greater choice for industry and consumers.

To further this concept, Landgate also worked with other Australian jurisdictions and ELNOs to identify the system and process changes to enable interoperability between ELNOs nationally. Landgate contributed to the development of the legislative changes needed to support interoperability, to be adopted in all Australian states and territories.

## Creating a future digital property market

Landgate progressed work to enable mortgages lodged electronically via an ELNO to be created, signed and witnessed electronically. Stakeholder consultation was undertaken on the legislative amendments required and received unanimous support.





Landgate's Innovate RAP launch

In addition, the Transfer of Land Amendment Bill 2021 passed in Parliament on 16 June 2022. This will remove duplicate certificates of title from WA's titling system, enable notices to be served electronically and clarify the definition of counterpart documents. These changes will further simplify and streamline conveyancing processes by removing the need for paper in an electronic transaction.

### Innovation delivers a new Capture WA portal

Capture WA is a procurement service available to government agencies and local governments for the acquisition of location data such as aerial and satellite imagery.

A new Capture WA portal was implemented during the year, which was an outcome of Landgate's innovation program. An innovation hack, where teams comprising of staff from across the business work together to find solutions to challenges, investigated a prototype for a new portal. The solution was low cost and delivered better useability for customers that is anticipated to derive greater engagement in the program. The new portal will become operational in 2022-23.

### Taking the next step towards reconciliation

Landgate's commitment to reconciliation was progressed further with the formal launch of our *Innovate Reconciliation Action Plan* (Innovate RAP). The Innovate RAP signifies the next chapter in our reconciliation journey following our Reflect RAP.

Committing to a Reflect RAP allowed Landgate to scope out and develop relationships with First Nations stakeholders by seeking their guidance and deciding on our vision for reconciliation and what positive impacts we can make to First Nations communities.

The Innovate RAP builds upon the resounding success of our Reflect RAP, the previous iteration of our RAP that lasted from 2021-22. Numerous tangible outcomes were realised throughout the course of this plan. Highlights included 134 staff completing cultural empowerment workshops, establishment of a First Nations employee group and all-staff events to celebrate and acknowledge NAIDOC and Reconciliation Week.

The Innovate RAP will see us implement this lasting change through our actions, including cultural awareness, better policies to recruit and support First Nations employees and supporting First Nations businesses through procurement activities.

# Section 4: Agency performance

## Delivering our Statement of Corporate Intent

### Delivering for customers

The strong activity in the WA property market resulted in high levels of customer activity this year, with Landgate's customer service centres serving over 179,900 customers. Despite high customer traffic and the challenges of managing COVID resourcing impacts, the agency achieved high levels of customer satisfaction.

The agency ensured the safety of customers and staff with hygiene measures as recommended by the WA Chief Health Officer. Once it was safe to do so, regular counter lodgement functions resumed while maintaining additional physical distancing and customer awareness of alternate service channels, including phone and web chat.

Resourcing challenges in the first half of 2022 did result in an increase in customer wait times. During the peak of the impact, the portion of customers served within the target wait times<sup>3</sup> fell under the target of 85 per cent. However, the busy end of financial year period delivered a customer satisfaction result which ensured the twelve-month target of 80 per cent was achieved.

Landgate launched a new dedicated strata enquiries service on 5 July 2021 which connected customers seeking assistance on strata directly to a Landgate strata specialist. The service was implemented following industry feedback that identified a need for more guidance on the amended *Strata Titles Act 1985* and the *Strata Titles (General) Regulations 2019*. In addition to the strata enquiries service, Landgate's strata reform website continued to provide guides, forms and other educational material for strata customers, with links to these resources also available on our corporate website.

The service received 5,333 queries during the year, with the main enquiries relating to strata management, common property, creating or changing schemes, scheme boundaries and scheme disputes.

### Complaints and Feedback management

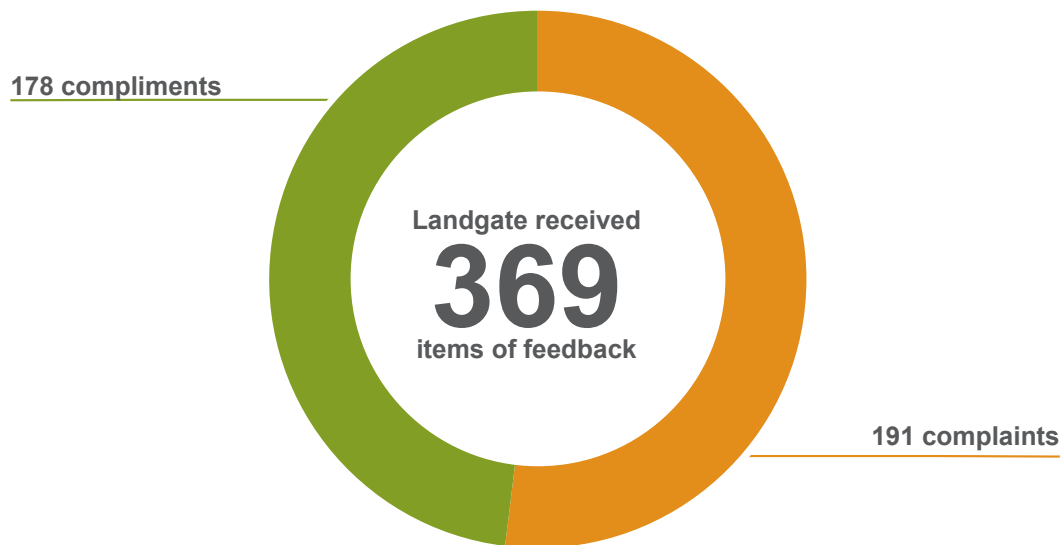
Landgate has an effective complaints management process to ensure service offerings can be adapted to satisfy consumer expectations and meet the requirements of the Ombudsman WA.

We value feedback to consistently improve and understand what is important to the customer. In line with our customer feedback and complaints policy and customer service charter, provision of feedback is received in person, writing, telephone, online and through comments via surveys and focus groups.

Any Landgate staff member can lodge customer feedback via the Customer Relationship Management system, monitored and managed by the Customer Service Systems and Operations Team.

The feedback is assigned to the relevant team in Landgate to resolve within 10 working days of acknowledgement. If this is not possible, the customer is provided an estimated resolution date. The resolution is then communicated to the customer if they choose to receive communication regarding the outcome. A monthly summary report of all feedback is published on the Landgate intranet for transparency and to ensure customer insights are shared across the agency.

<sup>3</sup> Target customer wait times are 90 seconds for telephone and webchat, 15 minutes for counter service, and two business days for email



Landgate received 369 items of feedback during the year, consisting of 178 compliments and 191 complaints.

Compliments were focused on individual employee performance, largely relating to providing efficient, informative and supportive customer service. This praise was passed on to the employee, their manager and teams.

Many compliments mentioned the patience and compassion of Landgate staff during times when customers are emotional or are making a challenging transaction. Numerous compliments also recognised Landgate's service delivery capabilities across its multiple business units, demonstrating how employees collaborate to deliver a high level of customer service.

Complaints lodged have enabled Landgate to review and adjust product and service delivery. Conveyancing industry representatives provided feedback that the wording of Landgate's fee structure on its Electronic Advice of Sale application was unclear, leading to orders being purchased incorrectly. As a result, the agency amended the wording to provide customers with clearer instructions.

Other complaints related to the account access of surveying customers through Landgate's IAM platform. The issue raised concerns about access and security. While the perceived vulnerability created some disruption to customers, no security issues were identified and an interim solution was implemented. A permanent solution is planned for implementation in 2022-23.

Customer complaints about duplicate data that was causing pricing inconsistencies with sales reports resulted in a change to how the sales reports were generated. This rectified the issue, with customers receiving the correct data and being charged the correct fees.



## Locate

### Spatial WA

Landgate progressed the Spatial WA concept following formal approval from the State Government to develop a business case.

A steering committee, comprising senior leaders from across the public sector, was established to provide strategic oversight for the business case. Consultation with public sector agencies continued to explore potential use cases and benefits as inputs to the business case.

It is anticipated the business case will be submitted to the Minister for Lands for consideration in the coming period.

### Strengthening WA's spatial infrastructure

The state requires a modern spatial cadastre that underpins land titling and authoritative land information.

Landgate has been investigating options to develop a new 3D/4D spatial cadastre for the state. The Next Generation Spatial Cadastre (NGSC) will replace the spatial cadastral maintenance function of Landgate's ageing SmartPlan system. A recommendation for the new spatial cadastre system will form part of the Spatial WA business case.

As a preliminary step for the NGSC, Landgate continued work to develop an open 3D cadastral survey data model and exchange format, through its participation in a collaborative national project with the Intergovernmental Committee on Surveying and Mapping (ICSM).

The project produced a conceptual data model for 3D spatial cadastral data and identified a recommended file format. Implementation of the model will be investigated as part of the proposed next phase of the ICSM project.

### Birdiya Drive renaming



In 2015, a section of Riverside Drive, Perth was removed due to the construction of Elizabeth Quay. This resulted in two disconnected segments of named road needing to be uniquely identified. The shorter west segment between William Street and Mounts Bay Road was identified as suitable for a new name due to no impact with property street addresses. Due to the proximity and prominence to the foreshore and the city, Landgate identified this naming opportunity as one of state significance.

Several proposed names were considered, with a suitable name not readily forthcoming. In 2020 Landgate was invited by the City of Perth to attend its Elders Advisory Group meeting to discuss Aboriginal naming and raised the Riverside Drive naming as a unique opportunity for the consideration. The name Birdiya - meaning Elders/Noongar leaders - was recommended by the group. Following endorsement by the City of Perth's Council and Main Roads, Landgate approved the name Birdiya Drive on behalf of the Minister in October 2021.

## SPUR Location Grants Program

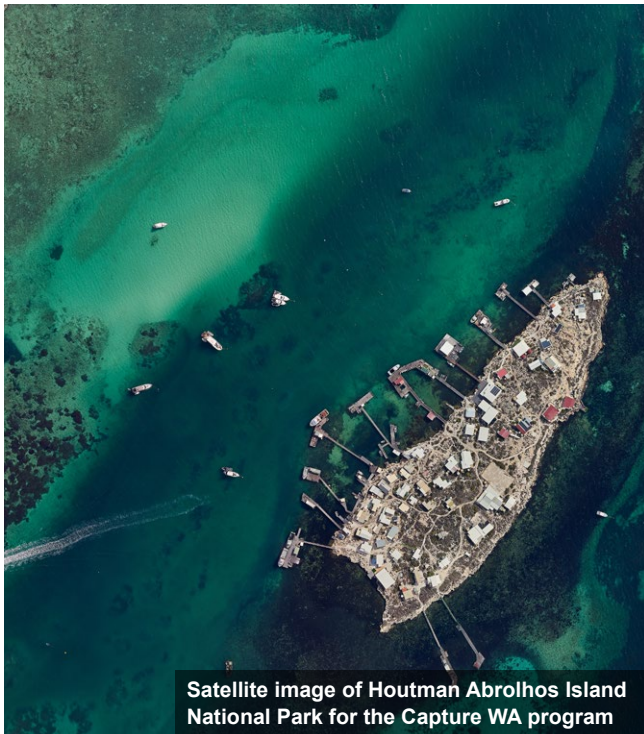


The 2021 SPUR Location Grants Program was delivered through a collaborative government-academia partnership. The program discovers and supports location data innovators to deliver improvements to the state's property sector and diversify the WA economy.

Landgate and DevelopmentWA awarded grant funding of \$150,000 to local small businesses and start-ups. Grants of \$25,000 each were awarded to six recipients from 29 submissions. Two grants were awarded to First Nations businesses.

Grant Category	Business Name	Synopsis
Research	Curtin University	Combining digital twin mapping of Internet of Things sensors and location data to understand residential energy consumption.
First Nations	Baada Aboriginal Corporation	Cultural engagement model through student education, with a fish feeding, tracking and release program on the Swan River. Apply Indigenous fishery management techniques. Employ passive integrated transponders so students can track 'their' fish via an app on their phone.
General	DueTwo	Automate the due diligence search for mergers and acquisitions, create an automated workflow platform.
General	UXMachines	Human AI unmanned aerial vehicle solution for autonomous agricultural duties.
General	FoundAt	Assist developers using a geo spatial platform combining AR and Digital Twin.
General	Koya Aboriginal Corporation	Using Traditional Owner knowledge, create a cultural map of the Swan region, specifically to spatially represent sites, assets, stories and practices.

Landgate's 2021 SPUR Location Grants Program was supported by DevelopmentWA, Geoscience Australia Positioning Australia, Innovation Central Perth Curtin University, and the departments of Finance; Local Government, Sport and Cultural Industries and Planning, Lands and Heritage.



Satellite image of Houtman Abrolhos Island National Park for the Capture WA program

## Capture WA program delivered

The 2021-22 year started with an initial program of 34 capture projects. In response to agency requests, an additional 58 projects were added over the year.

Due to COVID impacting supply chains and availability of equipment, 33 aerial capture projects were cancelled. The program was supplemented with satellite imagery as an alternative for aerial imagery. A total of 59 projects were completed by the end of 2021-22.

Significant capture projects include the Houtman Abrolhos Island National Park. The imagery was captured for the Department of Primary Industries and Regional Development (DPIRD) to inform developing performance indicators and strategies for park management. The imagery will also assist the recovery program for the rare Painted Button Quail at North Island by allowing comparisons in vegetation cover between 2015 and 2020 to be examined.

Landgate also captured imagery for a DPIRD pilot project through Capture WA to use machine learning processes to identify 'unnotified drainage', which is a breach of the *Soil and Land Conservation Act 1945*.

## New Pastures from Space service



DPIRD senior development officer Mandy Curnow ready to access the revamped Pastures from Space™ online mapping service

Image supplied by Department of Primary Industries and Regional Development

Earlier this year, the Pastures from Space mapping service - a partnership between the Department of Primary Industries and Regional Development (DPIRD), Landgate and CSIRO – was upgraded with new features to measure and compare pasture growth across seasons.

Pastures from Space was first developed almost 20 years ago to show weekly estimates of pasture production based on satellite data across the South-West Agricultural Region.

The new Pastures from Space web application opens up nearly two decades' worth of Landgate's historical satellite information at a level that farmers and producers have never had access to before. This enables them to make the most of good growing seasons and be more resilient through a dry season.

The new service is being funded and delivered to pastoralists by DPIRD to support the development of the agricultural industry and management of natural resources by:

- assisting them to better understand weekly and annual pasture growth
- assessing impact of climate on land condition and production changes and
- improving assessments of carrying capacity and feed availability.

The Pastures from Space site can be accessed at

<https://pasturesfromspace.dpird.wa.gov>



Gascoyne's edge, near Carnarvon, WA

## Data WA portal enhanced

Data WA is a portal which provides access to datasets from across the public sector.

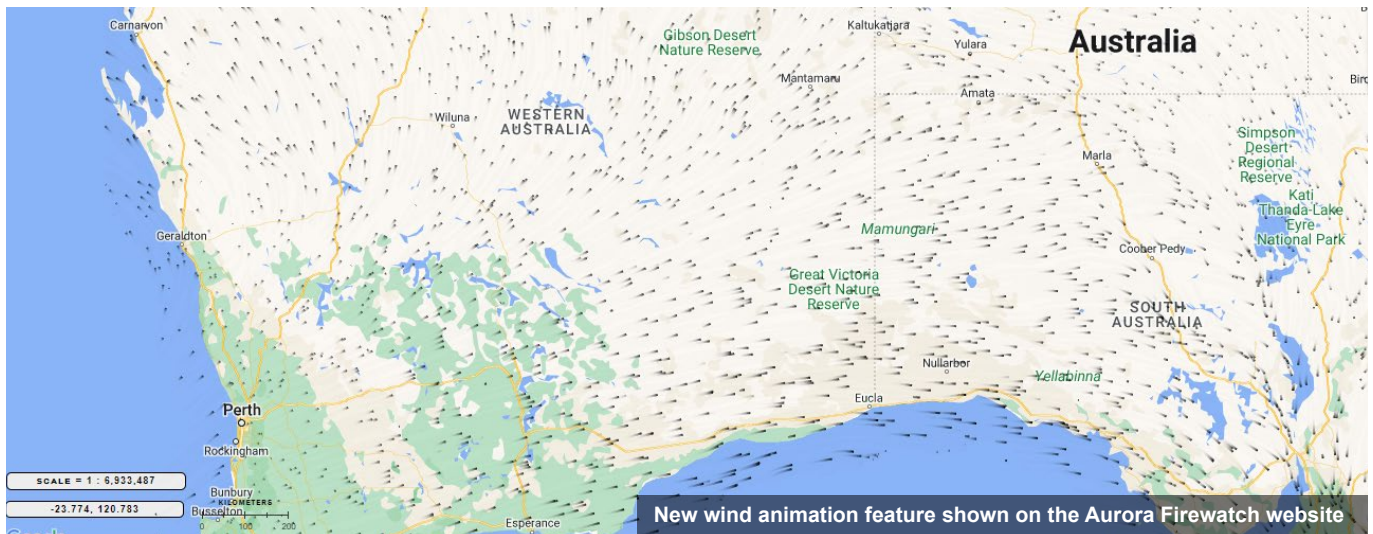
Landgate delivered several enhancements to the Data WA portal this year. Major improvements were made to the data catalogue to provide users with better search functions. These include improved filters, greater search functionality and better relevancy weightings.

New features were also rolled out to data publishers including a new sign-in option, automated creation of data dictionary tables, and a 5-star rating system to help users understand the openness and reusability of their data.

## Supporting collaboration through the WALIS community

WALIS is a collaborative group of state and local government agencies that rely on location information data to deliver their services. Established in 1981, WALIS Council works closely with the spatial community to ensure the effective use of location information in the public sector. Landgate provides secretariat support for the WALIS Council to drive data collaboration and sharing across state and local governments.

The first WALIS community forum event for 2022 was held on 24 March. The forum allows spatial professionals to share technical and policy developments in their field, and Landgate facilitates the event to improve collaboration and support spatial practitioners. To accommodate COVID restrictions and improve regional accessibility, the event went virtual for the first time. With a record 64 attendees from Geraldton to Esperance logging on, the event received overwhelmingly positive feedback and encouragement from the WALIS community which will be used to continue to build on and improve the event.



## Enhancing fire behaviour predictions

Landgate continued to support the state's mapping, monitoring and bushfire predictions with improvements undertaken to the FireWatch and Aurora systems to increase fire behaviour intelligence.

Aurora updates saw the addition of new fire spread models for shrubland and mallee fuels added to help provide better predictions for these vegetation types across Australia. The user experience was also enhanced by the ability to vary key parameters, including vegetation height, fuel moisture, and wind adjustments. Animated views of forecasted wind direction and speed were also developed and implemented.

The Aurora Fire Behaviour Calculator, which calculates rates of fire spread and other behaviour variables, was upgraded to integrate hourly national forecast weather data from the Bureau of Meteorology's Australian Digital Forecast Database into fire behaviour predictions. These improvements provide emergency services with an improved estimate of bushfire behaviour using up to date weather forecast data.

## Supporting Plan for Our Parks

Plan for Our Parks is an initiative to create five million hectares of new or expanded national and marine parks and conservation reserves across WA. The area covered spans from the Kimberley

in the north, across WA's Midwest rangelands, through areas from Perth to Bunbury, to the South-West forests and a potential new marine park along the southern coastline.

This year, Landgate supported this initiative through the preparation of Deposited Plans for the Department of Biodiversity, Conservation and Attractions and the Department of Planning, Lands and Heritage. Plans were prepared for the proposed Thundelarra Conservation Park and Matuwa Karra Karrarra Reserve including Lake Carnegie, as well as Indigenous Land Use Agreement mapping and Technical Descriptions, which are word descriptions that define the boundaries of an enclosed area that is subject to legal dealings.

## Capturing registered easements

More than 4,000 easements were back-captured this year in Landgate's spatial cadastral database for properties in the local authorities of Busselton, Serpentine Jarrahdale, Mandurah, Perth and Kalamunda. In addition to the agency's annual schedule for this activity, registered easements for the Dampier to Bunbury Natural Gas Pipeline and all other petroleum and gas pipelines were also captured.

Customers such as local governments and utility companies use easement boundaries to support their business processes which rely on identifying the existence, size and position of easements over properties.





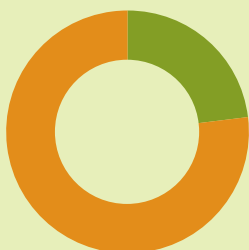
## Secure

### Supporting a strong WA property market

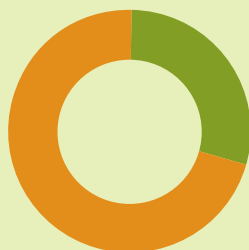


The strength of the WA economy and property market resulted in a significant increase in document lodgements across the year and a continuation of the high plan lodgements seen last year. Landgate received 414,266 document lodgements in the 2021-22 financial year, compared with 349,338 in 2020-21, and 254,406 in 2019-20.

High levels of electronic lodgement, automated document processing and considered allocation of resources ensured the high document volumes were effectively managed and minimised delays for customers. For documents dealing with the registration of the sale, purchasing and mortgaging of land, 89.5 per cent were registered within two days of lodgement, exceeding the target of 80 per cent.



**77% electronically lodged**



**71% automatically processed & registered**

77 per cent of all land transactions are now electronically lodged at Landgate, with 71 per cent automatically processed and registered.

Similarly, plan approvals are also now more efficient, with system developments enabling automated approvals for nearly half of the plans lodged at Landgate.

Despite the continued high level of subdivision activity, processing times for priority plan approvals remained below two days or less and less than 24 hours in most cases for portal generated plans. Across the year a total of 17,285 lots were created, a decrease of 4,000 lots the previous year, where the government stimulus payments resulted in extremely high development activity.

Landgate continued to liaise with development industry stakeholders to anticipate market activity, plan resource allocation and meet upcoming known periods of demand.

The agency also extended industry collaboration with conveyancers via the Australian Institute of Conveyancers (WA Division), presenting information to assist with preparing documents correctly for lodgement and providing information about upcoming legislative and policy changes which affect them.

## Creating competition in e-conveyancing

One of the key achievements mentioned earlier was the approval of Sympli earlier this year to operate as a Electronic Lodgment Network Operator (ELNO) in WA in addition to PEXA. Landgate finalised the system connections with Sympli which enables documents to be electronically lodged through their platform.

Sympli becoming operational in the state is the first step toward providing conveyancers, lawyers and banks with a choice of ELNO for the electronic lodgement and settlement of land transactions<sup>4</sup>. This provides greater competition in the electronic conveyancing market and greater choice for industry and consumers.

To further this concept, Landgate, as a member of the Australia Registrars Electronic Conveyancing Council (ARNECC), is working with other Australian states and territories to enable interoperability between ELNOs

Interoperability enables a user of one ELNO to transact with a user of another ELNO, without having to subscribe to both systems. Currently a subscriber to one ELNO can only undertake an electronic conveyancing transaction if all parties to that transaction are also subscribers to that same ELNO.

Working with ELNOs and other Australian jurisdictions, the necessary system and process changes required to enable interoperability nationally were identified, including those relevant to Landgate's system.

The agency also contributed to the development of the legislative changes to support interoperability. The amendments to the Electronic Conveyancing National Law which mandate interoperability passed in the NSW parliament in May 2022. These changes will now be adopted in all states and territories, including WA.



<sup>4</sup> Transfers, mortgages, discharge of mortgages caveats and withdrawal of caveats

## Creating a digital property market for the future

### Digital mortgages and digital deeds

In WA, mortgages can be lodged electronically, though they still need to be prepared on paper, wet signed by the parties and witnessed. In other Australian jurisdictions, however, development and approval of mortgages can also be done electronically, saving lenders and consumers considerable time, cost and inconvenience.

Landgate progressed work to align with other jurisdictions and enable mortgages lodged under the National Lodgement Network (electronically via an ELNO) to be created, signed, and witnessed electronically. Along with the time and cost benefits, this also further harmonises national electronic conveyancing practices. This is particularly significant for financial institutions and legal firms which operate across states and territories, removing the need for them to run multiple processes.

Consultation with stakeholders was undertaken on the legislative amendments required for this change to occur. Unanimous support was received from the banking, legal and settlement industry and a subsequent consultation paper has been prepared for issue detailing the proposals for regulatory change.

### Transfer of Land Act Amendments

The Transfer of Land Amendment Bill 2021 passed in Parliament on 16 June 2022. Once brought into effect, the amendments will remove duplicate certificates of title from WA's titling system, enable notices to be served electronically and clarify the definition of counterpart documents.

These changes will further simplify and streamline conveyancing processes and has the potential to deliver time and cost savings for landowners and mortgage holders across the state.

Implementation dates for the removal of duplicate certificates of titles and the enablement electronic service of notices will be announced by Landgate within the next 12 months after the amendments are proclaimed by the Governor and published in the *Government Gazette*.

The timing of both will allow for property industry engagement and community awareness campaigns to be undertaken, as well as allowing for the technical and system changes required to facilitate each to be developed, tested, and implemented.

In the meantime, duplicate certificates of title (paper) continue to be optional and where issued are still valid for use for specified transactions until the amended law is enacted. Resources and updates for stakeholders will be available and regularly updated on the Landgate website throughout the transition period.



Landgate is working to remove paper from property transactions which are lodged electronically



## Value



Ashburton River in Nanutarra, WA

### Providing independent expert valuation advice to contribute to government priorities

During the last financial year, Landgate was engaged by the State Government to provide independent expert valuation advice for the purposes of a native title compensation negotiation arising as a result of the extinguishment of native title under the *Native Title Act 1993 (Cth)*.

Landgate provided independent expert valuation advice on 242 parcels of land in the Shire of Ashburton with widely varying land characteristics and tenure, and valuation dates ranging between 1975 and 2016.

Landgate met with lawyers and valuers from each side to assist in informing the value of the economic loss component of the compensation package, including attempting to reach agreement on the relevant valuation methodologies, market evidence and unimproved freehold land values of all individual compensable acts.

This collaborative approach to resolving the economic loss component of a significant native title compensation claim was unprecedented and encouraging to all parties and agencies involved. Landgate remains committed to supporting the full and final settlement of native title compensation claims around the state.

## Delivering rating, taxing, and specialist valuations

Landgate values all properties in WA for rating and taxing purposes in accordance with the *Valuation of Land Act 1978*. These gross rental values (GRV) and unimproved values (UV) are used by local governments, government agencies and emergency services as a fair and equitable basis to inform property rates, land tax, service charges and levies.

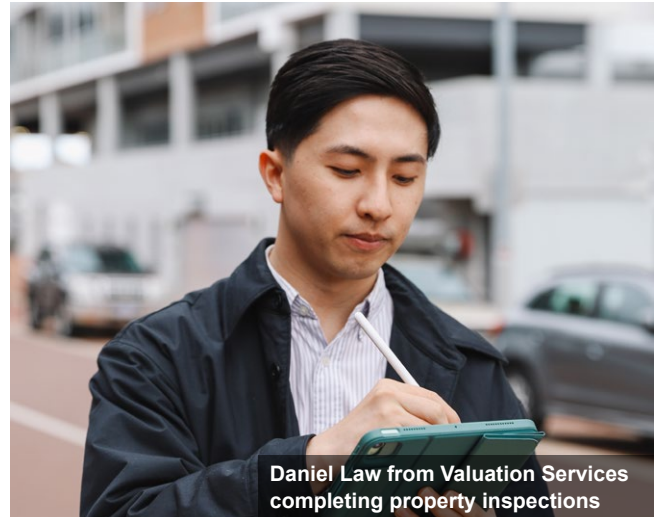
The agency delivered the 2022 GRV regional general valuation program for 40 local governments including Bunbury, Busselton, Greater Geraldton, Karratha and Port Headland during the year completing more than 160,000 GRVs for the regional program. The annual statewide UVs general valuation program was undertaken with more than 1.02 million values completed.

Landgate delivered a valuation roll to the Water Corporation with 99 per cent of GRVs completed by 31 March 2022 in accordance with the conditions of the Landgate/Water Corporation service agreement. Additionally, RevenueWA received a UV valuation roll with 99.5 per cent of UVs completed by 1 July 2022 per Landgate's service agreement with RevenueWA. Local governments received their GRV and UV valuation rolls within the agreed timeframes.

The agency also provided specialist valuations to government agencies for the purposes of purchase, sale, leasing, and financial reporting purposes. This includes 6,839 Stamp Duty assessments, 1,218 Market Valuations and 145,850 Government Asset Valuations. We have also provided strategic valuation advice for various State Government priorities including the settlement of Native Title and the leasing of land for renewable energy projects including the production of Hydrogen.

The 2023 Perth Metropolitan and Mandurah GRV general valuation programs commenced, with property inspections and data collection undertaken. This general valuation is completed every three years and comprises the determination of more than 1 million GRVs. Work also began for the 2023 UV program which comprises determination of more than

900,000 unimproved values for metropolitan and regional areas.



Daniel Law from Valuation Services completing property inspections

## Modernising valuation services

The Valuation Services reform program progressed with the procurement of a new valuation system nearing completion. The new system will replace the current ageing valuation system 'Valsys'.

The process, facilitated by the Department of Finance, resulted in a preferred vendor for the new system being identified. Detailed analysis started to determine the complexity of implementation, before the negotiation of a contract and system implementation next financial year.

In addition to the procurement of a new valuation system, a review of the *Valuation of Land Act 1978* will be undertaken.

The Act governs the method of valuation to ensure that properties are valued accurately to meet the needs of landowners, ratepayers, members of the public, rating and taxing authorities and the State Government.

Enacted over 40 years ago and with the evolution of technology and practices over time, the review intends to enable improvements to the legislation so valuations can be completed more efficiently, meet customer needs, while still being impartial and independent. The proposal for changes to the Act will be delivered to the Minister for Lands for consideration in 2022-23.



Landgate supports ongoing improvements to the strata industry

## Delivering value to our customers and community

### Making strata better

#### Compiling strata insights

Amendments to the *Strata Titles Act 1985* introduced in May 2021 require strata managers to lodge a periodic survey to Landgate about the schemes they manage. The information is used to develop policies relating to strata management to continue to make strata better for the WA community.

Strata managers were required to lodge their first survey by 31 March 2022. Landgate received 147 returns, with medium, large and very large schemes well-represented in the survey responses.

#### Ongoing improvements to support strata industry

In late 2021, Landgate became aware that some of the educational qualification requirements for strata managers and scheme managers set out in the strata and community titles regulations were being discontinued.

The agency secured an extension for these qualifications from the Australian Skills and Quality Authority and started consultation with an industry working group to determine the best way to amend the impacted regulations. These amendments are anticipated to be in place by early 2023.

## Promoting a new type of tenure in WA



Landgate has delivered a communication and education campaign on WA's newest form of land tenure – a community title - to industry and government stakeholders this year.

Themed **'New Tenure/New Opportunities'**, the campaign was created to support the introduction of the *Community Titles Act 2018* on 30 June 2021. It involved the release of a digital and print brochure, industry advertising and a five-minute [video](#).

The unique multi-tier structure of community schemes unlocks new possibilities for what can be achieved on a single site by introducing additional options and flexibility within the management and staging of new mixed-use developments.

The most distinctive features of a community scheme are described within the brochure, including information on how:

- A community scheme allows a single parcel of freehold land to be subdivided into up to three tiers of schemes, called community titles schemes.

- Unlike strata titles, community titles allow both building and land schemes to exist within a single development.
- Community schemes allow for a fair and targeted approach to common property, where people only contribute to the aspects of the development they use.
- Community schemes have been designed to support smart scheme governance by providing for the most efficient, appropriate decision-making to occur across the multiple tiers of a community scheme.

A number of theoretical scenarios are depicted throughout the resources to help explore the possibilities of this new form of tenure. This includes exploring the possibilities for a large sustainable land development and a mixed-use building scheme.

System and process changes to allow the WA land titles registry to accommodate community titles schemes were also finalised.

## Celebrating the past and present in the Midland community



Some of the contents of the Landgate time capsule opened in May 2022



Archive image of customers being served at the Midland front counter

A special ceremony was hosted at our Midland building on 6 May 2022, which included invited guests such as Midland MLA, the Hon Michelle Roberts, Chair Robert Cole, along with Landgate staff past and present, many of whom worked at the agency when the time capsule was buried.

The time capsule was opened on a date which signified the end of the original lease for Landgate's Midland premises, with the event also marking the beginning of the next chapter for the agency at Midland Square.

The time capsule revealed an insight into what Landgate life was like in the early 90s, with legislation, staff profiles, old photographs and VCRs just some of the items that were presented to the crowd at the ceremony.

Landgate, previously known as the Department of Land Administration, opened its offices in Midland in 1993 bringing together staff from

nine offices around the Perth metropolitan area. The opening of the building was a momentous occasion as Landgate was one of the first major government agencies to move out of the CBD and into the suburbs.

Since this date, Landgate and its building have become synonymous with the Midland community, establishing close working and charitable partnerships with local organisations across the area.



Construction of the Landgate Midland building in the early 1990s

## Review of Landgate's enabling legislation

A review of Landgate's enabling legislation the *Land Information Authority Act 2006 (LIAA)* commenced this year. The review is carried out every five years and will assess what Landgate has done well over the preceding period, what it could improve and how it could better meet the needs of the state.

An independent external consultant was engaged to gather insights from stakeholders. Invitations to participate were sent to 40 stakeholder groups between mid-April and the end of May and included state and local government, industry

bodies and commercial organisations. Three quarters of the invited stakeholders elected to participate in the process. A public consultation process was also undertaken.

A summary report based on the consultation, and analysis conducted by the review team will help to assess the operation and efficiency of the LIAA. Insights from this work will also inform other issues of interest, as highlighted by Landgate's stakeholders. A review report will be drafted early in the new financial year and is due to be tabled in Parliament by the end of 2022.



## Our people

The strength of the local economy and low unemployment level provided some recruitment challenges for Landgate, particularly with highly sought-after specialist and technical roles.

Despite this, the agency continued to progress initiatives to attract, retain and engage our people. Landgate completed 41 successful recruitment processes using a flexible recruitment approach including interviews, catch ups, pools, assessment centres and scenario-based work.

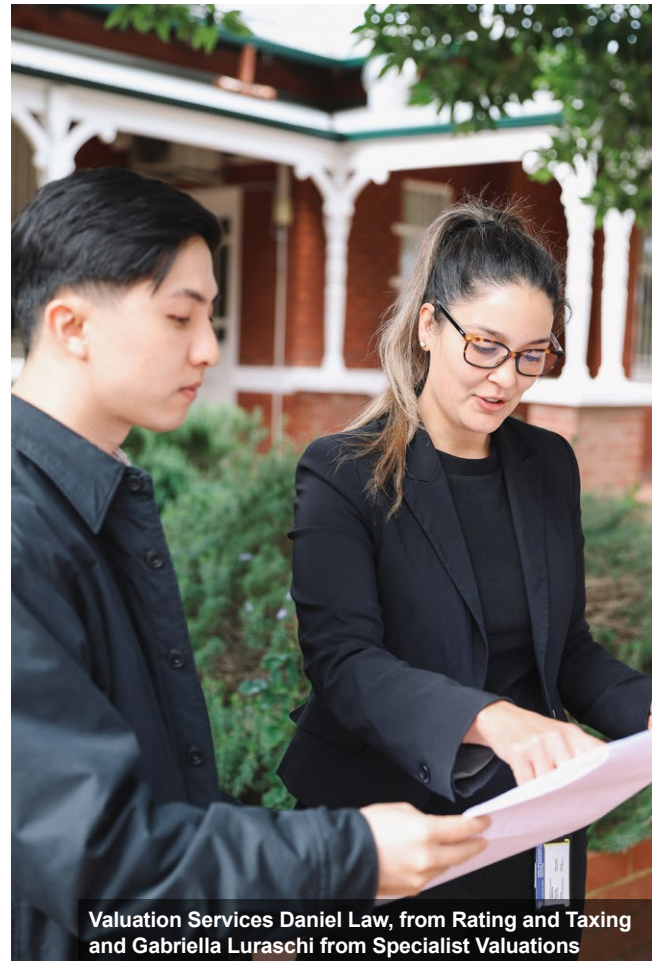
Although turnover was higher compared to previous years, Landgate's separation rate (6.5 per cent for permanent staff and 6.4 per cent for fixed term staff) remained significantly lower than the WA Public Sector average (15.4 per cent for permanent staff and 21.7 per cent for fixed term staff).



**George Dickinson, Senior Consultant in Registration Services**



**Vanessa Ung, Senior Survey Officer in Location Services**



**Valuation Services Daniel Law, from Rating and Taxing and Gabriella Luraschi from Specialist Valuations**

## Embracing diversity and inclusion



Members from our Landgate Young Professionals Steering Group



Members from our Landgate First Nations Employee Networking Group

Landgate made significant progress with its diversity and inclusion initiatives this year.

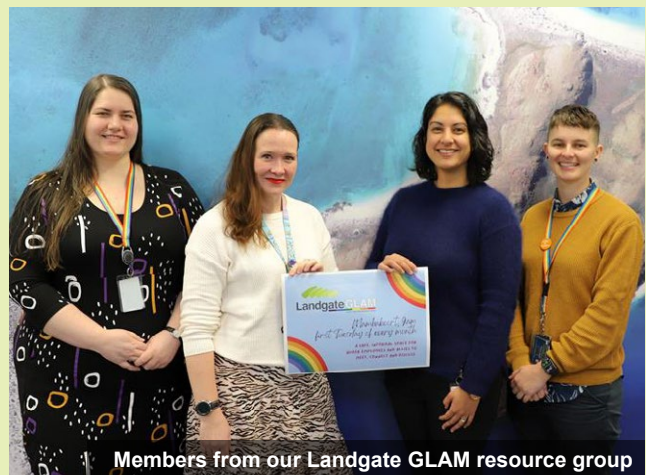
A number of items from the agency's *Multicultural Action Plan 2021-24* were implemented. 41 per cent of staff completed the Diverse WA training which builds cultural competency for working with people from culturally and linguistically diverse backgrounds. The 'Racism. It Stops with Me' campaign was actively promoted via Landgate's intranet, and training was provided to frontline staff on sourcing interpreters for culturally diverse customers to support the WA Language Services Policy.

Numerous events celebrating the diversity of Landgate's workforce were held including Lunar New Year, Harmony Week, International Youth Day, International Day of Sign Languages, Diwali, PrideFEST, International Day of People with Disability and International Women's Day.

Deafness awareness training was conducted with 90 employees attending.

Three employee-led resource groups were launched during the year to focus on strategies to create a more diverse and inclusive workforce. These groups include the Young Professionals, supporting employees under 30, GLAM, a LGBTQIA+ support body for Gays, Lesbians And More and a First Nations Employee Networking Group.

As part of becoming White Ribbon accredited, Landgate undertook Respectful Behaviours training to reinforce ways to create a positive and respectful workplace. Over 95 per cent of available staff attended at least one workshop. Landgate also participated in the '16 Days in WA' campaign.



Members from our Landgate GLAM resource group



Landgate's Reconciliation Action Plan Working Group attending an On Country experience with Dr Simon Forrest

## Progressing our reconciliation journey

Landgate delivered its Reflect Reconciliation Action Plan commitments during the year. In parallel, the agency developed the next iteration of its RAP – a *Innovate Reconciliation Action Plan* - which was launched in May 2022.

Implementation of the RAP initiatives achieved the following outcomes during the year:

- A third trainee started employment with Landgate via the Public Sector Commission Aboriginal Traineeship Program.
- A recruitment pool for First Nations employees was piloted, resulting in three new First Nations staff.
- 8.3 per cent of our procurement contracts were awarded to First Nations businesses against a target of 3 per cent.
- Two First Nations businesses received SPUR Grants.
- 134 additional staff completed cultural empowerment workshops.
- Ten staff participated in an On Country experience.
- NAIDOC and Reconciliation Week events were held.

Through delivery of the RAP, Landgate has developed rewarding relationships with several First Nations organisations and stakeholders. Engagement with the broader community is an area Landgate will continue to strengthen over time. Most events and training were generally well attended by Landgate staff, and the agency will seek to keep participation rates consistently high for all RAP events.

Activities in Landgate's Innovate RAP for 2022-23 are anticipated to provide great opportunities to engage with the First Nations community. As part of this, Landgate will explore the historical role of Landgate and its predecessors in relation to land ownership to further progress its reconciliation efforts.

# Section 5: Disclosures and legal compliance

## Governance disclosures

### Potential Conflicts of Interest

#### Act of Grace Payments

Under the *Land Information Authority Act 2006*, Landgate may make an ex-gratia payment (also known as an Act of Grace payment) at discretion. Such payments are made in circumstances where it would be morally appropriate but there is no legal liability or no specific legal requirement to provide financial compensation for loss or justice.

Landgate made one Act of Grace payment in the 2021-2022 financial year for matters associated with the operation of the land titles system to the amount of \$209.00.

#### Purchasing Card Expenditure

Seven Landgate cardholders inadvertently used their corporate purchasing card for personal use during 2021-22.

These transactions were immediately voluntarily acknowledged by the cardholders concerned and money refunded.

### Substantive Equality and Diversity Outcomes

#### WA Multicultural Policy Framework

Landgate has a Multicultural Action Plan (MAP), which aligns with the WA Multicultural Policy Framework guidelines and builds on the strategies outlined in our Workforce and Diversity Plan.

Our workforce representation of people from Culturally and Linguistically Diverse (CaLD) backgrounds continues to be higher than the public sector average. While we celebrate this, we acknowledge there is more that can be done.

MAP actions implemented during this year include the celebration of Lunar New Year, Harmony Week and Diwali. We also promoted the Australian Human Rights Commission's 'Racism. It Stops with Me' campaign, diversity self-reporting processes and continued promotion of Diverse WA Cultural Competence training to staff as well as activities to further implement the WA Language Services Policy within Landgate.

#### Personal usage of purchasing cards

Number of instances the State Government purchasing card has been used for personal purpose	7
Total value of personal expenditure for 2021-22	\$125.19
How much owing but not due	\$0.00
How much was repaid before the due date?	\$125.19
How much was repaid after the due date?	\$0.00
How much was still owing at 30 June 2022	\$0.00
Number of referrals for disciplinary action instigated during the reporting period	Nil

## Diversity progress report – representation

In accordance with the *Equal Opportunity Act 1984*, Landgate demonstrates commitment to equal opportunity principles and recognises that people from all diversity groups, including age, cultural background, disability, religion and gender possess qualifications, skills, experience and attitudes valuable to our authority.

The following information shows the representation of women in management compared to the previous year. The equity

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

### Women in management

Women in management	Landgate representation (%) 2021-22	Landgate representation (%) 2020-21
Distribution (equity index)	88.8	90.6
Management tier 1	0	0
Management tier 2	33.3	50
Management tier 3	64.3	62.5
Management tier 2 and 3 combined	55	59.1

### Workforce diversity

The following information represents the diversity of Landgate employees compared to the previous year. The equity index measures the extent to which members of these diversity groups are distributed across salary levels. An ideal measure is 100. Under-participation of any

group or clustering of a diversity group in lower salary ranges will result in a measure of less than 100. Over-representation or clustering of a diversity group in higher salary ranges will result in a measure of more than 100.

Diversity group	Landgate representation (%) 2021-22	Landgate representation (%) 2020-21	Equity index 2021-22	Equity index 2020-21
People from culturally diverse backgrounds	19.6	21.2	93.2	90.1
Indigenous Australians	3.2	2.0	31.9	41.5
People with disability	4.0	3.6	69.6	71.1
Youth (<25)	4.0	4.0	N/A	N/A
LGBTQIA+	1.7	N/A	N/A	N/A

Note: as sharing of responses (other than for youth) rely on voluntary self-nomination, it is likely the data under-represents these diversity groups at Landgate. Additionally, sharing of LGBTQIA+ data is a new addition. Completion rates for this field are still low, and comparisons to previous years are not yet available.

## Compliance with occupational safety, health and injury management

Landgate, through its positive and proactive safety culture, is proud to have achieved zero lost time injuries within the 2021-22 period.

The table below outlines Landgate's performance in health, safety and injury management:

Measures	Results 19-20	Results 20-21	Results 21-22	Targets	Comments about targets
No. of fatalities	0	0	0	0	Target met
Lost time injury and disease incidence rate	0.21	0.21	0	<0.19	Lost time injury has reduced from one per year to zero
Lost time injury and severity rate	100	0	0	0	Zero lost time injuries have occurred in 2021-22
Percentage of injured workers returned to work (i) within 13 weeks	100	100	N/A	≥80%	Zero lost time injuries have occurred in 2021-22
Percentage of injured workers returned to work (ii) within 26 weeks	100	100	N/A	≥80%	Zero lost time injuries have occurred in 2021-22
Percentage of managers trained in occupational safety, health and injury management responsibilities, including refresher training in 3 years.	76%	96%	96%	≥80%	Target met

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

This commitment is included in our Work Safety and Health Policy. Landgate is committed to ensuring a safe and healthy workplace for all employees, contractors and visitors by:

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



Staff member Kalise McManus with a Lifeline representative

Our team of elected Occupational Safety and Health (OSH) representatives are available to consult and provide information for our workers, conduct regular workplace inspections and assist with the reporting and investigation of hazards and incidents. They join key senior managers, business unit, Work Health and Safety subject matter advisors at six-weekly meetings of the OSH committee. The committee provides a forum for discussion and development of safety programs, monitoring safety performance, resolving safety issues and exploring emergent practices and technology. Its minutes are circulated to managers and representative groups, published on the staff intranet and reviewed at Corporate Executive meetings. Managers and OSH representatives are encouraged to discuss these at their team and toolbox meetings. Quarterly WHS performance reports detailing a range of key indicators are reported to reviewed and discussed at the OSH Committee as well as the Corporate Executive and Board.

Landgate's greatest WHS hazards include those associated with remote work, manual tasks and ergonomics and psychological health. In the 2020-21 period electronic training packages for remote work and for manual tasks and ergonomics were created and our employee assistance program expanded to provide manager assistance, additional free sessions and access to other dietary, lifestyle and financial

services. Further investment has been made into our wellness program, mental health first aid and in raising awareness through promotion of community mental health initiatives and commemorative days. Landgate's OSH Reps have been trained in ergonomics, providing a proactive, readily accessible internal assessment and advisory service. Internal knowledge, education and early intervention has led to a significant reduction in worker discomfort and musculoskeletal injury.

Landgate offers an injury management system compliant with the *Workers' Compensation and Injury Management Act 1981* and WorkCover WA guidelines. Support is also available to those non-work-related injury or illness may impact on or be exacerbated by work. Return to work and injury management plans are developed and monitored in accordance with the *Workers' Compensation and Injury Management Act 1981* and best practice injury management principles.

Regular inspection, external and internal auditing of safety systems and practices forms an integral part of Landgate's efforts to achieve positive health and safety outcomes. Bi-annual workplace hazard inspections are conducted in conjunction with those periodically performed by OSH Representatives, annual legislative and procedural compliance audits and five-yearly safety management system audits conducted in accordance with the code of practice for OSH in the Western Australian Public Sector and the WorkSafe plan audit tool.

Landgate maintains WorkSafe Plan silver certification (achieved in September of 2020), following an independent, comprehensive audit of our safety management systems.

## Disability access and inclusion plan outcomes

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

Our Disability Access and Inclusion Plan 2018-2023 (DAIP) ensures that people with disability, their families and carers can access our services and facilities, providing them with the same opportunities, rights and responsibilities enjoyed by all.

Our plan outlines a suite of strategies against seven outcomes. Landgate reports progress to the Disability Services Commission annually and presents this information to employees and the Board. The Landgate DAIP is available on our website.

The actions for each of the outcomes are listed below:

#### Outcomes 1

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

#### Strategies

#### 2021-22 actions

Landgate employees will attend disability awareness training to ensure up-to-date understanding of their responsibilities to ensure Landgate services and events are accessible for people with a disability.

Access to online disability awareness training is available to existing employees and in new employee onboarding. 42 per cent of employees completed the training.

Landgate employees are empowered to identify barriers to access and inclusion, and to suggest improvements through our innovation program.

No suggestions were put to the Innovation team this financial year.

Landgate will ensure that those with a disability have access and cater for people at events.

AUSLAN interpreters are sourced for events. Events are streamed with live-captioning. Recordings and transcripts kept.

Landgate will provide support to ensure equal access and inclusion to services by people with disability, disability support organisations and from start-ups looking to address issues impacting people with disability or that employ people with disability using location data.

N/A for 2021-22.



**Outcomes 2**

People with disability have the same opportunities as other people to access the buildings and other facilities of Landgate

**Strategies**

Customer contact areas, including reception areas, co-working spaces and on-line services are accessible and welcoming to people with disability.

All Landgate facilities are accessible to people with varying disabilities.

Fire warden training includes awareness of responsibilities for staff with disabilities. Emergency evacuation procedures for Landgate buildings ensure that those with a disability are accounted for.

Landgate acquires funds from the Federal Government for workplace modifications to ensure people with disability have equal opportunity to access its facilities and services.

**2021-22 actions**

Online services outside the Corporate Website are the responsibility of Land Services WA. Insights through market research or feedback is directly provided to Land Services WA for their consideration and action.

Accessibility issues are addressed as they are identified.

An additional automated door was installed in our Perth office.

An additional Disabled Bay was provided.

Accessibility has been planned for in the Midland building refurbishment project.

Procedures and Personal Emergency Evacuation Plans are reviewed annually, and as circumstances change for identified disability or mobility concerned people.

Six monthly fire warden training to manage staff with disabilities.

Warden Registers are kept up to date.

Annual Administration Emergency Management training is conducted to high-risk areas dealing with the public.

Landgate used Federal Government funding for adaptive hearing technology, and Deaf Awareness training for teams with Deaf employees.

**Outcomes 3**

People with disability receive information from Landgate in an accessible format.

**Strategies**

**2021-22 actions**

Landgate will continue to progress towards World Wide Web Consortium (W3C) compliance for our corporate website and intranet.

Work continued on Landgate’s corporate website to increase the accessibility and usability of our website towards WCAG 2.0 Level AAA.

A new corporate website for Landgate is expected to be made available in the 2022-23 financial year. A key consideration is accessibility for individuals with disability.

Landgate will provide refresher training for employees previously trained in website accessibility, and train new web access appointees.

The redevelopment of the corporate website will provide opportunity to train staff in the WA’s Government web accessibility requirements.

Landgate will continue to provide access to publications in alternative formats on request such as audio conversion large font or braille where practicable.

The new corporate website will aim to drive all functionality from a keyboard so people with disabilities can use assistive technologies that mimic the keyboard (ie speech input).

Landgate will continue to use interpreters to improve the availability of Landgate services and information to people with hearing impairment.

A new process was introduced for staff to book an interpreter service when identified that a customer needs this.

This includes customers with language barriers.

Landgate will continue to remove environmental barriers by ensuring signs are well-lit, have clear symbols and directions with good contrast of colours and texture.

Environmental barriers are addressed as they are identified. No specific issues relating to lighting or signage were identified during the financial year.

**Outcomes 4**

People with disability receive the same level and quality of service from the staff of Landgate as other people receive.

**Strategies**

Landgate employees will attend disability awareness training to understand their role in implementing and monitoring the DAIP plan to ensure its success.

Landgate's induction program will include training on the DAIP and on their responsibilities.

Landgate will maintain and promote its policies, codes of conduct and strategies that prohibit discrimination, harassment and victimisation of staff and visitors with disability.

Customer satisfaction surveys will include a question on disability.

**2021-22 actions**

Access to online disability awareness training is available to existing employees and new employee onboarding. 42 per cent of employees have completed the training.

Disability awareness training is provided during onboarding for all new employees.

All HR policies were reviewed for inclusion, with relevant amendments made.

Explicit statements around disability discrimination were added to our Discipline policy.

In our Market Research we have two questions which gather data specific to this question.

Q105. Do you currently have a disability, aged health issue and/or medical condition that could impact your access to Landgate's services, facilities and information?

Q106. Do you agree that Landgate offers equitable and inclusive access to Landgate's services, facilities and information?

**Outcomes 5**

People with disability have the same opportunities as other people to make complaints to Landgate.

**Strategies**

Landgate employees will attend disability awareness training to understand their role so they can support people with disability to provide feedback and make complaints.

Landgate will monitor, address and report on complaints received about disability access and inclusion.

**2021-22 actions**

Access to online disability awareness training is available to existing employees and new employee onboarding. 42 per cent of employees have completed the training.

No formal complaints from employees on the grounds of disability were received in the financial year.

**Outcomes 6**

People with disability have the same opportunities as other people to participate in any public consultation by Landgate.

**Strategies**

The views of people with disability will actively be sought through the Landgate Way-of-Working to ensure inclusive participation in consultation.

Consultation materials will be provided in alternative formats on request such as audio conversion large font or braille where practicable.

**2021-22 actions**

The Landgate Way-of-Working survey has been superseded, pending the introduction of the Public Sector Commission survey.

No requests for materials in alternative formats were received during the financial year.

**Outcomes 7**

People with disability have the same opportunities as other people to obtain and maintain employment with Landgate.

**Strategies**

Landgate will ensure employee recruitment is inclusive in design and accessible to people with disability.

Landgate will ensure people with a disability are provided with appropriate support to carry out their employment responsibilities.

Landgate will consider ways of enhancing the employment of people with disability, such as by job design, home based employment as well as other innovative and flexible employment practices.

**2021-22 actions**

Disability 101 training was provided to a group of line managers and human resources staff, and amendments to recruitment materials subsequently actioned.

Support requirements are discussed with new employees who share disability information during their recruitment.

No new employees with a disability commenced in this financial year.

Landgate's Working From Home policy was reviewed in 2022, enhancing flexible work options for staff.



## Compliance with public sector standards and ethical codes

### Requirement under *Public Sector Management Act 1994*, section 31(1)

Landgate works within the integrity model outlined in the Integrity Strategy for Public Sector Authorities, published by the Public Sector Commission. Ongoing compliance is ensured with employees undertaking accountable and ethical decision-making training; 88 per cent of employees have completed the training. All new employees are made familiar with the Code of Ethics and Code of Conduct during their induction process.

We ensure compliance with the:

- Landgate Code of Conduct
- Public Sector Standards in Human Resource Management
- WA Public Sector Code of Ethics
- Relevant industrial awards, agreements, and policies.

The Landgate Code of Conduct was developed as part of our commitment to the Public Sector Code of Ethics and the Public Sector

*Management Act 1994*. The Code of Conduct illustrates the values our employees consider fundamentally important to operations and our way of working.

### Actions to ensure compliance

Managers and employees are informed of, and required to comply with, the Public Sector Standards in Human Resource Management. Monitoring actions to ensure compliance with these standards includes:

- The Public Sector Standards are available on Landgate's intranet and embedded in relevant policies and procedures.
- The Employment Standard is followed during recruitment processes, ensuring reviewable decisions are fair and equitable and properly recorded.
- Employees are aware they can make disclosures about wrongdoing to the Public Interest Disclosure Officer.
- Ensuring our People, Culture and Environment team is aware of any changes to the Public Sector Standards, Commissioner's Instructions, and the *Public Sector Management Act 1994* and associated Regulations.



## Minister, Board and Committee overview

### Minister

The Minister for Lands has responsibility for Landgate and administering the *Land Information Authority Act 2006* (the Act). The Minister approves Landgate's budget, strategic direction, strategic initiatives and financial decisions. The Minister tables Landgate's annual report, Statement of Corporate Intent and any directions given to Landgate in Parliament and is accountable to Parliament for Landgate's performance.

### Board

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

The Landgate Board is established under the Act. The Board is responsible for the performance of Landgate's statutory functions and determines its strategic direction. The Board meets at least eight times a year.

The Audit and Risk Committee (ARC) is a subcommittee of the Landgate Board established under Section 29(1) of the Act. Under the ARC Charter, the ARC comprises of a minimum of three Board members, one of which must be a qualified accountant or have other financial qualifications. The ARC may invite other participants to its meetings. The primary function of the ARC is to assist the Board and

Chief Executive Officer to fulfil its corporate governance responsibilities.

The People, Environment and Sustainability Committee (PESC) is a sub-committee of the Board and is established under Section 29(1) of Act. The PESC consists of at least three members who have the appropriate level of skills and business experience. The primary function of the PESC is to provide oversight in relation to engagement and culture, workforce profile and planning, inclusion and diversity, Chief Executive Officer and Board performance, corporate governance, as well as environment and sustainability.

### Board Structure

The Minister appoints the members of the Board, which is to comprise no fewer than four and no more than six persons in addition to the Chief Executive Officer (ex officio member) in accordance with the Act.

Board members are required to have the relevant knowledge and experience to enable Landgate's functions under the Act to be performed, and a range of skills and expertise is required including commercial acumen, information technology, strategy development, financial management, spatial science and property. The current Board member profiles are published on Landgate's corporate website.

Board members are appointed for fixed terms of up to three years and can be reappointed up to a maximum term of nine years. The Minister designates appointed members to the roles of Chair and Deputy Chair.

## Board remuneration

### Landgate Board

Position	Name	Type of remuneration	Period of membership	Term of appointment	Gross/actual remuneration
Chair	Robert Cole	Annual	01/08/20 - 31/7/23	3 years	\$46,255
Deputy Chair	Monish Paul	Annual	31/11/17 - 31/12/22	3 years	\$32,165
Member	Ian Callahan	Annual	30/07/18 - 31/12/23	3 years	\$27,753
Member	Melissa Perry	Annual	01/01/20 - 31/12/22	3 years	\$27,753
Member	Pia Turcinov	Annual	01/01/20 - 31/12/22	3 years	\$27,753
Member	Kylee Schoonens	Annual	01/01/22 - 31/12/23	2 years	\$13,236
Deputy Chair	Anne Arnold	Annual	01/01/13 - 31/12/21	1 year	\$19,356
Member (ex-officio)	Graeme Gammie	N/A	N/A	N/A	N/A

# Anne Arnold was Deputy Chair of the Landgate Board until completion of her term in December 2021.  
Monish Paul became Deputy Chair in January 2022.

### Other Committee remuneration – Geographic Names Committee

The Geographic Names Committee (GNC) is an independent advisory committee, providing expert advice to the Minister for Lands and Landgate on complex or contentious geographic naming matters.

During the year, the Hon Tom Stephens commenced his second term of appointment as the independent Chair of the GNC and John Nicholas resigned as a sitting member.

The GNC is also served by an Executive Officer, and a Secretariat, provided by Landgate.

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



## Geographic Names Committee

Position	Name	Type of remuneration	Period of membership	Term of appointment	Sitting fees	Gross/actual remuneration
Chairperson	Tom Stephens	Half day	1/7/21 - 30/6/22	Sessional / 3 years	\$264.00	\$1,584.00
Member	Chris Green	Per meeting	1/7/21 - 30/6/22	Sessional	\$160.00	\$480.00
Member	Cliff Winfield	Per meeting	1/7/21 - 30/6/22	Sessional	\$160.00	\$480.00
Member	Damien Martin	Nil	1/7/21 - 30/6/22	Sessional	N/A	N/A
Member	Logan Howlett	Per meeting	1/7/21 - 30/6/22	Sessional	\$160.00	\$160.00
Member	John Nicholas	Per meeting	1/7/21 - 2/9/21	Sessional	\$160.00	\$320.00
Member	Paul McCluskey	Nil	1/7/21 - 30/6/22	Sessional	N/A	N/A
Member	Richard Brooks	Nil	1/7/21 - 30/6/22	Sessional	N/A	N/A
Member	Shaun Coldicutt	Nil	1/7/21 - 30/6/22	Sessional	N/A	N/A



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

### Advertising and Market Research Expenditure

Requirement under section 175ZE of the *Electoral Act 1907*. The Western Australian Land Information Authority incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

Advertising	Spend in 2021-22
Success Print	\$ 344.55
Your Member Careers	\$ 462.00
PCA E-Newsletter	\$ 1,500.00
Quick Mail	\$ 1,680.00
Premier & Cabinet	\$ 1,703.03
Telstra White Pages	\$ 13,910.20
Initiative Media	\$ 8,483.58
Market research	
Painted Dog Research	\$ 69,688.00
My Media	\$ 20,242.62
Scamper	\$ 101,104.08
Fiverr	\$ 245.28
Media advertising providers	
Capt on Hold Mpp	\$ 2,028.00
Fuel Creative	\$ 7,630.00
Cultural Creative Agency	\$ 4,500.00
Sista Girl Sign and Print	\$ 1,414.06
Polling	
Sli Do	\$ 1,620.00
<b>Total spend for 2022-23</b>	<b>\$ 236,555.40</b>

## Recordkeeping plans

### Requirement under State Records Act 2000 and State Records Commission Standard 2 Principle 6 – Compliance

**The efficiency and effectiveness of the organisations recordkeeping systems is evaluated not less than once every five years.**

Landgate's current Recordkeeping Plan (RKP) 2020-2025, was approved by the State Records office in August 2021. A review of this plan was conducted during 2020, endorsed by the Corporate Executive and submitted to the State Records Commission for formal approval. Our RKP demonstrates that Landgate is in compliance with the evaluation of the efficiency and effectiveness of Landgate's information and ICT resources. In addition, the *State Records Act 2000* allows for the creation and storage of government information in a digital domain, and this is enabling Landgate to work towards its own digital information transformation.

**The organisation conducts a recordkeeping training program.**

Landgate uses an electronic document and records management system (eDRMS) that provides for 'super-users' with business areas. These employees are comprehensively trained using the eDRMS. All other accessing Landgate systems are enrolled in compulsory online training.

**The efficiency and effectiveness of the recordkeeping training program is reviewed from time to time.**

Landgate's Information Strategy works towards a digital future, and this has seen improvements to our training program. Training provided by the Records Management team has targeted specific teams and how best to suit their needs. The online training module is within the suite of mandatory training courses for employees at Landgate and in the coming year will be accompanied by a refreshed Recordkeeping Awareness course.

**The organisation's induction program addresses employee roles and responsibilities to ensure their compliance with the organisation's recordkeeping plan.**

Landgate ensures all employees, contractors and service providers regularly undertake training for responsible recordkeeping. The Recordkeeping Awareness Training (RAT) addresses the roles and responsibilities concerning compliance with our RKP. This RAT training was reviewed and relaunched in the second half of 2021, with the view to launch refresher training annually going forward.

## Information statement

The *Freedom of Information Act 1992* requires agencies to publish certain information concerning their structure, functions and the types of documents held by the agencies that are available to the public. To meet the requirements of the Act, Landgate publishes an Information Statement accessible on our website: [www.landgate.wa.gov.au](http://www.landgate.wa.gov.au).

### Freedom of Information Applications for 2021-22

This year, Landgate received:

15 applications (12 of which have been finalised, two of which have been transferred in full to another agency and one application currently being processed); and finalised one internal review, under the *Freedom of Information Act 1992*.

Statistics for 2021-22 reported for inclusion in the Information Commissioner's annual report have been provided to the Information Commissioner via the FOI Annual Statistical Return.

# Section 6: Key performance indicators

## Certification of key performance indicators

### Certification of Key Performance Indicators

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

- based on proper records;
- relevant and appropriate for assisting users to assess the Authority's performance; and
- fairly represent the performance of the Authority for the financial year ended 30 June 2022.



Robert Cole  
**Chair  
Board  
Western Australian Land Information  
Authority**

13 October 2022



Graeme Gammie  
**Chief Executive  
Member, Board  
Western Australian Land Information  
Authority**

13 October 2022

## Performance management framework

### The OBM Relationship to Government Goals

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

Government Goal	
<b>Strong and Sustainable Finances:</b> Responsible, achievable, affordable service delivery	
Outcomes	Services
1. The State's administrative, commercial and social systems are supported by land tenure information, certainty of ownership and other interests in land.	<b>1. Land Titling</b> A land titling service that provides land tenure information, certainty of ownership and other interests in land.
2. Independent valuations support Government's collection of rates and taxes and management of property assets.	<b>2. Valuations</b> An impartial valuation service.
3. Land and location information and services to support the management and development of the State.	<b>3. Land Information and Services</b> Capture, maintenance and delivery of land information and services.
	<b>4. Access to Location Information</b> Access to the State's location information.

### Key Effectiveness Indicator for Outcome 1

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

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
<b>Timeliness</b> Simple and correct documents are registered within two working days of lodgment.	81.69%	88.16%	80.00%	89.51%
<b>Accuracy</b> The number of adjusted Certificates of Title arising from identified errors as a percentage of the total Certificates of Title on the land titles register.	0.1083%	0.1085%	≤0.25%	0.10%

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

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

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

## How were these indicators derived?

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

### Timeliness

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

## Accuracy

- a) Identified errors<sup>5</sup> include errors that are reported and/or discovered during an investigation process that may require a change to a Certificate of Title.
- b) Service performance is monitored by tracking the number of Certificates of Title adjusted due to identified errors. This provides the agency with an overall view of the customers impacted by the changes applied to the land titles register.
- c) As the land titles register is a live system, the total number of Certificates of Title is extracted as nearest to close of business, 30 June annually.

## What do the indicators show?

**Timeliness** – Landgate has exceeded the KPI of 80% of simple and correct documents registered within two business days. The result of 89.51% is an improvement of 1.35% from last year and has been achieved through review and enhancement of business rules, which support automated registration of these documents.

**Accuracy** – As at 30 June 2022, there were 1,504,188 Certificates of Title held in the Western Australian land titles register. 1,369 titles were adjusted throughout the year due to identified errors, which equates to a correction rate of 0.10% for 2021-22 against a target of less than or equal to 0.25%. This represents a reduction of 248 titles with errors, compared to last year's result (1,617).

<sup>5</sup> Errors within the WA land register are intended as an indication only. What is viewed as an error can be subjective

## Key Efficiency Indicator for Service 1

<b>Service 1</b>	<b>Land Titling</b> A land titling service that provides land tenure information, certainty of ownership and other interests in land.
<b>Key Effectiveness Indicator</b>	Average cost of maintaining land tenure information, certainty of ownership and other interests in land, per Certificate of Title.

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
Average cost of maintaining land tenure information, certainty of ownership and other interests in land, per Certificate of Title <sup>6</sup> .	\$51.69 <sup>6</sup>	\$47.78 <sup>6</sup>	\$23.92	\$21.58

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

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

The indicator provides a measure of the full cost of maintaining land titles including the range of land tenure information relevant to that land. This is a clear indicator of the efficiency, with which the land titling service is maintained.

### How was the indicator derived?

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

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

### What does the indicator show?

The average cost of maintaining the land tenure information, certainty of ownership and other interests in land, expressed as a dollar value per Certificate of Title was \$21.58 for 2021-22, which is below the target of \$23.92. This result is supported by the ongoing improvement in the electronic and physical systems and processes across the land titles registration-based business activities.

<sup>6</sup> The implementation of a revised cost allocation framework reflecting the Authority's current operating model, has rendered comparison with the actuals of previous years obsolete.

## Key Effectiveness Indicator 1 for Outcome 2

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

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
<b>Benchmark against international standards for accuracy using Median Ratio Test:</b>				
Gross Rental Value	92.17%	N/A <sup>7</sup>	>92.50%	91.60%
Unimproved Value	90.91%	91.38%	>92.50%	90.80%
<b>Coefficient of dispersion to check uniformity of values:</b>				
Gross Rental Value	4.22%	N/A <sup>7</sup>	<7.00%	4.25%
Unimproved Value	5.68%	5.21%	<15.00%	7.45%

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

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

### How was this indicator derived?

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

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

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

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

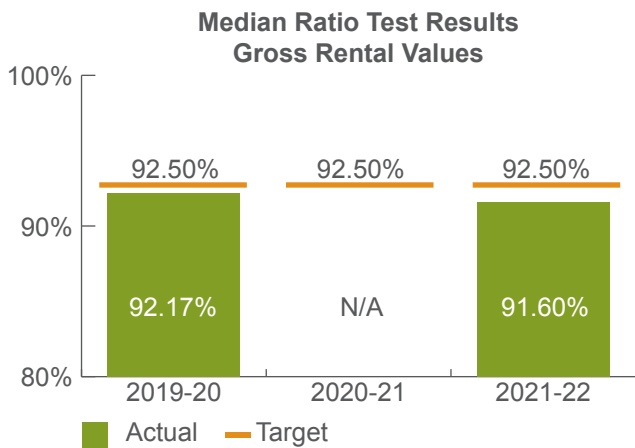
The quality of the outcome is reflected, in the extent to which the results exceed the minimum targets.

<sup>7</sup> The Authority received an exemption from the Under Treasurer from reporting benchmark against international standards for accuracy using Median Ratio Test – Gross Rental Value (GRV) and coefficient of dispersion to check uniformity of values - GRV key performance indicators for the year ended 30 June 2021. The exemption was sought due to the travel restrictions imposed as a result of the COVID19 pandemic.

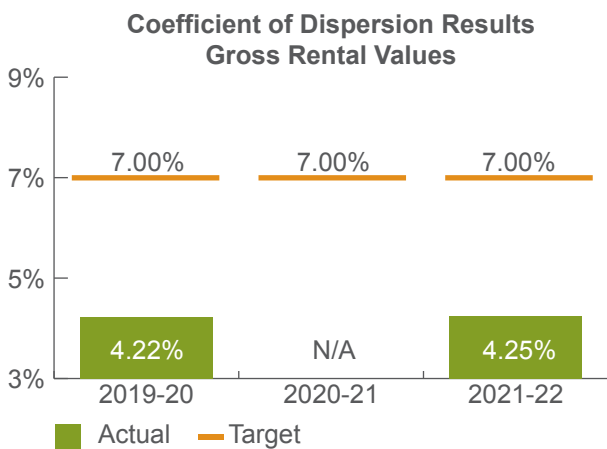
### What does the indicator show?

For Gross Rental Values the outcomes show the following:

The MPR for GRV shows 91.60% against a target of >92.50% measured from a sample size of 2,092 key rents. The regional general valuation program covers 40 local governments. Whilst the outcome is under the target, given the impact of the COVID pandemic had on the rental market for an extended period of time, including the relevant regulation period of 1 April 2021 to 31 August 2021, the result is deemed satisfactory and within the normal range of fluctuations from year to year.

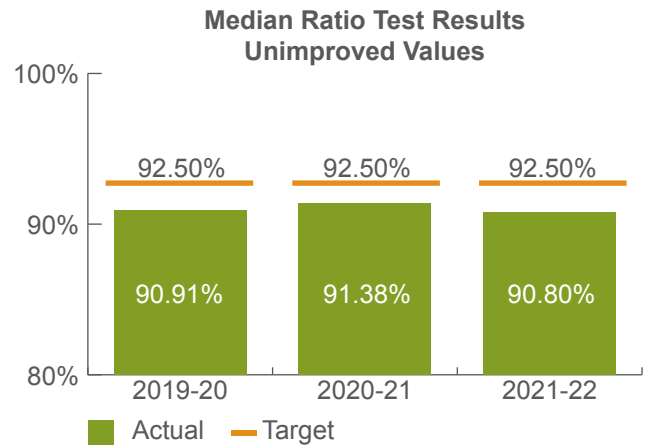


The COD at 4.25% meets the requirement of <7.00% as a measure of valuation uniformity and is towards the lower end of results achieved in the last 10 years.

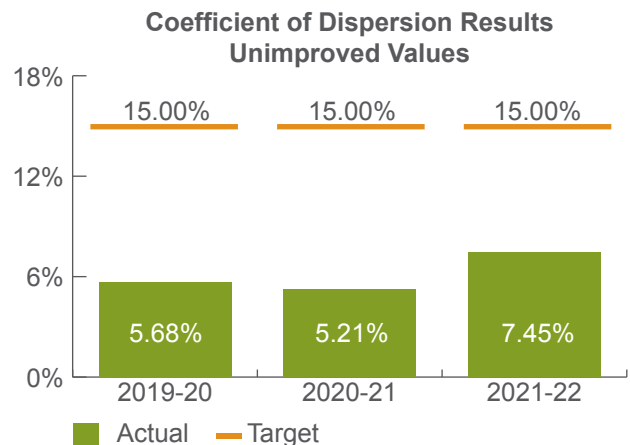


For Unimproved Values, the outcomes show the following:

The MPR of 90.80% is slightly below the target of >92.5% measured from a sample size of 1,771 key sales. The degree with which it falls below target, reflects the caution in the assessment process, due to the impacts of the COVID pandemic on the land market at the date of valuation being 1 August 2021. This is within the normal range of fluctuations from year to year. The MPR is determined on a statistical analysis, which compared assessed values as at the date of valuation being 1 August 2021, with sales occurring between 1 June 2021 and 31 August 2021.



The COD at 7.45% is under the standard of <15% and within the range of results over the past 10 years. The COD is a measure of divergence between the assessed land values and selling prices. This result is indicative of a soft property market due to the impacts of the COVID pandemic.





## Key Effectiveness Indicator 2 for Outcome 2

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

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
Adjustments of rating and taxing values as a result of Objections and Appeals as a percentage of total values in force.	0.019%	0.039%	<0.20%	0.011%

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

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

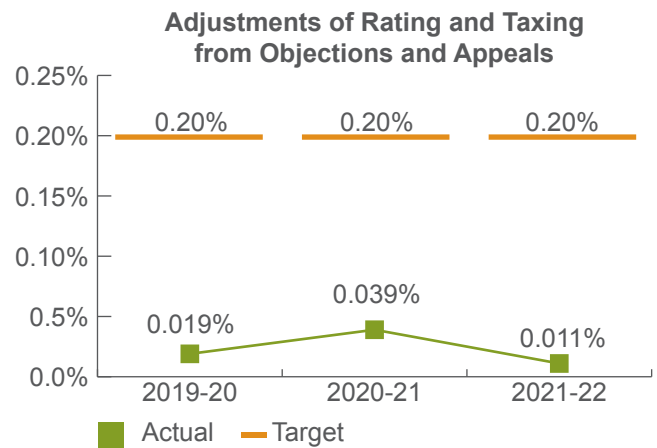
### How was this indicator derived?

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

### What does the indicator show?

As at 30 June 2022, there were 2,267,880<sup>8</sup> rateable values in force in Western Australia. During the year, 255 of these were amended as a result of either formal objections determined by the Valuer General or review of valuations by the State Administrative Tribunal. This indicates that only one in every 8,893 values was amended.

The outcome of 0.011% remains well below the target of <0.20%, which was derived from an international standard. Additionally, this demonstrates the effectiveness of the valuation process for rating and taxing in Western Australia and its general acceptance by ratepayers and taxpayers.



<sup>8</sup> Includes only rateable values in force as at 30 June 2022 (GRV, UV, RUV). Noting that in previous years, non-rateable values in force were included. This has a minimal impact, as in 2021-22, it concerns only 179,131 values.

## Key Efficiency Indicator for Service 2

<b>Service 2</b>	<b>Valuations</b> An impartial valuation service
<b>Key Efficiency Indicator</b>	Average cost per valuation

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
Average cost per valuation <sup>9</sup>	13.06 <sup>9</sup>	21.46 <sup>9</sup>	\$17.34	\$15.54

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

The average cost per valuation provides a reliable measure of overall performance against forecast targets and previous years' outcomes.

### How was this indicator derived?

Cost per valuation refers to the total number of Valuation Entity Numbers (VENs) in force across the state (including Master and Parent) at the end of the reporting period divided by the total costs incurred in the period.

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

### What does the indicator show?

Valuation Services completed 2,407,299 valuations (in force as at 30 June 2022) with an overall program cost of \$37,416,538. This is a strong performance with the average cost per valuation being \$15.54, which is a positive outcome when compared with the Budget paper target of \$17.34.

<sup>9</sup> The implementation of a revised cost allocation framework reflecting the Authority's current operating model, in combination with an update to the calculation methodology for this indicator, has rendered comparison with the actuals of previous years obsolete.

## Key Effectiveness Indicator 1 for Outcome 3

<b>Outcome 3</b>	Land and location information and services to support the management and development of the State.
<b>Key Effectiveness Indicator 1</b>	The extent to which the currency and relevance of the Land Information Databases meet the needs of the Western Australian community.

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
<b>Names and Addressing</b> Completion rate of names and addressing jobs delivered within 10 business days.	92.38%	87.60%	80.00%	88.74%
<b>Property Boundaries</b> Completion rate of property boundary related jobs within the agreed benchmarks. <sup>10</sup>	96.30% <sup>10</sup>	97.80% <sup>10</sup>	97.20%	97.46%

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

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

### How were the indicators derived?

2021-22 indicators are derived from core land information databases that describe and record the location and physical attributes of the State's land and location data. The currency of the information provides a measure of Landgate's effectiveness in responding to land development and social changes.

### Names and Addressing

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

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

### Property Boundaries

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

<sup>10</sup> An update to the calculation methodology for this indicator, has rendered comparison with the actuals of previous' years obsolete.

- a) Update lodgement of layers is an automatic process that contributes to the accuracy of geographic positioning in the database. However, manual update lodgement may be required to rectify systemic anomalies. Timeliness in performing this manual action is maintained by measuring against a benchmark of five business days on 98% of jobs (60% of the overall property boundary score)
- b) Integration of lodged layers are also triggered and completed automatically, however system failures may occur due to data conflicts. In this case and with all manually lodged layers, manual integration is required to update the database. Timeliness in performing this manual action is managed by measuring against a benchmark of five business days on 98% of jobs (30% of the overall property boundary score)
- c) Linking surveys to the control network on Landgate's Spatial Cadastral Database (SCDB) increase location data accuracy, and therefore, supports certainty of ownership. Timeliness in performing this action is managed by measuring against a benchmark of five business days on 90% of jobs (10% of the overall property boundary score).

Each of the above deliver the levels of accuracy, currency and completeness expected by users of the data.

### What do the indicators show?

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

### Names and Addressing

The combined annual performance of Names and Addressing exceeded the annual target of 80%, with 430 of the 555 requests received for naming approvals completed within ten business days and 100% of the 19,159 requests received for new and/or revisions to addresses completed within the same period. The performance of naming approvals improved slightly due to a reduction of large subdivisions and an improvement in compliant submissions from LGAs. The high performance in addressing completion rates continued.

### Property Boundaries

This combined measure reflects the annual performance of 97.46% against the target of 97.20% as at the end of June 2022. Of the three functions comprising the property boundaries measure, only the integration of lodged layers function did not meet the individual benchmark whereas the remaining two functions (update lodgement of layers and linking surveys to the control network) exceeded their benchmarks:

- a) Update lodged: the manual updates of lodgement of layers continued to consistently track slightly above its target of 98% with a YTD score of 99.09%. This job has been given the highest weighting as it is critical in supporting the land development process and meeting customer needs as it enables issue of new titles.
- b) Integration: the manual integration of lodged layers continued to track upwards towards its target of 98% after being negatively impacted by the CTA systems release in October 2021, resulting in a YTD score of 94.25% at the end of June 2022. The result is mainly attributable to the remaining levels of complex system functionality prolonging full remediation of introduced inefficiencies associated within the legacy SmartPlan software.
- c) Control network: linking surveys to the control network has scored above its target of 90%, with a YTD score of 97.31% of jobs being completed within five (5) business days. The improvement in the control network score is due to successful cross-skilling of additional resources.

## Key Effectiveness Indicator 2 for Outcome 3

<b>Outcome 3</b>	Land and location information and services to support the management and development of the State.
<b>Key Effectiveness Indicator 2</b>	Imagery Systems availability supporting the State's mapping, monitoring and predicting of bushfires.

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
Imagery Systems availability supporting the State's mapping, monitoring and predicting of bushfires <sup>11</sup>	N/A <sup>11</sup>	N/A <sup>11</sup>	99.00%	99.92%

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

The provision of available Imagery Systems is to support the State's mapping, monitoring and predicting of bushfires. This forms a key component of the services provided by Landgate to Government, industry and the community of Western Australia. The core delivery systems (including websites and web applications) that Landgate manages to provide imagery information are MyFireWatch, FireWatch Pro, Aurora and Web Mapping Services.

### How was this indicator derived?

Availability is determined by the percentage of the time that the web application loads correctly and the supporting data is delivered to the four imagery systems, which is measured every 10 minutes, 24 hours a day and 7 days a week. The availability results are reported based on the average of four imagery systems.

### What does the indicator show?

The core delivery systems were available above the target level. This means there were fewer disruptions to users of the systems over the course of the financial year than was predicted.

<sup>11</sup> This is a new KPI for 2021-22 so there are no comparative results.

## Key Effectiveness Indicator 3 for Outcome 3

<b>Outcome 3</b>	Land and location information and services to support the management and development of the State.
<b>Key Effectiveness Indicator 3</b>	Overall satisfaction with the capture of, discovery of and access to government location information.

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
Overall satisfaction with the capture of, discovery of and access to government location information.	84%	80%	80%	84%

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

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

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

Stakeholders using these services are from across the public and private sectors. These stakeholders are surveyed to understand how satisfied they are with the capture of, discovery of and access to government location data.

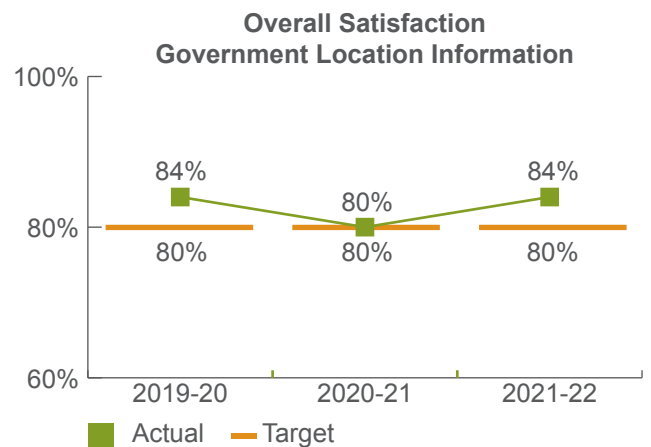
### How was this indicator derived?

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

The survey was conducted between May and June 2022 to record satisfaction over the last 12 months. A raw list was then refined (e.g. to account for duplicated emails) with all edits coded and accounted for. The final population size was 3,874. For a sample with a +/- 5% margin of error at a 95% confidence interval, a sample size of n=350 was required. The sample size was achieved through a combination of email and telephone surveys.

### What does the indicator show?

The indicator shows that 84% of users and contributors of Data WA and SLIP and participants in the Capture WA program are satisfied with the effectiveness of the services. A response rate of 9.2% was achieved by contacting 3,874 individuals via email and conducting online or telephone surveys, which resulted in 356 responses.



## Key Efficiency Indicator for Service 3

<b>Service 3</b>	<b>Land Information and Services</b> Capture, maintenance and delivery of land information and services.
<b>Key Efficiency Indicator</b>	Average cost of providing land information and services for the State (per square km)

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
Average cost of providing land information and services for the State (per square km) <sup>12</sup> .	N/A <sup>12</sup>	N/A <sup>12</sup>	\$13.97	\$11.96

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

Providing land information and services for the whole State supports a range of government and industry functions in managing and developing the State. The measure provides the cost incurred to provide the capture, maintenance and delivery of land information and services.

### How was the indicator derived?

The cost is derived by totalling total cost of capturing, maintaining and delivering land information and services divided by the number of square kilometres in Western Australia<sup>13</sup>. The total cost includes all direct costs and an appropriate share of indirect and overhead recurrent costs.

### What does the indicator show?

The average cost of providing land information and services is below target due to Location Services' actual expenditure being below budget. This is mainly attributable to a restructure during the year, which resulted in a number of funded roles supporting delivery of land information and services being vacant. Recruitment for the vacancies is expected to progress in Q1 2022-23.

<sup>12</sup> Survey services also provide a function supporting land titling and graphic services and are reimbursed for the majority of their services.

## Key Efficiency Indicator for Service 4

<b>Service 4</b>	<b>Access to Location Information</b> Access to the State's location information.
<b>Key Efficiency Indicator</b>	Average cost per dataset

Measures	Actual 2019-20	Actual 2020-21	Target 2021-22	Actual 2021-22
Average cost per dataset <sup>13</sup>	\$1,545 <sup>12</sup>	\$1,329 <sup>12</sup>	\$1,027.88	\$803.03

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

Data WA enables the discovery of government open data and access to SLIP datasets to improve service delivery through data sharing.

This indicator is the average cost per dataset of providing Data WA and SLIP data sharing services.

### How was the indicator derived?

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

The average cost per dataset is the total cost divided by the number of datasets available through Data WA and SLIP at 30 June 2022.

### What does the indicator show?

The average cost per dataset is below target due to Location Services' actual expenditure of \$6,264K being below budget of \$8,036K. This is mainly attributable to a restructure during the year, which resulted in several funded roles supporting the data discovery and data sharing platforms being vacant. Recruitment for the vacancies is expected to progress in Q1 2022-23. By the end of the financial year, the total number of datasets discoverable in Data WA and accessible through SLIP reached 7,801.

<sup>13</sup> The implementation of a revised cost allocation framework reflecting the Authority's current operating model, in combination with an update to the calculation methodology for this indicator, has rendered comparison with the actuals of previous years obsolete.



# Section 7: Financial statements and notes

## Financial statements and notes

### Certification of Financial Statements

**For the reporting period ended 30 June 2022**

The accompanying financial statements of the Western Australian Land Information Authority have been prepared in compliance with the provisions of the *Financial Management Act 2006*, from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2022 and the financial position at 30 June 2022.

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



Robert Cole  
**Chair  
Board  
Western Australian Land Information Authority**

13 October 2022



Graeme Gammie  
**Chief Executive  
Member, Board  
Western Australian Land Information Authority**

13 October 2022



Graeme Dewar  
**Chief Finance Officer  
Western Australian Land Information Authority**

13 October 2022

**INDEPENDENT AUDITOR'S REPORT****2022****Western Australian Land Information Authority**

To the Parliament of Western Australia

**Report on the audit of the financial statements****Opinion**

I have audited the financial statements of the Western Australian Land Information Authority (Authority) which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Western Australian Land Information Authority for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

**Basis for opinion**

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

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

**Responsibilities of the Board for the financial statements**

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for:

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

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

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

## **Report on the audit of controls**

### **Opinion**

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

In my opinion, in all material respects, the controls exercised by the Western Australian Land Information Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2022.

### The Board's responsibilities

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

### Auditor General's responsibilities

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

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

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

### Limitations of controls

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

## Report on the audit of the key performance indicators

### Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Western Australian Land Information Authority for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Western Australian Land Information Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2022.

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

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

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

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

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

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

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

### **My independence and quality control relating to the reports on financial statements, controls and key performance indicators**

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

### Other information

The Board is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements, key performance Indicators and my auditor's report.

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

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

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

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

This auditor's report relates to the financial statements, and key performance indicators of the Western Australian Land Information Authority for the year ended 30 June 2022 included in the annual report 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, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Grant Robinson  
Assistant Auditor General Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
13 October 2022

## Western Australian Land Information Authority (Landgate)

# Statement of Comprehensive Income

For the year ended 30 June 2022

	Notes	2022 (\$'000)	2021 (\$'000)
<b>INCOME</b>			
<b>Revenue</b>			
Provision of services	2.1	41,978	31,208
Service concession income	2.3	36,364	35,571
Sale of land information, data and imagery	2.4	3,810	3,848
Interest revenue	2.5	244	559
Other revenue	2.5	3,749	1,031
<b>TOTAL INCOME</b>		<b>86,145</b>	<b>72,217</b>
<b>EXPENSES</b>			
Employee benefits	3.1	49,693	53,081
Supplies and services	3.2	29,395	27,322
Other expenses	3.2	5,393	5,323
Depreciation and amortisation	4.1, 4.2, 4.3 & 4.4	14,292	15,230
Finance costs	6.2	3	191
Accommodation	3.2	6,454	5,047
Net loss on disposal of property, equipment and intangibles	2.6	1,120	9
<b>TOTAL EXPENSES</b>		<b>106,350</b>	<b>106,203</b>
<b>Loss before Income from State Government</b>		<b>(20,205)</b>	<b>(33,986)</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriation	2.2	40,558	33,098
Income from other public sector entities	2.2	8,261	5,323
Resources received free of charge	2.2	1,538	223
<b>TOTAL INCOME FROM STATE GOVERNMENT</b>		<b>50,357</b>	<b>38,644</b>
<b>Profit before income tax equivalent</b>		<b>30,152</b>	<b>4,658</b>
Income tax equivalent (expense)/benefit	5.6 (a) & (b)	(65)	(419,642)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>30,087</b>	<b>(414,984)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Changes in asset revaluation surplus	2.6 & 8.8	65	(16,283)
<b>Items that will be reclassified subsequently to profit or loss</b>			
Changes in fair value reserve	2.6 & 8.8	(335)	(456)
Income tax on items that will be reclassified	5.6 & 8.8	65	137
		(270)	(319)
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>(205)</b>	<b>(16,602)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>29,882</b>	<b>(431,586)</b>

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

## Western Australian Land Information Authority (Landgate)

### Statement of Financial Position

As at 30 June 2022

	Notes	2022 (\$'000)	2021 (\$'000)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.3	15,191	4,901
Restricted cash and cash equivalents	6.3	214	245
Receivables	5.1	14,768	12,404
Financial investments	5.3	47,597	56,995
Amounts receivable for services	5.4	6,253	4,006
Other current assets	5.5	4,715	2,688
<b>Total Current Assets</b>		<b>88,738</b>	<b>81,239</b>
<b>Non-Current Assets</b>			
Restricted cash and cash equivalents	6.3	1,263	1,088
Equity accounted investments	5.2	2,146	2,481
Amounts receivable for services	5.4	32,461	32,503
Property and equipment	4.1	5,165	6,344
Service concession intangible assets	4.3	24,055	32,883
Service delivery intangible assets	4.4	6,303	6,457
Right-of-use assets	4.2	109	108
Deferred tax assets	5.6(c)	0	0
Other non-current assets	5.5	223	167
<b>Total Non-Current Assets</b>		<b>71,725</b>	<b>82,031</b>
<b>TOTAL ASSETS</b>		<b>160,463</b>	<b>163,270</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.7	8,943	8,861
Current tax liabilities		0	447
Lease liabilities	6.1	34	59
Employee related provisions	3.1(b)	11,692	12,839
Service concession liabilities	5.9	36,597	36,325
Other current liabilities	5.8	3,760	3,317
<b>Total Current Liabilities</b>		<b>61,026</b>	<b>61,848</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	6.1	77	52
Employee related provisions	3.1(b)	2,436	2,831
Service concession liabilities	5.9	1,283,800	1,319,271
<b>Total Non-Current Liabilities</b>		<b>1,286,313</b>	<b>1,322,154</b>
<b>TOTAL LIABILITIES</b>		<b>1,347,339</b>	<b>1,384,002</b>
<b>NET ASSETS</b>		<b>(1,186,876)</b>	<b>(1,220,732)</b>



## Western Australian Land Information Authority (Landgate)

### Statement of Financial Position (continued)

As at 30 June 2022

	Notes	2022 (\$'000)	2021 (\$'000)
<b>EQUITY</b>	8.8		
Contributed equity		66,918	62,944
Reserves		6,822	7,027
Retained earnings		(1,260,616)	(1,290,703)
<b>EQUITY DEFICIT</b>		<b>(1,186,876)</b>	<b>(1,220,732)</b>

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 2022

	Notes	2022 (\$'000)	2021 (\$'000)
<b>BALANCE AT START OF PERIOD</b>		<b>(1,220,732)</b>	<b>(766,238)</b>
<b>Contributed equity</b>	8.8		
Balance at start of period		62,944	99,773
Transactions with owners in their capacity as owners:			
Capital appropriations		4,028	2,888
Other contributions by owners		0	1
Distributions to owners		(54)	(39,718)
<b>Balance at end of period</b>		<b>66,918</b>	<b>62,944</b>
<b>Reserves</b>	8.8		
Balance at start of period		7,027	23,629
Asset revaluation surplus movement		65	(16,283)
Fair value reserve movement		(270)	(319)
<b>Balance at end of period</b>		<b>6,822</b>	<b>7,027</b>
<b>Retained Earnings</b>	8.8		
Balance at start of period		(1,290,703)	(889,640)
Movement attributable to:			
Profit/(loss) for period		30,087	(414,984)
Transfer from asset revaluation surplus		0	13,921
<b>Balance at end of period</b>		<b>(1,260,616)</b>	<b>(1,290,703)</b>
<b>BALANCE AT END OF PERIOD</b>		<b>(1,186,876)</b>	<b>(1,220,732)</b>

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

## Western Australian Land Information Authority (Landgate)

### Statement of Cash Flows

For the year ended 30 June 2022

Notes	2022 (\$'000)	2021 (\$'000)
	Inflows (Outflows)	Inflows (Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Provision of services	39,563	43,404
Sale of land information, data and imagery	4,180	4,552
Interest received	233	592
GST receipts on sales	1,295	1,303
GST receipts from taxation authority	12,330	11,394
Other receipts	3,707	2,062
<b>Payments</b>		
Employee benefits	(51,008)	(52,010)
Supplies and services	(31,439)	(28,192)
Other payments	(4,823)	(5,030)
Accommodation	(5,791)	(4,450)
Finance costs	(3)	(318)
GST payments on purchases	(13,567)	(12,656)
<b>Net cash used in operating activities</b>	<b>(45,323)</b>	<b>(39,349)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Receipts</b>		
Sale of - Financial investments	64,600	69,200
<b>Payments</b>		
Purchase of - Property, equipment and intangible assets	(3,912)	(6,095)
Financial investments	(55,200)	(69,000)
<b>Net cash (used in)/provided by investing activities</b>	<b>5,488</b>	<b>(5,895)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Payments</b>		
Principal elements of lease payments	(80)	(4,905)
<b>Net cash used in financing activities</b>	<b>(80)</b>	<b>(4,905)</b>

## Western Australian Land Information Authority (Landgate)

### Statement of Cash Flows (continued)

For the year ended 30 June 2022

	Notes	2022 (\$'000)	2021 (\$'000)
		Inflows (Outflows)	Inflows (Outflows)
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
<b>Receipts</b>			
Service appropriation		35,857	28,168
Drawdowns from amounts receivable for services (Holding Account)		2,496	3,813
Capital appropriations		4,028	2,888
Funds from other public sector entities		8,415	7,138
<b>Payments</b>			
Income tax equivalents - payments		(447)	0
- refund		0	2,335
<b>Net cash provided by State Government</b>		<b>50,349</b>	<b>44,342</b>
Net change in cash and cash equivalents		10,434	(5,807)
Cash and cash equivalents at start of period		6,234	12,041
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	6.3	<b>16,668</b>	<b>6,234</b>

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 1. Basis of Preparation

The Western Australian Land Information Authority (trading as Landgate) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent.

Although the Authority is required to operate on prudent commercial principles, Treasurer's Instruction 1101 *Application of Australian Accounting Standards and Other Pronouncements* deems it to be a not-for-profit entity for reporting under Australian Accounting Standards (as profit is not its principal objective).

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

These annual financial statements were authorised for issue by the Accountable Authority of the Agency on 13 October 2022.

### Statement of compliance

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

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

The *Financial Management Act 2006* and the Treasurer's Instructions take precedence over AASs. Several AASs are modified by the TIs to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

### Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

# Western Australian Land Information Authority (Landgate)

## Notes to the Financial Statements

For the year ended 30 June 2022

### 1. Basis of Preparation (continued)

#### Accounting for Goods and Services Tax (GST)

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

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

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

#### Contributed equity

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 as contributions by owners (at the time of, or prior to, transfer) be recognised as equity contributions. Capital appropriations are designated as contributions by owners by Treasurer's Instruction 955 *Contributions by Owners made to Wholly-Owned Public Sector Entities* and have been credited directly to Contributed Equity.

#### Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* provides relief from presenting comparatives for:

- Property and equipment reconciliations;
- Intangible asset reconciliations; and
- Right of use asset reconciliations.

#### Judgements and estimates

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 2. Our funding sources

### How we obtain our funding

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

	Notes	2022 (\$'000)	2021 (\$'000)
Provision of services	2.1	41,978	31,208
Income from State Government	2.2	50,357	38,644
Service concession income	2.3	36,364	35,571
Sale of land information, data and imagery	2.4	3,810	3,848
Interest and other revenue	2.5	3,993	1,590
Gains and losses	2.6		

### 2.1 Provision of services

	2022 (\$'000)	2021 (\$'000)
Land title management fees (i)		
Transfer	16,414	13,336
Mortgage	5,823	4,423
Discharge	6,151	4,564
Other (plan lodgements, caveats, applications, etc.)	3,975	3,838
Search	954	203
	<b>33,317</b>	<b>26,364</b>
Other services		
Valuation services fees	6,197	2,649
Electronic advice of sale fees	1,974	1,860
Property interest report	490	335
	<b>8,661</b>	<b>4,844</b>
<b>Total provision of services</b>	<b>41,978</b>	<b>31,208</b>

(i) Under the terms of the Commercialised Services Agreement (CSA) with Land Services WA (LSWA) the Authority collects customer fees for title document lodgements, plan, search and lodgement support services and passes on to LSWA its component of the fees in the form of Service Fees paid per transaction as per the CSA. The Provision of services therefore reflects the Authority's share of these fees, net of service fees payable to LSWA (representing LSWA's share of revenue derived from those services). Refer Note 5.9 'Service concession liabilities' for further details.

Revenue is recognised at the transaction price when the Authority transfers control of the services to customers.

# Western Australian Land Information Authority (Landgate)

## Notes to the Financial Statements

For the year ended 30 June 2022

### 2.1 Provision of services (continued)

The majority of the Authority's services will be recognised at a point in time (or over a relatively short period of time). The performance obligations of these services are satisfied when the services have been provided and payments are received. If payments are not received, the Authority will recognise a receivable.

### 2.2 Income from State Government

	2022 (\$'000)	2021 (\$'000)
Appropriation received during the period:		
Service appropriation	40,558	33,098
<b>Total service appropriation</b>	<b>40,558</b>	<b>33,098</b>
Income received from other public sector entities during the period:		
Provision of services		
Land title management fees	135	72
Other services - Valuation service fees	6,393	3,674
Sale of land information, data and imagery	1,403	1,411
Interest revenue - Operating bank account	96	47
Other revenue	234	119
<b>Total income from other public sector entities</b>	<b>8,261</b>	<b>5,323</b>
Resources were received free of charge from other public sector entities during the period:		
Department of Finance (provision of accommodation)	1,394	36
State Solicitor's Office (provision of legal services)	144	176
Department of Primary Industries and Regional Development (provision of mapping/data services)	0	11
<b>Total resources received free of charge</b>	<b>1,538</b>	<b>223</b>
<b>Total income from State Government</b>	<b>50,357</b>	<b>38,644</b>

**Service appropriations** are recognised as income at the fair value of consideration received in the period in which the Authority gains control of the appropriated funds. The Authority gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury. Refer Note 5.4 'Amounts receivable for services (Holding account)'.

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

- Cash component; and
- A receivable (asset)

**Income from other public sector entities** are recognised as income when the Authority has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the Authority receives the funds.

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 2.2 Income from State Government (continued)

Resources received free of charge from other public sector entities are recognised as income equivalent to the fair value of the services or assets received where they can be reliably determined and which would have been purchased if not donated. Corresponding expenses are recognised for services received. Receipt of assets are recognised in the Statement of Financial Position.

#### Summary of Consolidated Account Appropriations

For the year ended 30 June 2022

	Notes	2022 Budget Estimate (\$'000)	2022 Supplementary Funding (\$'000)	Revised Budget (\$'000)	2022 Actual (\$'000)	2022 Variance (\$'000)
<b>DELIVERY OF SERVICES</b>						
Item 87 Net amount appropriated to deliver services	1	39,475	745	40,220	40,220	0
Amount Authorised by Other Statutes						
- <i>Salaries and Allowances Act 1975</i>		338	0	338	338	0
- <i>Transfer of Land Act 1893</i>		0	0	0	0	0
<b>Total appropriations provided to deliver services</b>		<b>39,813</b>	<b>745</b>	<b>40,558</b>	<b>40,558</b>	<b>0</b>
<b>CAPITAL</b>						
Item 149 Capital appropriations	2	8,420	(4,392)	4,028	4,028	0
<b>GRAND TOTAL</b>		<b>48,233</b>	<b>(3,647)</b>	<b>44,586</b>	<b>44,586</b>	<b>0</b>

- An increase of \$0.745 million in the net amount appropriated to deliver services resulting from the Authority incurring additional recurrent costs on behalf of the State Government of:
  - \$0.505 million to undertake planning, project management and transition activities associated with the implementation of accommodation options for the Authority at 1 Midland Square.
  - \$0.240 million for the Authority to jointly establish an entity (NECDS Co) on behalf of the State Government, with other Australian States and Territories to manage National Electronic Conveyancing Data Standards.
- The \$4.392 million reduction in capital appropriations relates to a reassessment of capital requirements during the budget process resulting in the need for less funding for the Asset Investment Program in 2022. Some of this funding has been requested as a carry forward into 2023 and the forward estimates period to progress priority projects within the program.



## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 2.3 Service concession income

	2022 (\$'000)	2021 (\$'000)
Revenue recognition - upfront proceeds (i)	35,250	35,250
Revenue recognition - enhancements (ii)	1,114	321
<b>Total service concession income</b>	<b>36,364</b>	<b>35,571</b>

- (i) On 22 October 2019 LSWA made an upfront payment of \$1.41 billion to the Authority as consideration of the Partial Commercialisation arrangement and this has been accounted for as a Service concession liability under AASB 1059 *Service Concession Arrangements: Grantors*. This revenue will be recognised by the Authority evenly over the term of the arrangement. Refer Note 5.9 'Service concession liabilities.'
- (ii) Expenditure incurred by LSWA on the upgrade and/or enhancement of Service concession intangible assets will also be accounted for as a Service concession liability under AASB 1059 *Service Concession Arrangements: Grantors*. This Service concession liability will be reduced and income recognised in a manner consistent with the amortisation of the expenditure incurred on the upgrades to the Service concession intangible assets. Refer Note 4.3 'Service concession intangible assets' and Note 5.9 'Service concession liabilities.'

#### 2.4 Sale of land information, data and imagery

	2022 (\$'000)	2021 (\$'000)
Property information and services	1,460	1,300
Land information and services	2,032	1,821
Imagery	317	723
Consultancy services	1	4
<b>Total sale of land information, data and imagery</b>	<b>3,810</b>	<b>3,848</b>

Revenue from the sale of land information, data and imagery is recognised at the transaction price when the Authority transfers control of the goods to customers. The majority of these goods will be recognised at a point in time (or over a relatively short period of time) when the goods have been transferred and payment received. If payments are not received, the Authority will recognise a receivable.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 2.5 Interest and other revenue

	2022 (\$'000)	2021 (\$'000)
<b>Interest revenue</b>		
Financial investments	244	559
Operating bank account	0	0
	<b>244</b>	<b>559</b>
<b>Other revenue</b>		
Recovery of costs	515	732
Project revenue	86	132
Service concession - royalties	116	134
Government Vehicle Scheme	22	31
Other miscellaneous revenue	3,010	2
	<b>3,749</b>	<b>1,031</b>
<b>Total interest and other revenue</b>	<b>3,993</b>	<b>1,590</b>

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

**Other revenue** is recognised at the transaction price when the Authority transfers control of the goods to customers.

## 2.6 Gains and losses

	Notes	2022 (\$'000)	2021 (\$'000)
<b>(a) Net gains/(losses) on disposal of property, equipment and intangibles</b>			
Proceeds from sale of non-current assets		0	2
Non-current assets disposed:			
Cost		9,834	1,423
Less accumulated depreciation		(8,714)	(1,412)
Carrying amount of non-current assets disposed		1,120	11
<b>Net loss on disposal of property, equipment and intangibles</b>		<b>(1,120)</b>	<b>(9)</b>

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 2.6 Gains and losses (continued)

	Notes	2022 (\$'000)	2021 (\$'000)
<b>(b) Other gains/(losses)</b>			
<b>Asset revaluation surplus</b>	8.8		
Net revaluation increments/(decrements)			
Right-of-use assets	4.2	0	(16,263)
Land reserves	4.1	65	(20)
		65	(16,283)
<b>Fair value reserve</b>	8.8		
Net change in fair value			
PSMA Ltd	5.2	(335)	(456)
<b>Total Other losses - Other comprehensive income</b>		<b>(270)</b>	<b>(16,739)</b>

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

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

In respect to the net change in the fair value of the Authority's investment in PSMA Ltd, this represents the Authority's share of PSMA Ltd's post-acquisition profit or loss and other comprehensive income. Refer Note 5.2 'Equity accounted investments'.

### 3. Use of our funding

#### Expenses incurred in the delivery of services

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

	Notes	2022 (\$'000)	2021 (\$'000)
Employee benefits expenses	3.1(a)	49,693	53,081
Employee related provisions	3.1(b)	14,128	15,670
Other expenditure	3.2	41,242	37,692

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 3.1 (a) Employee benefits expenses

	2022 (\$'000)	2021 (\$'000)
Salaries (i), (ii)	44,741	48,269
Termination benefits	148	0
Superannuation - defined contribution plans (iii)	4,804	4,812
<b>Total employee benefits</b>	<b>49,693</b>	<b>53,081</b>

- (i) Includes recoup of costs of \$0.022m (2021: \$0.040m) from a government-related entity.
- (ii) This includes a superannuation contribution component. Employment on-costs such as workers compensation insurance and payroll tax are included at Note 3.2 'Other expenditure'. The employment on-costs liability is included at Note 3.1(b) 'Employee related provisions'.
- (iii) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Scheme (GESBs) and other eligible funds.

### Salaries

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

### Termination benefits

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

### Superannuation

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

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

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

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 3.1 (a) Employee benefits expenses (continued)

##### Superannuation (continued)

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

#### 3.1 (b) Employee related provisions

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

	2022 (\$'000)	2021 (\$'000)
<b>Current</b>		
<u>Employee benefits provisions</u>		
Annual leave <sup>(a)</sup>	4,787	5,062
Long service leave <sup>(b)</sup>	6,258	7,066
	11,045	12,128
<u>Other provisions</u>		
Employment on-costs <sup>(c)</sup>	647	711
<b>Total current employee related provisions</b>	<b>11,692</b>	<b>12,839</b>
<b>Non-current</b>		
<u>Employee benefits provisions</u>		
Long service leave <sup>(b)</sup>	2,301	2,674
<u>Other provisions</u>		
Employment on-costs <sup>(c)</sup>	135	157
<b>Total non-current employee related provisions</b>	<b>2,436</b>	<b>2,831</b>
<b>Total employee related provisions</b>	<b>14,128</b>	<b>15,670</b>

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

	2022 (\$'000)	2021 (\$'000)
Within 12 months of the end of the reporting period	3,350	3,541
More than 12 months after the end of the reporting period	1,437	1,521
	<b>4,787</b>	<b>5,062</b>

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

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 3.1 (b) Employee related provisions (continued)

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

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service. Assessments indicate that actual liability settlement is expected to occur as follows:

	2022 (\$'000)	2021 (\$'000)
Within 12 months of the end of the reporting period	2,251	2,309
More than 12 months after the end of the reporting period	6,308	7,431
	<b>8,559</b>	<b>9,740</b>

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

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

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

	2022 (\$'000)	2021 (\$'000)
Carrying amount at start of the reporting period	868	801
Additional provisions recognised	325	355
Reductions as employees take leave	(411)	(288)
<b>Carrying amount at end of the reporting period</b>	<b>782</b>	<b>868</b>

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### Key sources of estimation uncertainty - long service leave

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

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

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

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

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 3.2 Other expenditure

	2022 (\$'000)	2021 (\$'000)
<b>Supplies and services</b>		
Services and contracts - Information Technology	19,494	16,946
Services and contracts - other	7,949	8,232
Communications	895	589
Consultancy (including legal)	660	1,367
Travel	208	57
Consumables, other supplies and services	189	131
<b>Total supplies and services expenses</b>	<b>29,395</b>	<b>27,322</b>
<b>Accommodation expenses (i)</b>		
Office Rental	3,723	1,054
Building maintenance and operation	2,005	3,033
Minor works and alterations	572	337
Other outgoings	136	108
Utility and statutory charges	18	5
Contingent rent - building and land	0	510
<b>Total accommodation expenses</b>	<b>6,454</b>	<b>5,047</b>
(i) Includes payments of \$1.207m (2021: \$4.499m) to a government-related entity.		
<b>Other expenses</b>		
Employment on-costs (including payroll tax and workers' compensation insurance)	2,662	2,913
Other staffing costs	357	190
Insurance	354	254
Minor purchases	332	212
Grants and subsidies	295	230
Service fee relating to prior years	288	0
Staff recruitment	285	14
Bank charges	213	191
Board and committee fees	195	172
Postage	161	147
Books, magazines, Acts, and subscriptions	91	88
Membership fees	74	75
Advertising	38	65
Repairs and maintenance	19	41
Compensation ( <i>Transfer of Land Act 1893</i> and minor Act of Grace payments)	0	577
Other minor expenses	29	154
<b>Total other expenses</b>	<b>5,393</b>	<b>5,323</b>
<b>Total other expenditure</b>	<b>41,242</b>	<b>37,692</b>



## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 3.2 Other expenditure (continued)

#### Supplies and services:

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

#### Accommodation expenses:

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the Authority and the Department of Finance for the leasing of office accommodation contain significant substitution rights.

Maintenance, minor works and other outgoings costs are recognised as expenses as incurred.

#### Other expenses:

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. A significant component is Employment on-costs. Employment on-costs includes workers' compensation insurance and other employment on-costs.

The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 3.1(b) 'Employee related provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

#### Expected credit losses:

Expected credit losses is recognised for movement in allowance for impairment of trade receivables. Refer to Note 5.1 'Receivables' for more details.

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

## 4. Key assets

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

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

	Notes	2022 (\$'000)	2021 (\$'000)
Property and equipment	4.1	5,165	6,344
Right-of-use assets	4.2	109	108
Service concession intangible assets	4.3	24,055	32,883
Service delivery intangible assets	4.4	6,303	6,457

# Western Australian Land Information Authority (Landgate)

## Notes to the Financial Statements

For the year ended 30 June 2022

### 4.1 Property and equipment

Year ended 30 June 2022	Land (i) (\$'000)	Furniture (\$'000)	Equipment (\$'000)	Computer Equipment (\$'000)	Leasehold Improvements (ii) (\$'000)	Work in Progress Leasehold Improvements (\$'000)	TOTAL (\$'000)
<b>1 July 2021</b>							
Gross carrying amount	3,695	111	1,817	6,711	11,482	0	23,816
Accumulated depreciation/amortisation		(110)	(1,490)	(5,760)	(10,112)		(17,472)
<b>Carrying amount at start of period</b>	<b>3,695</b>	<b>1</b>	<b>327</b>	<b>951</b>	<b>1,370</b>	<b>0</b>	<b>6,344</b>
Additions	0	0	95	705	0	0	800
Transfers	(54)	0	0	0	0	0	(54)
Disposals	0	(1)	0	(5)	(1,114)	0	(1,120)
Revaluation increments / (decrements)	65	0	0	0	0	0	65
Depreciation / amortisation		0	(124)	(537)	(209)		(870)
Impairment loss	0	0	0	0	0	0	0
Adjustments	0	0	0	0	0	0	0
<b>Carrying amount at end of period</b>	<b>3,706</b>	<b>0</b>	<b>298</b>	<b>1,114</b>	<b>47</b>	<b>0</b>	<b>5,165</b>
Gross carrying amount	3,706	50	1,814	6,958	2,266	0	14,794
Accumulated depreciation		(50)	(1,516)	(5,844)	(2,219)		(9,629)

(i) Land includes reserves that were administered by the Department of Planning, Lands and Heritage (DPLH) and transferred to the Authority from 1 July 2008. The amount transferred represents the net transfer of reserves between DPLH and the Authority. Reserves transferred to DPLH are recognised by the Authority as a distribution to owners whilst reserves transferred from DPLH to the Authority are recognised as a contribution by owners. Refer to Note 8.8 'Equity'.

(ii) The Disposals reported under Leasehold Improvements represents the carrying amount of the leasehold assets at the date the State Government sold 1 Midland Square (Midland Building) to the new owners.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 4.1 Property and equipment (continued)

### Initial recognition

Items of property and equipment (land, furniture, equipment, computer equipment, and leasehold improvements) costing \$1,000 or more are recognised initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items costing less than \$1,000 are expensed directly to the Statement of Comprehensive Income (except where they form part of a group of similar items that are significant in total, in which case they are capitalised).

### Subsequent measurement

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

Land is carried at fair value less accumulated impairment losses.

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

The land reserves are valued annually by the Valuer General (Valuation Services, Landgate) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period. The land reserves were revalued as at 1 July 2021. The valuations were performed during the year and recognised at 30 June 2022. The fair values of the land reserves have been determined by reference to recent market transactions.

#### *Derecognition*

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

#### *Revaluation model:*

1. Fair Value where market-based evidence is available:  
The fair value of land is determined on the basis of current market values determined by reference to recent market transactions. This is typically the case for land within the Perth metropolitan area.
2. Fair Value in the absence of market-based evidence:  
Land outside the Perth metropolitan area is valued on the basis of existing use, where market based evidence is not available.

#### *Asset revaluation surplus*

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 4.1 Property and equipment (continued)

#### Depreciation, amortisation and impairment

Charge for the period	2022 (\$'000)	2021 (\$'000)
<b>Depreciation</b>		
Property and equipment	661	633
<b>Amortisation</b>		
Leasehold Improvements	209	752
<b>Total depreciation and amortisation for the period</b>	<b>870</b>	<b>1,385</b>
<b>Total impairment for the period</b>	<b>0</b>	<b>0</b>

As at 30 June 2022, there were no indications of impairment to property and equipment or leasehold improvements.

#### Finite useful lives

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

Depreciation or amortisation is generally calculated on a straight line basis, at rates that allocate the assets value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for each class of asset are:

Asset Class	Years
Furniture	11
Equipment	3 to 15
Computer equipment	3 to 5
Leasehold improvements	8 to 15

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

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

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

#### Impairment

Property and equipment are tested for indications of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. If this recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

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

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

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

#### 4.1 Property and equipment (continued)

##### Impairment (continued)

As the Authority is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

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

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

#### 4.2 Right-of-use assets

Year ended 30 June 2022	Vehicles (\$'000)	Total (\$'000)
<b>1 July 2021</b>		
Gross carrying amount	323	323
Accumulated depreciation	(215)	(215)
<b>Carrying amount at start of period</b>	<b>108</b>	<b>108</b>
Additions	84	84
Impairment losses	0	0
Impairment losses reversed	0	0
Disposals	(6)	(6)
Depreciation	(77)	(77)
<b>Carrying amount as at end of period</b>	<b>109</b>	<b>109</b>
Gross carrying amount	302	302
Accumulated depreciation	(193)	(193)

The Authority has leases for vehicles and office accommodation. The lease contracts are typically made for fixed periods.

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 4.2 Right-of-use assets (continued)

### Initial recognition

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

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

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

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

### Subsequent Measurement

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

### Depreciation and impairment of right-of-use assets

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

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

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 4.1 'Property and equipment'.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 4.3 Service concession intangible assets

	Service concession intangible assets	Works in Progress Service concession intangible assets	Total
Year ended 30 June 2022	(\$'000)	(\$'000)	(\$'000)
1 July 2021			
Gross carrying amount	72,780	3,665	76,445
Accumulated depreciation/amortisation	(43,562)		(43,562)
<b>Carrying amount at start of period</b>	<b>29,218</b>	<b>3,665</b>	<b>32,883</b>
Additions (i)	6,233	1,402	7,635
Transfers	0	(5,067)	(5,067)
Revaluation increments / (decrements)	0	0	0
Amortisation	(11,396)		(11,396)
Impairment loss	0	0	0
Adjustments	0	0	0
<b>Carrying amount at end of period</b>	<b>24,055</b>	<b>0</b>	<b>24,055</b>
Gross carrying amount	79,013	0	79,013
Accumulated depreciation	(54,958)		(54,958)

- (i) The Service concession intangible asset additions includes completed works transferred from Works in Progress and expenditure incurred by Land Services WA.

### Initial recognition

Under the Partial Commercialisation arrangement (refer Note 5.9 'Service concession liabilities') where an existing Service delivery intangible asset was subject to the arrangement, the Authority has reclassified the existing Service delivery intangible asset as a Service concession intangible asset and has measured the asset at current replacement cost in accordance with AASB 13 *Fair Value Measurement* as at the date of reclassification.

The Authority shall recognise an upgrade or a major component replacement for an existing Service delivery intangible asset that was reclassified as a Service concession intangible asset under the arrangement once the asset is constructed or the upgrade is provided to the Authority. The Authority shall initially measure the Service concession intangible asset at current replacement cost in accordance with AASB 13 *Fair Value Measurement*.

Any difference between the carrying amount of the above assets and its current replacement cost will be accounted for as if it is a revaluation of the asset.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 4.3 Service concession intangible assets (continued)

#### Initial recognition (continued)

The Authority is of the opinion that the carrying amount of the Service delivery intangible assets at the date of reclassification and the cost of the upgrade or major component replacement fairly represents the initial current replacement cost of the Service concession intangible assets.

The Authority has not assigned any monetary value to the Land Titles Register as it has determined it is impracticable and unable to reliably measure the Land Titles Register on a current replacement cost basis at the commencement of the Service concession arrangement.

#### Subsequent measurement

The Authority shall account for Service concession intangible assets during the term of the Partial Commercialisation arrangement and amortise the depreciable amount of the asset over the useful life in accordance with the cost model in AASB 138 *Intangible Assets*, with any impairment recognised in accordance with AASB 136 *Impairment of Assets*.

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

#### Amortisation and impairment

	2022 (\$'000)	2021 (\$'000)
<b>Charge for the period</b>		
<i>Amortisation</i>		
Service concession intangible assets	11,396	10,151
<b>Total amortisation for the period</b>	<b>11,396</b>	<b>10,151</b>
<i>Impairment</i>		
Service concession intangible assets	0	0
<b>Total impairment for the period</b>	<b>0</b>	<b>0</b>

As at 30 June 2022, there were no indications of impairment to Service concession intangible assets.

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

The expected useful lives are as follows:

- Service concession intangible assets 5 - 10 years



## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 4.3 Service concession intangible assets (continued)

#### Impairment Service concession intangible assets

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

Service concession software under development is also tested for impairment annually or when an indication of impairment is identified.

The impairment loss is recognised in the reporting period and no accumulated impairment loss is reported.

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

### 4.4 Service delivery intangible assets

Year ended 30 June 2022	Service delivery intangible assets (\$'000)	Works in Progress Service delivery intangible assets (\$'000)	TOTAL (\$'000)
<b>1 July 2021</b>			
Gross carrying amount	97,000	576	97,576
Accumulated depreciation/amortisation	(91,119)		(91,119)
<b>Carrying amount at start of period</b>	<b>5,881</b>	<b>576</b>	<b>6,457</b>
Additions	1,093	1,795	2,888
Transfers	0	(1,093)	(1,093)
Revaluation increments / (decrements)	0	0	0
Amortisation	(1,949)		(1,949)
Impairment loss	0	0	0
Adjustments	0	0	0
<b>Carrying amount at end of period</b>	<b>5,025</b>	<b>1,278</b>	<b>6,303</b>
Gross carrying amount	98,093	1,278	99,371
Accumulated depreciation	(93,068)		(93,068)

#### Initial recognition

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

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

The value of Service delivery intangible assets includes:

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

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 4.4 Service delivery intangible assets (continued)

##### Initial recognition (continued)

Acquired and internally generated Service delivery intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138 *Intangible Assets* are capitalised.

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

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

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

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

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

##### Subsequent measurement

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 and impairment

	2022 (\$'000)	2021 (\$'000)
<b>Charge for the period</b>		
<b><i>Amortisation</i></b>		
Service concession intangible assets	1,949	2,585
<b>Total amortisation for the period</b>	<b>1,949</b>	<b>2,585</b>
<b><i>Impairment</i></b>		
Service delivery intangible assets	0	0
Service delivery software under development	0	0
<b>Total impairment for the period</b>	<b>0</b>	<b>0</b>

As at 30 June 2022, there were no indications of impairment to Service delivery intangible assets.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 4.4 Service delivery intangible assets (continued)

#### Useful lives

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

The expected useful lives are as follows:

- Service delivery intangible assets 2 - 12 years

#### Impairment of Service delivery intangible assets

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

Service delivery software under development is also tested for impairment annually or when an indication of impairment is identified.

The impairment loss is recognised in the reporting period and no accumulated impairment loss is reported.

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

## 5. Other assets and liabilities

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

	Notes	2022 (\$'000)	2021 (\$'000)
Receivables	5.1	14,768	12,404
Equity accounted investments	5.2	2,146	2,481
Financial investments	5.3	47,597	56,995
Amounts receivable for services	5.4	38,714	36,509
Other assets	5.5	4,938	2,855
Taxation equivalent including deferred tax assets	5.6		
Payables	5.7	(8,943)	(8,861)
Other liabilities	5.8	(3,760)	(3,317)
Service concession liabilities	5.9	(1,320,397)	(1,355,596)

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 5.1 Receivables

	2022 (\$'000)	2021 (\$'000)
<b>Current</b>		
Trade receivables (i)	11,813	7,674
Allowance for impairment of trade receivables	(7)	(10)
Accrued revenue (ii)	949	2,668
Goods and services tax	2,013	2,072
<b>Total receivables at end of period</b>	<b>14,768</b>	<b>12,404</b>

(i) Amounts owed by government-related entities of \$0.811m (2021: \$0.577m)

(ii) Amounts owed by government-related entities of \$0.903m (2021: \$2.561m)

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

For trade receivables, the Authority recognises an allowance for expected credit losses measured at the lifetime expected credit losses at each reporting date. The Authority has established a provision matrix that is based on its historical credit loss experience adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to the below schedule Movement of the allowance for impairment of trade receivables for the amount of expected credit losses expensed in this financial year.

The **Accrued revenue** receivable relates primarily to work completed by the Valuer General (Valuation Services, Landgate) at 30 June 2022 but not yet invoiced. No allowance for impairment is made for accrued revenue as the amounts are owed by government customers. In addition, no credit risk is calculated for government receivables as collection is imminent.

	Note	2022 (\$'000)	2021 (\$'000)
<b>Movement of the allowance for impairment of trade receivables</b>			
<b>Reconciliation of changes in the allowance for impairment of trade receivables:</b>			
Balance at start of period		10	4
Expected credit losses expense		5	7
Amounts written off during the year - trade receivables	8.7	(8)	(1)
<b>Balance at end of period</b>		<b>7</b>	<b>10</b>

See Note 7.1 'Financial risk management'.

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 5.2 Equity accounted investments

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

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

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

Name of Financial Instrument	Principal Place of Business	Principal Activity	Ownership Interest (%) 2022	Ownership Interest (%) 2021
PSMA Australia Limited	Australia	Building national data sets and licensing use of the data from those sets.	11%	11%

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

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

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

Subsequently, the fair value is determined by reference to the Authority's ownership interest of the net asset value in the latest available audited financial statements of PSMA.

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 5.2 Equity accounted investments (continued)

	Notes	2022 (\$'000)	2021 (\$'000)
Equity accounted investments - recognition of PSMA at fair value			
<b>Investment held at start of period</b>		2,481	2,937
Change in fair value (i)	2.6 & 8.8	(335)	(456)
<b>Investment held at end of period</b>		<b>2,146</b>	<b>2,481</b>

(i) The change in fair value represents the Authority's share in the movement in the value of PSMA's audited net assets from 2020 to 2021. (2021: movement in the audited net assets from 2019 to 2020)

	2022 (\$'000)	2021 (\$'000)
The Authority received distributions (royalties) over the last two financial years of:		
Received in 2021 in respect of the 2020 financial year	0	34
Received in 2022 in respect of the 2021 financial year	31	0
	<b>31</b>	<b>34</b>

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

#### 5.3 Financial investments

	2022 (\$'000)	2021 (\$'000)
Held-to-maturity financial assets are:		
<u>Current</u>		
Term deposits	47,600	57,000
Bonds	0	0
Floating rate notes	0	0
	47,600	57,000
less: Expected credit Loss	3	5
<b>Total current</b>	<b>47,597</b>	<b>56,995</b>
<b>Reconciliation of changes in the Expected credit loss for Financial investments:</b>		
Balance at start of period	5	83
Expected credit losses (write-back)/expense	(2)	(78)
<b>Balance at end of period</b>	<b>3</b>	<b>5</b>

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 5.3 Financial investments (continued)

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

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

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

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

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

### 5.4 Amounts receivable for services (Holding account)

	2022 (\$'000)	2021 (\$'000)
Current	6,253	4,006
Non-current	32,461	32,503
<b>Total amounts receivable for services at end of period</b>	<b>38,714</b>	<b>36,509</b>

**Amounts receivable for services** represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. Amounts receivable for services are financial assets at amortised cost, and are not considered impaired (i.e. there is no expected credit loss of the holding account).

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

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 5.5 Other assets

	2022 (\$'000)	2021 (\$'000)
<u>Current</u>		
Prepayments		
Information and technology services	4,500	2,529
Other	29	18
	<b>4,529</b>	<b>2,547</b>
Accrued interest		
Interest on financial investments	142	132
Interest on operating bank account	44	9
	<b>186</b>	<b>141</b>
<b>Total current</b>	<b>4,715</b>	<b>2,688</b>
<u>Non-current</u>		
Prepayments		
Information and technology services	223	167
Other	0	0
<b>Total non-current</b>	<b>223</b>	<b>167</b>
<b>Total other assets at end of period</b>	<b>4,938</b>	<b>2,855</b>

Other non-financial assets include prepayments and accrued interest.

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

#### 5.6 Taxation equivalent

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

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

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



## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 5.6 Taxation equivalent (continued)

Major components of income tax expense as at 30 June 2022 and 30 June 2021 are:

#### (a) Income tax expense

	2022 (\$'000)	2021 (\$'000)
<b>Current income tax</b>		
Current income tax charge	(947)	0
Adjustments in respect of current income tax of previous year	0	1
<b>Deferred income tax</b>		
Adjustments in respect to Service concession income	0	405,104
Adjustments in respect of deferred tax balances derecognised	1,161	12,315
Relating to origination and reversal of temporary differences	(214)	2,244
Adjustments in respect of previous deferred income tax	65	(22)
<b>Total income tax expense</b>	<b>65</b>	<b>419,642</b>

#### (b) Numerical reconciliation of income tax expense to prima facie tax payable

Reconciliations of income tax expense/(benefit) applicable to accounting profit before income tax equivalents (at the statutory income tax rate) to income tax expense at the effective income tax rate for the periods ended 30 June 2022 and 30 June 2021 are as follows:

	2022 (\$'000)	2021 (\$'000)
<b>Profit before income tax equivalents</b>	<b>30,152</b>	<b>4,658</b>
Tax at the statutory income tax rate of 30%	9,046	1,397
Non-deductible expenses	354	1,049
Service concession income not assessable	(10,575)	0
Deferred tax balances derecognised	1,161	12,315
Service concession income not brought to account as a deferred tax asset	0	405,104
Adjustments in respect of previous current income tax	0	1
Adjustments in respect of previous deferred income tax	65	(22)
Temporary differences not previously recognised	14	(202)
<b>Income tax expense</b>	<b>65</b>	<b>419,642</b>

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 5.6 Taxation equivalent (continued)

### (c) Deferred income tax

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

	ASSETS		LIABILITIES		NET	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Receivables	(2)	(1)	13	3	11	2
Financial investments	(1)	(5)	0	0	(1)	(5)
Equity accounted investments	(35)	0	0	65	(35)	65
Property & equipment	(2,801)	(3,067)	2,742	3,465	(59)	398
Right-of-use assets	(58)	(65)	91	97	33	32
Payables	(26)	(21)	0	0	(26)	(21)
Provisions	(5,174)	(5,601)	900	900	(4,274)	(4,701)
Lease liabilities	(33)	(33)	0	0	(33)	(33)
Service concession liability - up front payment	(394,529)	(405,104)	0	0	(394,529)	(405,104)
Service concession liability - service concession intangible assets	(1,590)	(1,575)	0	0	(1,590)	(1,575)
Other	(227)	0	0	0	(227)	0
Tax losses	(7,936)	(6,477)	0	0	(7,936)	(6,477)
<b>Tax (assets) liabilities</b>	<b>(412,412)</b>	<b>(421,949)</b>	<b>3,746</b>	<b>4,530</b>	<b>(408,666)</b>	<b>(417,419)</b>
Tax set off liabilities	3,746	4,530	(3,746)	(4,530)	0	0
<b>Net deferred tax (assets) liabilities</b>	<b>(408,666)</b>	<b>(417,419)</b>	<b>0</b>	<b>0</b>	<b>(408,666)</b>	<b>(417,419)</b>
<b>Less: Net deferred tax (assets) liabilities not brought to account</b>	<b>408,666</b>	<b>417,419</b>	<b>0</b>	<b>0</b>	<b>408,666</b>	<b>417,419</b>
<b>Net deferred tax (assets) liabilities recognised</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 5.6 Taxation equivalent (continued)

### (c) Deferred income tax (continued)

Movement in temporary difference during the year	Balance 30 June 2021 (\$'000)	Recognised in income (\$'000)	Recognised in equity (\$'000)	Unrecognised (\$'000)	Balance 30 June 2022 (\$'000)
Receivables	0	11	0	(11)	0
Financial investments	0	(1)	0	1	0
Equity accounted investments	0	0	(35)	35	0
Property & equipment	0	(59)	0	59	0
Right-of-use assets	0	33	0	(33)	0
Payables	0	(26)	0	26	0
Provisions	0	(4,274)	0	4,274	0
Lease liabilities	0	(33)	0	33	0
Service concession liability - service concession intangible assets	0	(1,590)	0	1,590	0
Other	0	(227)	0	227	0
Tax losses	0	(7,936)	0	7,936	0
<b>Tax (assets) liabilities</b>	<b>0</b>	<b>(14,102)</b>	<b>(35)</b>	<b>14,137</b>	<b>0</b>

	2022 (\$'000)	2021 (\$'000)
<b>Unrecognised deferred tax assets</b>		
Deferred tax assets have not been recognised in respect of the following items:		
Service concession liability - up front payment	394,529	405,104
Other temporary differences including tax losses	14,137	12,315
	<b>408,666</b>	<b>417,419</b>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Authority can utilise the benefits.

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

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 5.6 Taxation equivalent (continued)

### (c) Deferred income tax (continued)

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

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

In 2020, the Authority received proceeds of \$1.41 billion in consideration of the Partial Commercialisation arrangement with Land Services WA (LSWA). The proceeds were returned to Government via a NTER income tax payment totalling \$423m and the balance of the proceeds, net of transactions costs, as an interim dividend of \$984.972m. The deferred tax asset in the Authority's Statement of Financial Position as at 30 June 2020 included the balance of the NTER income tax payment not yet recognised in the Statement of Income.

The Authority sought a private binding ruling from the Australian Taxation Office (ATO) to obtain clarity on whether the Partial Commercialisation proceeds were assessable upfront or over time as the services under the arrangement were provided to the Authority (i.e. 40 years) by LSWA. The Authority received the private binding ruling in 2022 where the ATO concluded that the proceeds received by the Authority were of a capital nature and taxable upfront at the 30% corporation tax rate.

As the Authority had treated the proceeds as assessable income and taxable in full on receipt, the private binding ruling did not affect the deferred tax workings where Landgate recorded the \$423m tax payment as a Deferred tax asset. No further tax is due and payable on the Partial Commercialisation proceeds.

Under AASB 112 *Income Taxes*, the Authority must test the deferred tax asset balance for impairment. The deferred tax asset can only be carried forward if it is probable (more likely than not) that taxable profits will be available against which the deductible temporary difference can be utilised.

In 2021, management determined that it was not considered probable that the Authority would earn sufficient future taxable profits to support the deferred tax asset. Based on this assessment, the deferred tax asset was impaired and recognised as income tax expense. The deferred tax asset that related to the Partial Commercialisation arrangement (\$405.104m) and the remaining balance of \$12.315m that related to the 2021 tax loss and temporary differences was impaired and recognised as income tax expense. The deferred tax asset impaired was classified as an unrecognised deferred tax asset.

At the end of each reporting period, the Authority will reassess the unrecognised deferred tax asset to the extent that it becomes probable that future taxable profits will allow the deferred tax asset to be recovered and that portion of the deferred tax asset shall be re-recognised.

At 30 June 2022, the unrecognised deferred tax asset was reassessed and was adjusted for the upfront payment component (\$10.575m) and the remaining balance for temporary differences and tax losses. No deferred tax asset is reported by the Authority as at 30 June 2022.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 5.7 Payables

	2022 (\$'000)	2021 (\$'000)
<u>Current</u>		
Accrued expenses (i)	5,897	6,600
Trade payables (ii)	2,138	1,512
Accrued salaries	908	749
<b>Total payables at end of period</b>	<b>8,943</b>	<b>8,861</b>

(i) Includes balances relating to government-related entities of \$0m (2021: \$0.626m).

(ii) Includes balances relating to government-related entities of \$0m (2021: \$0.019m).

**Payables** are recognised at the amounts payable when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement is generally within 20 days.

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

### 5.8 Other liabilities

	2022 (\$'000)	2021 (\$'000)
<u>Current</u>		
Unearned project revenue (i)	1,110	1,030
Electronic advice of sale - fees payable to other parties (ii)	1,499	1,586
Payroll tax	205	213
Service revenue received in advance	249	162
Other liabilities (iii)	697	326
<b>Total other liabilities at end of period</b>	<b>3,760</b>	<b>3,317</b>

(i) Includes balances relating to government-related entities of \$0.248m (2021: \$0.157m)

(ii) During 2022, government-related entities were paid \$5.952m (2021: \$5.438m) through this account. At 30 June 2022, \$0.347m (2021: \$0.372m) was owed to a government-related entity.

(iii) Includes balances relating to government-related entities of \$0.435m (2021: \$0m)

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 5.9 Service concession liabilities

	2022 (\$'000)	2021 (\$'000)
<u>Current</u>		
Service concession arrangement (GORTO) - upfront payment	35,250	35,250
Service concession arrangement (GORTO) - Service concession intangible assets (i)	1,347	1,075
<b>Total current</b>	<b>36,597</b>	<b>36,325</b>
<u>Non-current</u>		
Service concession arrangement (GORTO) - upfront payment	1,279,846	1,315,096
Service concession arrangement (GORTO) - Service concession intangible assets (i)	3,954	4,175
<b>Total non-current</b>	<b>1,283,800</b>	<b>1,319,271</b>
<b>Total service concession liabilities at end of period</b>	<b>1,320,397</b>	<b>1,355,596</b>

- (i) Expenditure incurred by Land Services WA (LSWA) on the upgrade and/or enhancement of Service concession intangible assets are accounted for as a Service concession liability under AASB 1059 *Service Concession Arrangements: Grantors*. This Service concession liability will be recognised as Service concession income in a manner consistent with the amortisation of the expenditure incurred on the upgrades to the Service concession intangible assets. Refer Note 2.3 'Service concession income' and Note 4.3 'Service concession intangible assets'.

The Authority entered into a Partial Commercialisation arrangement with LSWA that commenced on 22 October 2019 for a maximum term of 40 years. In consideration of this arrangement the Authority received an upfront lump sum payment of \$1.41 billion. This arrangement is defined within the Commercialised Services Agreement (CSA) that sets out the rights and responsibilities that govern the arrangement.

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

- Document
- Plan
- Search
- Commercial products; and
- Information Technology Services.

The information technology systems that deliver the services remain under the control of the Authority, however, the ongoing support and maintenance including enhancements to the existing digital services and delivery systems are the responsibility of LSWA.

The statutory roles of Registrar and Commissioner of Titles remain with the State and continue to be responsible for the maintenance, accuracy, security and integrity of the Land Titles Register. The State will continue to own the Land Titles Register and provide the State Guarantee of Title.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 5.9 Service concession liabilities (continued)

Under the CSA the Authority will continue to collect total customer fees for all land registry services and pass on LSWA's revenue share calculated on a service fee per transaction basis. The Authority will therefore only recognise its remaining share of customer fees as revenue. Refer Note 2.1 'Provision of services'.

The service fee rates are pre-determined annually in accordance with the CSA provisions. Under the terms of the CSA the base service fees paid to LSWA at the commencement of the arrangement can be adjusted annually by the ABS Perth CPI.

The Authority has determined that the Partial Commercialisation arrangement between the Authority and LSWA meets the definition of a service concession arrangement under AASB 1059. The upfront proceeds of \$1.41 billion has been accounted for as a "grant of a right to the operator" (GORTO) service concession liability under AASB 1059 where the liability is recognised as unearned revenue at the inception of the service concession arrangement and recognised evenly over the term of the arrangement. Refer to Note 2.3 'Service concession income'.

The information technology systems that deliver digital land registry services will be recognised by the Authority as Service concession intangible assets and any upgrades and/or enhancements that LSWA makes to these systems will be recognised by the Authority. Expenditure incurred by LSWA on the upgrade or major component replacement of Service concession intangible assets will also be accounted for as a Service concession liability. This Service concession liability will be reduced and income recognised in a manner consistent with amortisation of the expenditure incurred on the upgrades to the Service concession intangible assets. Refer to Note 2.3 'Service concession income' and Note 4.3 'Service concession intangible assets'.

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

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

There have been no changes to the CSA during the reporting period.

## 6. Financing

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

	Notes	2022 (\$'000)	2021 (\$'000)
Lease liabilities	6.1	111	111
Finance costs	6.2	3	191
Cash and cash equivalents	6.3	16,668	6,234
Capital commitments	6.4	0	215

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 6.1 Lease liabilities

	2022 (\$'000)	2021 (\$'000)
Not later than one year	34	59
Later than one year and not later than five years	76	52
Later than five years	1	0
<b>Total lease liabilities at end of period</b>	<b>111</b>	<b>111</b>
<u>Current</u>		
Vehicles	34	59
<b>Total current</b>	<b>34</b>	<b>59</b>
<u>Non-current</u>		
Vehicles	77	52
<b>Total non-current</b>	<b>77</b>	<b>52</b>
<b>Balance at end of period</b>	<b>111</b>	<b>111</b>

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

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Authority uses the incremental borrowing rate provided by the Western Australian Treasury Corporation.

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

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options (where these are reasonably certain to be exercised);
- payments for penalties for terminating a lease, where the lease term reflects the Authority exercising an option to terminate the lease; and
- periods covered by extension or termination options are only included in the lease term by the Authority if the lease is reasonably certain to be extended (or not terminated).

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

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



## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 6.1 Lease liabilities (continued)

### Subsequent measurement

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

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

	2022 (\$'000)	2021 (\$'000)
<b>Leases expenses recognised in the Statement of Comprehensive Income:</b>		
Lease interest expense (i)	3	191
Expenses relating to variable lease payments not included in lease liabilities (i)	0	510
Short term leases	0	0
Low-value leases	0	0
Losses arising from sales and leaseback transactions - vehicles	4	1

- (i) Lease interest expense and variable lease payments in 2021 included leasing expenses for the 1 Midland Square (Midland building) and the associated land. The lease liabilities on the Midland land and building were fully paid on 14 March 2021 and at that date the Midland land and building were transferred to the Department of Planning, Lands and Heritage.

**Variable lease payments** that are not included in the measurement of the lease liability are recognised in the period in which the event or condition that triggers those payments occurs.

**Short-term leases** are recognised on a straight-line basis with a lease term of 12 months or less.

**Low value leases** with an underlying value of \$5,000 or less are recognised on a straight-line basis.

## 6.2 Finance costs

	2022 (\$'000)	2021 (\$'000)
Interest expense on lease liabilities - vehicles	3	4
- building	0	179
- land	0	8
<b>Finance costs expensed</b>	<b>3</b>	<b>191</b>

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 6.3 Cash and cash equivalents

	Notes	2022 (\$'000)	2021 (\$'000)
Cash and cash equivalents	7.1		
Operating bank account		15,180	4,890
Cash on hand		11	11
<b>Total cash and cash equivalents</b>		<b>15,191</b>	<b>4,901</b>
Restricted cash and cash equivalents	7.1		
<u>Current</u>			
Rental bond (i)		7	7
Paid Parental Leave (i)		2	1
Indian Ocean Territories (i)	8.11	205	237
		214	245
<u>Non-current</u>			
Accrued salaries suspense (ii)		1,263	1,088
<b>Total restricted cash and cash equivalents</b>		<b>1,477</b>	<b>1,333</b>
<b>Balance at end of period</b>		<b>16,668</b>	<b>6,234</b>

- (i) Funds are held in the operating bank account and are restricted in that they can only be used for a designated purpose.
- (ii) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. The next 27th pay will occur on 29 June 2028. This account is classified as non-current for 10 out of 11 years.

For the purpose of the Statement of Cash Flows, cash and cash equivalent assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

The accrued salaries suspense account consists of amounts set aside annually by the Authority to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26.

### 6.4 Capital commitments

	2022 (\$'000)	2021 (\$'000)
<b>Capital expenditure</b>		
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	0	215
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	<b>0</b>	<b>215</b>

The commitments above are GST inclusive.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 7. Risks and Contingencies

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

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

### 7.1 Financial risk management

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

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

##### Credit risk

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

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

##### Liquidity risk

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

# Western Australian Land Information Authority (Landgate)

## Notes to the Financial Statements

For the year ended 30 June 2022

### 7.1 Financial risk management (continued)

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

##### Market risk

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

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

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

#### (b) Categories of financial instruments

	2022 (\$'000)	2021 (\$'000)
The carrying amounts of each of the categories of financial assets and financial liabilities at the end of the reporting period are:		
<b>Financial assets</b>		
Cash and cash equivalents	15,191	4,901
Restricted cash and cash equivalents	1,477	1,333
Financial investments	47,597	56,995
Amounts receivables for services	38,714	36,509
Receivables (i)	12,755	10,332
<b>Total financial assets</b>	<b>115,734</b>	<b>110,070</b>
<b>Financial liabilities</b>		
Payables	8,943	8,861
Lease liabilities	111	111
Other current liabilities	3,760	3,317
<b>Total financial liabilities</b>	<b>12,814</b>	<b>12,289</b>

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

# Notes to the Financial Statements

For the year ended 30 June 2022

## 7.1 Financial risk management (continued)

### (c) Credit risk exposure

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

	Carrying (\$'000)	Current (\$'000)	Days past due					
			<30 days (\$'000)	30-60 days (\$'000)	61-90 days (\$'000)	91-180 days (\$'000)	>181 days (\$'000)	
<b>30 June 2022</b>								
Expected credit loss rate (i)		0.0094%	0.0418%	0.1086%	3.3310%	-1.3081%	28.9461%	
Estimated total gross carrying amount at default	11,813	11,338	398	35	19	4	19	
Expected credit loss	(7)	1,0601	0.1664	0.0380	0.6329	(0.0523)	5.4998	
<b>30 June 2021</b>								
Expected credit loss rate (i)		0.0094%	0.0418%	0.1086%	3.3310%	-1.3081%	28.9461%	
Estimated total gross carrying amount at default	7,674	7,171	317	35	78	48	25	
Expected credit loss	(10)	0.6705	0.1325	0.0380	2.5982	(0.6279)	7.2365	

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

### (d) Liquidity risk and interest rate exposure

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

# Western Australian Land Information Authority (Landgate)

## Notes to the Financial Statements

For the year ended 30 June 2022

### 7.1 Financial risk management (continued)

(d) Liquidity risk and interest rate exposure (continued)

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

2022	Weighted average effective interest rate %	Carrying amount (\$'000)	Interest rate exposure			Nominal amount (\$'000)	Maturity dates								
			Fixed interest rate (\$'000)	Variable interest rate (\$'000)	Non-interest bearing (\$'000)		Up to 1 month (\$'000)	1-3 months to 1 year (\$'000)	3 months to 1 year (\$'000)	1-5 years (\$'000)	More than 5 years (\$'000)				
<b>Financial assets</b>															
Cash and cash equivalents	0.50	15,191	0	15,180	11	15,191	15,191	0	0	0	0	0	0	0	0
Restricted cash & cash equivalents	0.50	1,477	0	1,477	0	1,477	9	0	205	0	0	0	0	1,263	0
Financial investments	1.25	47,597	47,597	0	0	48,186	4,011	8,026	36,149	0	0	0	0	0	0
Receivables (i)		12,755	0	0	12,755	12,755	12,755	0	0	0	0	0	0	0	0
Amounts receivable for services		38,714	0	0	38,714	38,714	521	1,042	4,690	32,461	0	0	0	0	0
		<b>115,734</b>	<b>47,597</b>	<b>16,657</b>	<b>51,480</b>	<b>116,323</b>	<b>32,487</b>	<b>9,068</b>	<b>41,044</b>	<b>32,461</b>	<b>1,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial liabilities</b>															
Payables		8,943	0	0	8,943	8,943	8,943	0	0	0	0	0	0	0	0
Lease liabilities - Vehicles	3.95	111	0	111	0	121	4	8	26	82	1	0	0	0	0
Other liabilities		3,760	0	0	3,760	3,760	3,760	0	0	0	0	0	0	0	0
		<b>12,814</b>	<b>0</b>	<b>111</b>	<b>12,703</b>	<b>12,824</b>	<b>12,707</b>	<b>8</b>	<b>26</b>	<b>82</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

# Notes to the Financial Statements

For the year ended 30 June 2022

## 7.1 Financial risk management (continued)

(d) Liquidity risk and interest rate exposure (continued)

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

2021	Weighted average effective interest rate %	Carrying amount (\$'000)	Interest rate exposure			Nominal amount (\$'000)	Maturity dates								
			Fixed interest rate (\$'000)	Variable interest rate (\$'000)	Non-interest bearing (\$'000)		Up to 1 month (\$'000)	1-3 months to 1 year (\$'000)	3 months to 1 year (\$'000)	1-5 years (\$'000)	More than 5 years (\$'000)				
<b>Financial assets</b>															
Cash and cash equivalents	0.32	4,901	0	4,890	11	4,901	4,901	0	0	0	0	0	0	0	0
Restricted cash & cash equivalents	0.32	1,333	0	1,333	0	1,333	10	0	282	0	0	0	0	1,041	0
Financial investments	0.42	56,995	56,995	0	0	57,216	2,004	15,072	40,140	0	0	0	0	0	0
Receivables (i)		10,332	0	0	10,332	10,332	8,605	0	1,727	0	0	0	0	0	0
Amounts receivable for services		36,509	0	0	36,509	36,509	334	668	3,005	32,502	0	0	0	0	0
		<b>110,070</b>	<b>56,995</b>	<b>6,223</b>	<b>46,852</b>	<b>110,291</b>	<b>15,854</b>	<b>15,740</b>	<b>45,154</b>	<b>32,502</b>	<b>1,041</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial liabilities</b>															
Payables		8,861	0	0	8,861	8,861	8,861	0	0	0	0	0	0	0	0
Lease liabilities - Vehicles	2.54	111	0	111	0	115	7	12	42	54	0	0	0	0	0
Other liabilities		3,317	0	0	3,317	3,317	3,317	0	0	0	0	0	0	0	0
		<b>12,289</b>	<b>0</b>	<b>111</b>	<b>12,178</b>	<b>12,293</b>	<b>12,185</b>	<b>12</b>	<b>42</b>	<b>54</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 7.1 Financial risk management (continued)

### (e) Interest rate sensitivity analysis

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

	Carrying amount (\$'000)	-0.5% After tax		+0.5% After tax	
		Profit (\$'000)	Equity (\$'000)	Profit (\$'000)	Equity (\$'000)
<b>2022</b>					
<i>Financial Assets</i>					
Cash and cash equivalents	15,180	(53)	(53)	53	53
Restricted cash and cash equivalents	1,477	(5)	(5)	5	5
<b>Total increase / (decrease)</b>	<b>16,657</b>	<b>(58)</b>	<b>(58)</b>	<b>58</b>	<b>58</b>
<b>2021</b>					
<i>Financial Assets</i>					
Cash and cash equivalents	4,890	(17)	(17)	17	17
Restricted cash and cash equivalents	1,333	(5)	(5)	5	5
<b>Total increase / (decrease)</b>	<b>6,223</b>	<b>(22)</b>	<b>(22)</b>	<b>22</b>	<b>22</b>

### (f) Fair value hierarchy

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

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



## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 7.1 Financial risk management (continued)

### (f) Fair value hierarchy (continued)

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

	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)	Fair Value (\$'000)
<b>2022</b>					
Term deposits	0	47,597	0	47,597	47,555
Bonds	0	0	0	0	0
Floating rate notes	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>47,597</b>	<b>0</b>	<b>47,597</b>	<b>47,555</b>
<b>2021</b>					
Term deposits	0	56,995	0	56,995	57,203
Bonds	0	0	0	0	0
Floating rate notes	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>56,995</b>	<b>0</b>	<b>56,995</b>	<b>57,203</b>

## 7.2 Contingent assets and contingent liabilities

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

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

### 7.2.1 Contingent assets

In addition to the assets reported in the financial statements, there is one contingent asset in relation to a counterclaim against a party who committed fraud. Under the Transfer of Land Act 1893, the Authority, on behalf of the State of Western Australia, paid compensation to the affected party and sought recompense from the perpetrator of the fraud. On appeal, the Supreme Court awarded an amount of \$1.625m to the Registrar of Titles, and if the amount is recovered, it will be returned to the Consolidated Account by the Authority.

### 7.2.2 Contingent liabilities

#### Litigations in progress

In addition to the liabilities reported in the financial statements, there are potential litigations of \$0.297m arising from the administration of the Western Australian Land Titles Register. This has no impact on the Authority's financial position as potential liabilities are paid by the Authority and are then reimbursed to the Authority from the Consolidated Account.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 7.2 Contingent assets and contingent liabilities (continued)

### 7.2.2 Contingent liabilities (continued)

#### Contaminated sites

Under the *Contaminated Sites Act 2003*, the Authority is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the *Contaminated Sites Act 2003*, DWER 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 Authority may have a liability in respect of investigation or remediation expenses.

The Authority has no known or suspected contaminated sites as at 30 June 2022.

## 7.3 Fair value measurements

Land reserves measured at fair value:

	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Fair Value (\$'000)
<b>2022</b>				
Opening balance at 1 July 2021	0	250	3,445	3,695
Reserves transferred to/(from) the Authority	0	0	(54)	(54)
Transfers from Level 2 to Level 3	0	0	0	0
Revaluation increments/(decrements) recognised in Other Comprehensive Income	0	25	40	65
<b>Closing balance at 30 June 2022</b>	<b>0</b>	<b>275</b>	<b>3,431</b>	<b>3,706</b>
<b>2021</b>				
Opening balance at 1 July 2020	0	237	3,477	3,714
Reserves transferred to/(from) the Authority	0	0	1	1
Transfers from Level 2 to Level 3	0	0	0	0
Revaluation increments/(decrements) recognised in Other Comprehensive Income	0	13	(33)	(20)
<b>Closing balance at 30 June 2021</b>	<b>0</b>	<b>250</b>	<b>3,445</b>	<b>3,695</b>

### Valuation process

There were no changes in valuation techniques during the period.

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 7.3 Fair value measurements (continued)

#### Valuation process (continued)

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

#### Level 2

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

#### Level 3

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

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

Location of Land Reserves	Fair Value 2022 (\$'000)	Fair Value 2021 (\$'000)
Perth and Surrounds	2,987	2,987
Rest of State	444	458
	<b>3,431</b>	<b>3,445</b>

## 8 Other disclosures

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

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

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

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

There have been no significant events occurring after 30 June 2022 that effect these financial statements.

### 8.2 Initial application of Australian Accounting Standards

There were no new standards initially applicable during the reporting period that had a material impact on the Authority's financial statements.

### 8.3 Key Management Personnel

The Authority has determined that Key Management Personnel includes the responsible Minister, members of the accountable authority (Landgate's board of management) and executive management of the Authority. The Authority does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

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

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

Compensation Band (\$)	2022 (\$'000)	2021 (\$'000)
290,001 - 300,000	1 (i)	1 (i)
50,001 - 60,000	1	0
40,001 - 50,000	0	2
30,001 - 40,000	4	3
20,001 - 30,000	1	0
10,001 - 20,000	1	0
0 - 10,000	0	2
	<b>8</b>	<b>8</b>

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

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 8.3 Key Management Personnel (continued)

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

Compensation Band (\$)	2022 (\$'000)	2021 (\$'000)
230,001 - 240,000	1	0
220,001 - 230,000	1	1
210,001 - 220,000	1	3
200,001 - 210,000	1	0
180,001 - 190,000	0	1
170,001 - 180,000	0	1
160,001 - 170,000	0	1
130,001 - 140,000	0	1
120,001 - 130,000	1	0
110,001 - 120,000	2	0
100,001 - 110,000	2	0
60,001 - 70,000	0	1
40,001 - 50,000	0	1
10,001 - 20,000	1	0
	<b>10</b>	<b>10</b>

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

Compensation	2022 (\$'000)	2021 (\$'000)
Short-term employee benefits	1,622	1,738
Post-employment benefits	178	190
Other long-term benefits	169	193
Termination benefits	0	0
<b>Total compensation</b>	<b>1,969</b>	<b>2,121</b>

The total compensation includes superannuation expense incurred by the Authority.

No Key Management Personnel are members of the Pension Scheme.

#### 8.4 Related Party Transactions

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

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

Related parties of the Authority include:

- all Cabinet Ministers and their close family members, and their controlled or jointly controlled entities;
- all members of the accountable authority and their close family members, and their controlled or jointly controlled entities;

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 8.4 Related Party Transactions (continued)

#### (a) Related parties of the Authority (continued)

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

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

In conducting its activities, the Authority is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies.

Significant transactions with government-related entities for 2022 were:

- income received from other public sector entities (Note 2.2 'Income from State Government') and recoup of salary costs (Note 3.1(a) 'Employee benefits expenses');
- superannuation payments to the Government Employees Superannuation Board (Note 3.1(a) 'Employee benefits expenses' - Superannuation);
- lease payments to the Department of Finance for motor vehicle fleet leasing (Note 6.1 'Lease liabilities', Note 6.2 'Finance costs');
- building maintenance, property rentals, and minor works payments to the Department of Finance for office accommodation (Note 3.2 'Other expenditure' - Accommodation expenses);
- service appropriation (Note 2.2 'Income from State Government') and amounts receivable for services (Note 5.4 'Amounts receivable for services');
- resources received free of charge (Note 2.2 'Income from State Government');
- trade debtors and accrued revenue (Note 5.1 'Receivables');
- accrued expenses (Note 5.7 'Payables') and unearned project revenue and amounts owed under Electronic Advice of Sale (Note 5.8 'Other liabilities');
- contributions by owners and distributions to owners (Note 8.8 'Equity' - Contributed equity);
- amounts due to the Treasurer for income tax payable and dividends paid (Note 5.6 'Taxation equivalent' and Note 8.8 'Equity' - Retained earnings);
- services provided free of charge to other government agencies (Note 8.9 'Services provided free of charge'); and
- remuneration for services provided by the Auditor General (Note 8.6 'Remuneration of auditor').

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 8.4 Related Party Transactions (continued)

##### (c) Material transactions with other related parties

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

#### 8.5 Affiliated body

	2022 (\$'000)	2021 (\$'000)
Resources provided to the Land Surveyors' Licensing Board:		
Administrative support	181	179
Grant	35	30
<b>Total</b>	<b>216</b>	<b>209</b>

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

#### 8.6 Remuneration of auditor

	2022 (\$'000)	2021 (\$'000)
Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:		
Auditing the accounts, financial statements, controls, and key performance indicators	267	260

#### 8.7 Supplementary financial information

	2022 (\$'000)	2021 (\$'000)
(a) Write offs by the Accountable Authority		
Bad debts		
- trade receivables	8	1
	8	1
Public property	0	28
	<b>8</b>	<b>29</b>
(b) Losses through theft, defaults and other causes		
Losses of public money, other money and public and other property through theft or default	0	0
Amounts recovered	0	0
	<b>0</b>	<b>0</b>
(c) Gifts of public property by the Authority	<b>0</b>	<b>0</b>

# Western Australian Land Information Authority (Landgate)

## Notes to the Financial Statements

For the year ended 30 June 2022

### 8.8 Equity

	Notes	2022 (\$'000)	2021 (\$'000)
<p>The Government holds the controlling equity interest in the Authority on behalf of the community. Equity represents the residual interest in the net assets of the Authority. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.</p>			
<b>Contributed equity</b>			
Balance at start of period		62,944	99,773
Contributions by owners			
Capital appropriations		4,028	2,888
Other contributions by owners			
Land reserves transferred from the Department of Planning, Lands and Heritage to the Authority	4.1	0	1
Distributions to owners			
Land reserves including improvements transferred from the Authority to the Department of Planning, Lands and Heritage (i)	4.1	(54)	(39,718)
<b>Balance at end of period</b>		<b>66,918</b>	<b>62,944</b>
<b>Reserves</b>			
Balance at start of period		7,027	23,629
Asset revaluation surplus	2.6(b)		
- Transfer to retained earnings		0	(13,921)
- Building		0	(2,342)
- Land reserves		65	(20)
		65	(16,283)
Fair value reserve	2.6(b)		
- Recognition of PSMA at fair value	5.2	(335)	(456)
- Deferred tax asset	5.6	65	137
		(270)	(319)
<b>Balance at end of period</b>		<b>6,822</b>	<b>7,027</b>
<b>Retained earnings</b>			
Balance at start of period		(1,290,703)	(889,640)
- Profit/(loss) for period		30,087	(414,984)
- Transfer from asset revaluation surplus		0	13,921
- Distribution to owners - dividends (ii)		0	0
<b>Balance at end of period</b>		<b>(1,260,616)</b>	<b>(1,290,703)</b>
<b>Total equity at end of the period (iii)</b>		<b>(1,186,876)</b>	<b>(1,220,732)</b>



## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 8.8 Equity (continued)

- (i) The amount reported for 2021 is the net book value of Midland land and building that was transferred to the Department of Planning, Lands and Heritage at the end of the lease term in mid-March 2021.
- (ii) Dividends payable by the Authority to the State are provided for in the reporting period in which the dividends recommended by the Board are accepted by the Minister for Lands, with the concurrence of the Treasurer of Western Australia.
- In 2021 and 2022 no dividends were paid to the State.
- (iii) The “negative” equity is mainly due to the proceeds from the Partial Commercialisation arrangement (\$1.41 billion) being returned to the State in 2020 as an interim dividend and NTER tax payment, and the Authority retaining the offsetting service concession liability for the equivalent amount. This has no impact on the future operations of the Authority. Refer to Note 5.9 ‘Service concession liabilities’.

#### 8.9 Services provided free of charge

	2022 (\$'000)	2021 (\$'000)
During the reporting period, the Authority provided services free of charge to:		
<b>(a) More than \$10,000 per general government-related entity</b>		
Department of Finance	13,225	12,169
Department of Planning, Lands and Heritage	6,870	6,721
Western Australia Police Force	478	788
Department of Fire and Emergency Services	449	791
Department of Treasury	411	424
Department of Justice	387	313
Department of Biodiversity, Conservation and Attractions	183	240
Department of Mines, Industry Regulation and Safety	173	519
Department of Health	149	148
Department of Education	86	193
Department of Water and Environmental Regulation	61	55
Department of Primary Industries and Regional Development	54	81
Office of the Director of Public Prosecutions	44	72
Main Roads Western Australia	40	117
Western Australian Electoral Commission	13	12
Department of Local Government, Sport & Cultural Activities	11	0
Department of Transport	0	26
Forest Products Commission	0	14
Department of Training and Workforce Development	0	11
	<b>22,634</b>	<b>22,694</b>

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 8.9 Services provided free of charge (continued)

	2022 (\$'000)	2021 (\$'000)
<b>(b) More than \$10,000 per non-general government entity</b>		
Western Power	970	421
Horizon Power	199	193
Fremantle Ports Authority	16	0
Water Corporation	0	35
	<b>1,185</b>	<b>649</b>
<b>(c) Less than \$10,000 per State Government agency</b>	<b>15</b>	<b>24</b>
<b>(d) Non-State government agencies</b>	<b>821</b>	<b>1,150</b>
<b>Total services provided free of charge</b>	<b>24,655</b>	<b>24,517</b>

#### 8.10 Special purpose accounts

	2022 (\$'000)	2021 (\$'000)
<b>Payroll deductions</b>		
Special Purpose Accounts can be created under section 16(1)(c) of the <i>Financial Management Act 2006</i> . This account holds income tax instalments deducted from employee salaries pending payment to the Australian Taxation Office.		
Balance at start of period	0	0
Receipts	11,031	11,617
Payments	(11,031)	(11,617)
<b>Balance at end of period</b>	<b>0</b>	<b>0</b>

#### 8.11 Indian Ocean Territories

	2022 (\$'000)	2021 (\$'000)
The Authority provides services to the Indian Ocean Territories and recovers the cost from the Commonwealth government. Transactions for the reporting period were:		
Balance at start of period	237	282
Receipts	0	18
Payments	(32)	(63)
<b>Balance at end of period (i)</b>	<b>205</b>	<b>237</b>

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

# Western Australian Land Information Authority (Landgate)

## Notes to the Financial Statements

For the year ended 30 June 2022

### 8.12 Explanatory statement

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

All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below.

Narratives are provided for key major variances, which vary more than 10% from their comparative and that the variation is more than 1% of the dollar aggregate of:

- Total Cost of Services for the Statements of Comprehensive Income and Statement of Cash Flows (1% of \$106.203m - \$1.062m); and
- Total Assets for the Statement of Financial Position (1% of \$163.27m - \$1.633m).

#### (a) Statement of Comprehensive Income Variances

	Variance note	Estimate 2022 (\$'000)	Actual 2022 (\$'000)	Actual 2021 (\$'000)	Variance between Estimate and Actual 2022 (\$'000)	Variance between Actual 2021 and Actual 2022 (\$'000)
<b>INCOME</b>						
<b>Revenue</b>						
Provision of services	1,A	31,806	41,978	31,208	10,172	10,770
Service concession income		36,428	36,364	35,571	(64)	793
Sale of land information, data and imagery		4,275	3,810	3,848	(465)	(38)
Interest revenue		400	244	559	(156)	(315)
Other revenue	2,B	971	3,749	1,031	2,778	2,718
<b>TOTAL INCOME</b>		<b>73,880</b>	<b>86,145</b>	<b>72,217</b>	<b>12,265</b>	<b>13,928</b>
<b>EXPENSES</b>						
Employee benefits	3	55,258	49,693	53,081	(5,565)	(3,388)
Supplies and services	4	37,080	29,395	27,322	(7,685)	2,073
Other expenses		5,892	5,393	5,323	(499)	70
Depreciation and amortisation	5	16,831	14,292	15,230	(2,539)	(938)
Finance costs		13	3	191	(10)	(188)
Accommodation	C	5,646	6,454	5,047	808	1,407
Net loss on disposal of property, equipment and intangibles	6,D	0	1,120	9	1,120	1,111
<b>TOTAL EXPENSES</b>		<b>120,720</b>	<b>106,350</b>	<b>106,203</b>	<b>(14,370)</b>	<b>147</b>
<b>Loss before Income from State Government</b>		<b>(46,840)</b>	<b>(20,205)</b>	<b>(33,986)</b>	<b>26,635</b>	<b>13,781</b>

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 8.12 Explanatory statement (continued)

### (a) Statement of Comprehensive Income Variances (continued)

	Variance note	Estimate 2022 (\$'000)	Actual 2022 (\$'000)	Actual 2021 (\$'000)	Variance between Estimate and Actual 2022 (\$'000)	Variance between Actual 2021 and Actual 2022 (\$'000)
<b>INCOME FROM STATE GOVERNMENT</b>						
Service appropriation	E	39,813	40,558	33,098	745	7,460
Income from other public sector entities	7,F	6,581	8,261	5,323	1,680	2,938
Resources received free of charge	G	500	1,538	223	1,038	1,315
<b>TOTAL INCOME FROM STATE GOVERNMENT</b>		<b>46,894</b>	<b>50,357</b>	<b>38,644</b>	<b>3,463</b>	<b>11,713</b>
<b>Profit before income tax equivalent</b>		<b>54</b>	<b>30,152</b>	<b>4,658</b>	<b>30,098</b>	<b>25,494</b>
Income tax equivalent (expense)/benefit	H	(16)	(65)	(419,642)	(49)	419,577
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	8,H	<b>38</b>	<b>30,087</b>	<b>(414,984)</b>	<b>30,049</b>	<b>445,071</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
<b>Items not reclassified subsequently to profit or loss</b>						
Changes in asset revaluation surplus		0	65	(16,283)	65	16,348
<b>Items that will be reclassified subsequently to profit or loss</b>						
Changes in fair value reserve		0	(335)	(456)	(335)	121
Income tax on items that will be reclassified		0	65	137	65	(72)
		0	(270)	(319)	(270)	49
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>0</b>	<b>(205)</b>	<b>(16,602)</b>	<b>(205)</b>	<b>16,397</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>38</b>	<b>29,882</b>	<b>(431,586)</b>	<b>29,844</b>	<b>461,468</b>

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 8.12 Explanatory statement (continued)

### Major Estimate and Actual (2022) Variance Narratives

1. The revenue from the provision of services includes document registration, searching actions, plans and lodgment support service fees all of which are in-scope of the Commercialised Services Agreement (CSA) with Land Services WA (LSWA) under the Partial Commercialisation arrangement. This revenue stream also includes valuation services revenue which is not part of this arrangement.

The revenue from the provision of services is net of the payment of service fees to Land Services WA (LSWA) for the in-scope revenue streams.

The net revenue from the provision of services was higher than the estimate for 2022 largely as a result of the continuing buoyant Western Australian property market. Continuing low interest rates, even after some minor increases late in the year, low rental vacancies and high rental prices all contributed to the positive consumer sentiment spurring on demand. When the budget was set it was expected that there would be some downturn in property market activity during 2022 after the Government incentives for the housing industry were wound down.

However, document lodgment activity for 2022 of over 400,000 was the highest level of activity since 2007 (408,000 document lodgments) and 45% higher than the 2022 estimate of 275,000 document lodgments.

2. Other revenue was higher than the estimate for 2022 mainly as a result of the sale of a consecutive block of unused Internet Protocol (IP) addresses to Amazon Web Service for \$2.9 million during the year. The value of these IP addresses increased during the COVID-19 pandemic partly due to the increased need for websites to promote COVID-19 awareness. This sale was not budgeted for.
3. Employee benefits expense was \$5.6 million lower than the estimate as a result of issues finding applicants with appropriate skills when undertaking recruitment processes for vacant positions. This has led to the Authority operating at levels below the FTE cap, which was the basis for determining the estimate for employee benefits expense. In order to maintain service delivery, labour hire contractors have been used in some instances to fill priority positions rather than salaried staff.
4. Supplies and services expenses were lower than the estimate as a result of the complexity in some procurement processes delaying implementation of major projects due to a longer investigation and planning stage than expected when the budget was set.
5. Depreciation was lower than the estimate as a result of less than originally planned capital expenditure and subsequent capitalisation of assets during 2022.
6. The net loss on disposal of property, equipment and intangibles is higher than the estimate as a result of the transfer of the leasehold improvements for 1 Midland Square following the sale of the property. This loss was not budgeted for.
7. Income from other public sector entities was higher than the estimate in 2022 due to the higher than planned valuation services income from other Government agencies.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 8.12 Explanatory statement (continued)

#### Major Estimate and Actual (2022) Variance Narratives (continued)

8. The Authority has reflected a significantly higher profit before tax for 2022 compared to the estimate as a result of higher than planned net revenue from land titling activity, due to the continuing buoyant Western Australian property market conditions and lower than planned expenditure mainly in salaries, due to issues recruiting suitably skilled applicants to fill vacancies, and supplies due to delays in progressing some major projects.

#### Major Actual (2022) and Comparative (2021) Variance Narratives

- A The revenue from the provision of services is net of the payment of service fees to Land Services WA (LSWA) for the in-scope revenue streams including document registration, searching actions, plans and lodgment support service fees. This revenue stream also includes valuation services.

The net revenue from the provision of services in 2022 was higher than 2021 largely as a result of the buoyant Western Australian property market. Document lodgment activity of 400,000 in 2022 was 20% higher than 2021 activity levels.

Valuation services revenue was also higher than 2021 due to the deferral of the Regional Gross Rental Value (GRV) program from 2021 to 2022 due to COVID-19 restrictions on State-wide travel.

- B Other revenue was higher than 2021 mainly as a result of the \$2.9 million in revenue received for the sale of unused Internet Protocol (IP) addresses to Amazon Web Service during 2022.
- C Accommodation expenses were higher in 2022 as a result of the transfer of the land and building at 1 Midland Square to the Department of Planning, Lands and Heritage at the end of the lease term in March 2021. This resulted in the recognition of accommodation expenses in the Statement of Comprehensive Income rather than lease liability payments in the Statement of Financial Position. Prior to March 2021, 1 Midland Square was recognised as a right of use asset with a corresponding lease liability. The lease payments were reflected in the Statement of Financial Position against the lease liability, and depreciation of the right of use asset (1 Midland Square), interest and contingent rent under the lease were recognised in the Statement of Comprehensive Income.
- D Net loss on disposal of property, equipment and intangibles was higher than 2021 as a result of leasehold improvements for 1 Midland Square being transferred following the sale of the property.
- E Service appropriation was higher than 2021 mainly as a result of increased Government funding from 2022 for accommodation and outgoings associated with 1 Midland Square and whole of Government agreed funding changes related to the Asset Investment Program.
- F Income from other public sector entities was higher than 2021 due to more income from other Government agencies for valuation services.
- G Resources received free of charge were higher in 2022 as a result of increases in accommodation at 1 Midland Square reflected as free of charge from the Department of Finance in 2022.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 8.12 Explanatory statement (continued)

#### Major Actual (2022) and Comparative (2021) Variance Narratives (continued)

H The Authority reflected a profit for the 2022 year compared to a loss in 2021, which had resulted from the impairment of the deferred tax asset (DTA). The Authority had received proceeds of \$1.41 billion in consideration of the Partial Commercialisation arrangement with LSWA, which were paid to Government via a NTER income tax payment of \$423 million and the balance of the proceeds, net of transaction costs, as an interim dividend of \$985 million.

Under AASB 112 *Income Taxes*, the Authority tested the DTA balance for impairment in 2021, as this can only be carried forward if it is probable that taxable profits will be available in future. It was determined that it was not considered probable that sufficient future taxable profits would be earned to support the DTA.

The DTA was impaired in 2021 and recognised as income tax expense. This included \$405 million of the DTA related to the Partial Commercialisation and the remaining balance in the asset account. For this reason the income tax and profit after tax are less than 2021.

This impaired DTA has been classified as an unrecognised DTA and does not appear in the financial statements of the Authority, but is recoverable and can be re-recognised if future taxable profits are achieved.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 8.12 Explanatory statement (continued)

### (b) Statement of Financial Position Variances

	Variance note	Estimate 2022 (\$'000)	Actual 2022 (\$'000)	Actual 2021 (\$'000)	Variance between Estimate and Actual 2022 (\$'000)	Variance between Actual 2021 and Actual 2022 (\$'000)
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents		21,035	15,191	4,901	(5,844)	10,290
Restricted cash and cash equivalents		292	214	245	(78)	(31)
Receivables	9,I	12,959	14,768	12,404	1,809	2,364
Financial investments	10,J	10,000	47,597	56,995	37,597	(9,398)
Amounts receivable for services	K	6,353	6,253	4,006	(100)	2,247
Other current assets	11,L	2,512	4,715	2,688	2,203	2,027
<b>Total Current Assets</b>		<b>53,151</b>	<b>88,738</b>	<b>81,239</b>	<b>35,587</b>	<b>7,499</b>
<b>Non-Current Assets</b>						
Restricted cash and cash equivalents		1,272	1,263	1,088	(9)	175
Equity accounted investments		2,937	2,146	2,481	(791)	(335)
Amounts receivable for services		30,853	32,461	32,503	1,608	(42)
Property and equipment	12	10,493	5,165	6,344	(5,328)	(1,179)
Service delivery intangible assets	13	13,625	6,303	6,457	(7,322)	(154)
Service concession intangible assets	14,M	22,263	24,055	32,883	1,792	(8,828)
Right-of-use assets		313	109	108	(204)	1
Deferred tax assets	15	419,069	0	0	(419,069)	0
Other non-current assets		0	223	167	223	56
<b>Total Non-Current Assets</b>		<b>500,825</b>	<b>71,725</b>	<b>82,031</b>	<b>(429,100)</b>	<b>(10,306)</b>
<b>TOTAL ASSETS</b>		<b>553,976</b>	<b>160,463</b>	<b>163,270</b>	<b>(393,513)</b>	<b>(2,807)</b>



## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 8.12 Explanatory statement (continued)

	Variance note	Estimate 2022 (\$'000)	Actual 2022 (\$'000)	Actual 2021 (\$'000)	Variance between Estimate and Actual 2022 (\$'000)	Variance between Actual 2021 and Actual 2022 (\$'000)
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables		8,882	8,943	8,861	61	82
Current tax liabilities		0	0	447	0	(447)
Lease liabilities		94	34	59	(60)	(25)
Employee related provisions		11,911	11,692	12,839	(219)	(1,147)
Service concession liabilities		35,532	36,597	36,325	1,065	272
Other current liabilities		2,989	3,760	3,317	771	443
<b>Total Current Liabilities</b>		<b>59,408</b>	<b>61,026</b>	<b>61,848</b>	<b>1,618</b>	<b>(822)</b>
<b>Non-Current Liabilities</b>						
Lease liabilities		226	77	52	(149)	25
Employee related provisions		2,994	2,436	2,831	(558)	(395)
Service concession liabilities		1,286,003	1,283,800	1,319,271	(2,203)	(35,471)
<b>Total Non-Current Liabilities</b>		<b>1,289,223</b>	<b>1,286,313</b>	<b>1,322,154</b>	<b>(2,910)</b>	<b>(35,841)</b>
<b>TOTAL LIABILITIES</b>		<b>1,348,631</b>	<b>1,347,339</b>	<b>1,384,002</b>	<b>(1,292)</b>	<b>(36,663)</b>
<b>NET ASSETS</b>		<b>(794,655)</b>	<b>(1,186,876)</b>	<b>(1,220,732)</b>	<b>(392,221)</b>	<b>33,856</b>
<b>EQUITY</b>						
Contributed equity		71,383	66,918	62,944	(4,465)	3,974
Reserves		7,366	6,822	7,027	(544)	(205)
Retained earnings		(873,404)	(1,260,616)	(1,290,703)	(387,212)	30,087
<b>EQUITY DEFICIT</b>		<b>(794,655)</b>	<b>(1,186,876)</b>	<b>(1,220,732)</b>	<b>(392,221)</b>	<b>33,856</b>

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 8.12 Explanatory statement (continued)

### Major Estimate and Actual (2022) Variance Narratives

9. Receivables were higher than the estimate as a result of a higher level of debtors outstanding at June 2022 than expected mainly within Valuation services debtors.
10. Financial investments in 2022 were higher than the estimate as it was expected that cash reserves would be drawn down into the operating account to meet payment commitments. However, as a result of the buoyant Western Australian property market and continuing high levels of document lodgment activity and net revenue received, cash reserves have been maintained within financial investments rather than transferred into the operating bank account.
11. Other current assets was higher than the estimate as a result of the prepayment to the Commonwealth Digital Transformation Agency for the Authority's share of the Amazon Web Service (AWS). The payment made in May 2022 was for a 12 month period and the prepayment was not considered when the budget was set as payment for this service was previously paid monthly to the Authority's IT service provider.
12. Property and equipment in 2022 was lower than the estimate mainly as a result of the disposal of leasehold improvements related to 1 Midland Square following the sale of the building. This disposal was not budgeted for.
13. Service delivery intangible assets was significantly lower than the estimate as a result of the transfer of \$5.1 million in capital expenditure on the *Strata Titles Act 1985* reform program to Service concession intangible assets, which was not budgeted for. LSWA has responsibility for enhancing/maintaining all assets classified as service concession assets under the terms of the CSA. There was also lower than expected expenditure on capital in 2022 due to a longer than expected procurement process and reassessment of project schedules and implementation timelines as well as some projects being less complex than originally considered following assessments made during the discovery phase.
14. Service concession intangible assets was higher than the estimate as a result of the transfer of \$5.1 million in capital expenditure on the *Strata Titles Act 1985* reform program from Service delivery intangible assets to Service concession intangible assets on completion of the project. This transaction was not budgeted for.
15. The deferred tax asset (DTA) in 2022 was nil as the DTA was impaired in its entirety and recognised as Income tax equivalents expense in 2021. Under AASB 112 *Income Taxes* it was determined that it was not considered probable that the Authority would earn sufficient future taxable profits to support the DTA. The impairment was made after the budget for 2022 was set.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 8.12 Explanatory statement (continued)

### Major Actual (2022) and Comparative (2021) Variance Narratives

- I Receivables were higher than 2021 mainly within Valuation services debtors due to the deferral of the Regional Gross Rental Value (GRV) program from 2021 to 2022 due to COVID-19 restrictions on State-wide travel.
- J Financial investments were lower than 2021 as a result of the drawdown of financial investments into the operating bank account to meet payment commitments during 2022. However, due to the buoyant Western Australian property market conditions and higher net revenue from land titling activity as well as higher revenue from valuation services, the draw on cash reserves has been at a slower rate than expected when determining cash requirements during 2022. In total, cash and cash reserves and financial investments are marginally higher than 2021.
- K The amounts receivable for services (holding account) balance in 2022 was higher than the prior year as a result of the funding requirement for the asset investment program based on the agreed funding methodology. The funding determination for the current asset portion of the amounts receivable for services (holding account) is based on the forecast capital expenditure funding requirement to be drawdown for the following budget year at the time the budget was set.
- L Other current assets was higher than 2021 as a result of the prepayment to the Commonwealth Digital Transformation Agency for the Authority's share of the Amazon Web Service (AWS). The payment made in May 2022 was for a 12 month period and was recognised as a prepayment, whereas in 2021 this payment was made monthly to the Authority's IT Service Provider.
- M The Service concession intangible assets were lower than 2021 as a result of the continued amortisation of these assets during 2022, offset partially by the transfer of \$5.1 million in capital expenditure on the *Strata Titles Act 1985* reform program from Service delivery intangible assets to Service concession intangible assets.

### (c) Statement of Cash Flow Variances

	Variance note	Estimate 2022 (\$'000)	Actual 2022 (\$'000)	Actual 2021 (\$'000)	Variance between Estimate and Actual 2022 (\$'000)	Variance between Actual 2021 and Actual 2022 (\$'000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Receipts</b>						
Provision of services	16	30,168	39,563	43,404	9,395	(3,841)
Sale of land information, data and imagery		4,275	4,180	4,552	(95)	(372)
Interest received		400	233	592	(167)	(359)
GST receipts on sales		1,162	1,295	1,303	133	(8)
GST receipts from taxation authority	17	4,650	12,330	11,394	7,680	936
Other receipts	18,N	971	3,707	2,062	2,736	1,645

## Western Australian Land Information Authority (Landgate)

### Notes to the Financial Statements

For the year ended 30 June 2022

#### 8.12 Explanatory statement (continued)

	Variance note	Estimate 2022 (\$'000)	Actual 2022 (\$'000)	Actual 2021 (\$'000)	Variance between Estimate and Actual 2022 (\$'000)	Variance between Actual 2021 and Actual 2022 (\$'000)
<b>Payments</b>						
Employee benefits		(54,981)	(51,008)	(52,010)	3,973	1,002
Supplies and services	19,O	(37,048)	(31,439)	(28,192)	5,609	(3,247)
Other payments		(5,392)	(4,823)	(5,030)	569	207
Accommodation	P	(5,646)	(5,791)	(4,450)	(145)	(1,341)
Finance costs		(13)	(3)	(318)	10	315
GST payments on purchases	17	(5,812)	(13,567)	(12,656)	(7,755)	(911)
<b>Net cash used in operating activities</b>		<b>(67,266)</b>	<b>(45,323)</b>	<b>(39,349)</b>	<b>21,943</b>	<b>(5,974)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Receipts</b>						
Sale of -						
Financial investments	20,Q	30,000	64,600	69,200	34,600	(4,600)
<b>Payments</b>						
Purchase of -						
Property, equipment and intangible assets	21,R	(12,691)	(3,912)	(6,095)	8,779	2,183
Financial investments	20,Q	0	(55,200)	(69,000)	(55,200)	13,800
<b>Net cash (used in)/ provided by investing activities</b>		<b>17,309</b>	<b>5,488</b>	<b>(5,895)</b>	<b>(11,821)</b>	<b>11,383</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>Payments</b>						
Principal elements of lease payments	S	(104)	(80)	(4,905)	24	4,825
<b>Net cash used in financing activities</b>		<b>(104)</b>	<b>(80)</b>	<b>(4,905)</b>	<b>24</b>	<b>4,825</b>

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 8.12 Explanatory statement (continued)

	Variance note	Estimate 2022 (\$'000)	Actual 2022 (\$'000)	Actual 2021 (\$'000)	Variance between Estimate and Actual 2022 (\$'000)	Variance between Actual 2021 and Actual 2022 (\$'000)
<b>CASH FLOWS FROM STATE GOVERNMENT</b>						
<b>Receipts</b>						
Service appropriation	T	35,110	35,857	28,168	747	7,689
Drawdowns from amounts receivable for services (Holding Account)	22,U	4,006	2,496	3,813	(1,510)	(1,317)
Capital appropriations	22,U	8,420	4,028	2,888	(4,392)	1,140
Funds from other public sector entities	23, V	6,581	8,415	7,138	1,834	1,277
<b>Payments</b>						
Income tax equivalents - payments		0	(447)	0	(447)	(447)
refund	W	0	0	2,335	0	(2,335)
<b>Net cash provided by State Government</b>		<b>54,117</b>	<b>50,349</b>	<b>44,342</b>	<b>(3,768)</b>	<b>6,007</b>
Net change in cash and cash equivalents		4,056	10,434	(5,807)	6,378	16,241
Cash and cash equivalents at start of period		18,543	6,234	12,041	(12,309)	(5,807)
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		<b>22,599</b>	<b>16,668</b>	<b>6,234</b>	<b>(5,931)</b>	<b>10,434</b>

### Major Estimate and Actual (2022) Variance Narratives

16. Receipts from the provision of services was higher than the estimate for 2022 mainly as a result of the buoyant Western Australian property market continuing into the 2022 year as consumer sentiment remained positive. It was expected that there would be a downturn in the property market in 2022 after the Government incentives for the housing industry were wound down, however, the 2022 year ended 45% higher than expectations with 400,000 document lodgments compared to the estimated 275,000.

This resulted in higher net revenue from land titling activity following the payment of service fees to LSWA under the terms of the CSA.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

## 8.12 Explanatory statement (continued)

### Major Estimate and Actual (2022) Variance Narratives (continued)

17. GST receipts from taxation authority and GST payments on purchases were higher than the estimate due to the payment of more GST on the service fees paid to LSWA under the terms of the CSA, as a result of higher than planned land titling activity and the GST credits arising from these payments being returned by the taxation authority to the Authority.
18. Other receipts were higher than the estimate for 2022 mainly as a result of the sale of a consecutive block of unused Internet Protocol (IP) addresses to Amazon web service for \$2.9 million during the year. The value of these IP addresses increased during the COVID-19 pandemic partly due to the increased need for websites to promote COVID-19 awareness. This sale was not budgeted for.
19. Payments for supplies and services were lower than the estimate as a result of the complexity in some procurement processes delaying implementation of major projects due to a longer investigation and planning stage than expected when the budget was set.
20. Receipts from the sale of financial investments and payments for the purchase of financial investments were higher than the estimate as a result of a higher value of investments maturing and being reinvested during 2022 than planned. It was expected that maturing investments would be drawn down into the operating bank account during 2022 to fund operating commitments. However, as a result of the buoyant property market, cash reserves have been maintained at a higher than expected level, allowing a higher level of funds to be reinvested in held to maturity financial investments.
21. Payments for the purchase of property, equipment and intangible assets was lower than the estimate due largely to a longer than expected procurement process, reassessment of project schedules and implementation timelines as well as some projects being less complex than originally considered following assessments made during the discovery phase.
22. The drawdowns from the amounts receivable for services (holding account) and receipts from capital appropriations in 2022 were lower than the estimate as a result of less than planned capital expenditure during 2022 due to longer than expected procurement processes and some projects being less complex than planned when the budget was set.
23. Receipts from other public sector entities was higher than the estimate in 2022 due to the higher than planned valuation services receipts from other Government agencies

### Major Actual (2022) and Comparative (2021) Variance Narratives

- N Other receipts were higher than 2021 as a result of the sale of unused Internet Protocol (IP) addresses to Amazon Web Service for \$2.9 million during 2022.
- O Payments for supplies and services were higher than 2021 as a result of escalations built into existing ICT contracts and more software hosted services as the Authority moves away from in-house storage to cloud based services. Also the deferral of the regional revaluation program from 2021 to 2022 contributed to this higher expenditure due to more State-wide travel.

## Western Australian Land Information Authority (Landgate)

# Notes to the Financial Statements

For the year ended 30 June 2022

### 8.12 Explanatory statement (continued)

#### Major Actual (2022) and Comparative (2021) Variance Narratives (continued)

- P Payments for accommodation were higher in 2022 as a result of the transfer of the land and building at 1 Midland Square to the Department of Planning, Lands and Heritage at the end of the lease term in March 2021. This resulted in additional accommodation payments and no lease liability payments in the Statement of Cash Flows. Prior to March 2021, 1 Midland Square was recognised as a right of use asset with a corresponding lease liability in the Statement of Financial Position and lease liability payments were reflected in the Statement of Cash Flows under lease payments. Mid-March 2021, the Authority entered into a MOU with the Department of Finance regarding the ongoing accommodation arrangements at 1 Midland Square. The Authority reflects accommodation payments with only a partial years payments in the 2021 year compared to a full year in 2022.
- Q Receipts from the sale of financial investments and payments for the purchase of financial investments was lower in 2022 as a result of a lower value of investments maturing and being reinvested during 2022 when compared to the prior year. The balance of cash held in the operating account to meet payment commitments was higher than 2021 as cash reserves have been maintained during the year, as a result of the buoyant Western Australian property market.
- R Payments for the purchase of property, equipment and intangible assets was lower than 2021 due to a longer than expected procurement process and reassessment of project schedules and implementation timelines.
- S The principal elements of leases payments in 2022 only includes payments made for State Fleet motor vehicles which are recognised as right of use assets and a corresponding lease liability in the Statement of Financial Position. In 2021 these payments also included the lease liability payments on 1 Midland Square until the end of the lease term in March 2021. Following this the land and building were transferred to the Department of Planning, Lands and Heritage.
- T Service appropriation receipts were higher in 2022 mainly as a result of increased funding for accommodation and outgoings associated with 1 Midland Square and whole of Government agreed funding changes related to the Asset Investment Program.
- U The drawdowns from the amounts receivable for services (holding account) were lower and receipts from capital appropriations in 2022 were higher than 2021 as a result of the funding requirement for the asset investment program based on the agreed funding methodology. The funding determination is based on the forecast capital expenditure funding requirement at the time the budget was set, with drawdowns from the amounts receivable for services (holding account) being used to fund asset replacement projects.
- V Receipts from other public sector entities was higher than 2021 due to more receipts from other Government agencies for valuation services.
- W There was no Income Tax Equivalent refund received during 2022 compared to a refund of \$2.335 million received in 2021 for an overpayment of income tax in the prior period. For the 2022 financial year, no income tax payments were made other than an income tax equivalent payment of \$0.447 million that related to prior periods.



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