

**WESTERN AUSTRALIAN
BOXING COMMISSION**

ANNUAL REPORT

2002/2003

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Foreword

This is the thirteenth annual report of the Western Australian Boxing Commission.

The professional boxing industry re-emerged during 2002/2003 with five professional boxing promotions taking place in Perth.

Members of the Commission attended all five promotions and reported that there were some good quality bouts between local, interstate and overseas contestants. However concerns were raised as to the appropriateness of some venues for the conduct of professional boxing and the appearance of a range of mixed martial arts.

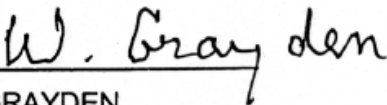
The 2002/2003 year saw the passing through State Cabinet of the Boxing Control Amendment Bill which will expand the scope of the Commission to include professional martial arts. The new Act will be called the Professional Combat Sports Act and the Commission will be called the Professional Combat Sports Commission.

Membership of the Professional Combat Sports Commission will be increased to eight with the two new members having knowledge of professional martial arts.

The Executive Officer of the Commission, Peter Gibson, was the State representative on the committee looking into safety in combat sport and a more national approach to the administration of the industry in Australia, a move that is supported by the Commission.

The year also saw the departure of the Executive Officer of the Commission, Mr Peter Gibson and Mr Rob Clement, both of who have been promoted to other areas. Mr Gibson's replacement will be Mr Ray Smith and Mr Clement's position will be filled by Mr Greg McLennan from the Department of Sport and Recreation.

I would like to take this opportunity to thank all the Commission members for their work during the year, and on behalf of the members, express the Commission's appreciation to the Department of Sport and Recreation for the support it provided.



W GRAYDEN
Chairman

29 August 2003

Membership 2002/2003

Mr W Grayden
(Chairman)

Sergeant S Leaning
Representing the Commissioner of Police

Mr R Clement
Director Sport & Recreation Services
Department of Sport & Recreation

Mr G McLennan
Manager Consultancy
Department of Sport & Recreation

Mr M Abraham
Community Member

Dr R Reid
Representing A.M.A. (WA Branch)

Mr J Fanderlinden
Community Member

Mr P Gibson
Outgoing Executive Officer
Department of Sport and Recreation

Mr R Smith
Incoming Executive Officer
Department of Sport and Recreation

Mission

- To control and regulate the conduct of professional boxing in Western Australia.

Objectives

Our objectives and desired outcomes, which are consistent with the prior year, relate to:

- Developing guidelines for proper standards in professional boxing.
- Establishing standards for the training of persons involved in boxing.
- Providing protection for all those involved in professional boxing be they promoters, boxers or other industry participants.
- Ensuring the physical safety of professional boxers.
- Advising the Minister for Sport and Recreation on boxing matters.

Relevant Legislation

Enabling Legislation

The Western Australian Boxing Commission was established as a statutory authority under Section 4 of the Boxing Control Act 1987.

Legislation Impacting on the Western Australian Boxing Commission's Activities

In performance of its functions, the Western Australian Boxing Commission complies with the following relevant written laws:

- *Equal Opportunity Act 1984*
- *Disability Services Act 1993*
- *Financial Administration and Audit Act 1985*
- *State Records Act 2000*

Responsible Minister

The Hon Alan Carpenter MLA, Minister for Education, Indigenous Affairs and Sport and Recreation.

Activities and Responsibilities

The Commission's primary responsibility is to carry out the functions of the Boxing Control Act 1987.

In carrying out these functions, the Commission is responsible for:

- Developing guidelines for proper standards in professional boxing.
- Establishing standards for the training of persons involved in boxing.
- Receiving applications from persons wishing to register as boxers.
- Maintaining the register of boxers in Western Australia.
- Issuing and receiving certificates of registration.
- Serving notices of cancellation, suspension or alteration to the registration of boxers.
- Imposing disciplinary provisions on boxers.
- Maintaining register of industry participants and issuing certificates of participation.
- Issuing and reissuing medical registration books to boxers.
- Receiving applications for and issuing Boxing Contest permits.
- Inquiring into the validity of boxing contests.
- Attending and officiating at all weigh-ins.

Summary:

Currently the Act provides for and the Boxing Commission ensures that professional boxing has a minimum standard that allows promoters and other participants to understand and create a safe and professional environment conducive to boxing.

Publications:

The following publications produced by the Western Australian Boxing Commission are available.

- Boxing Control Act 1987
- Boxing Control Amendment Act 1990
- Boxing Control Regulations 1990
- Western Australian Boxing Commission Code of Conduct
- Annual report

Changes in Written Law

There were no changes in written law that affected the Commission during the financial year.

Ministerial Directives

No Ministerial directives were received during the year.

Pricing policies on outputs

The Western Australian Boxing Commission has discretion to charge for services and goods rendered subject to ministerial approval.

Corporate Legislation and Compliance

Electoral Act 1907 section 175ZE

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

The details of the report are as follows:

Expenditure with Advertising Agencies	0
Expenditure with Market Research Agencies	0
Expenditure with Polling Agencies	0
Expenditure with Direct Mail Agencies	0
Expenditure with Media Advertising Agencies	0
TOTAL EXPENDITURE	\$0

State Records Act 2000

Statutory Reporting

In compliance with Principle 6 of the State Records Act 2000 the Western Australian Boxing Commission is required to report on its compliance with the Act. The State Records Act 2000 requires that a Recordkeeping Plan be submitted to the State Records Advisory Committee (SRAC) for approval prior to March 2004. The Commission's plan has been partially completed and the document will be submitted for approval within the timeframe.

As part of the requirements for the recordkeeping plan, training is conducted for staff.

Each induction program addresses the roles and responsibilities of the employees in regard to compliance with the recordkeeping plan. Employees are issued with training manuals and refresher courses are conducted from time to time.

Contracts with Senior Officers

At the date of reporting, other than normal contracts of employment of service, no Board Members or Senior Officers, or firms of which Members or Senior Officers are members, or entities in which Members or Senior Officers have substantial interests had any interests in existing or proposed contracts with the Commission and Members or Senior Officers.

Staff Profile

	<u>2002/03</u>	<u>2001/02</u>
Commission Members		
- Non govt members	4	4
- Other govt staff	1	1
Department Staff		
- Member	2	1
- Executive Officer	2	1
	<hr/>	<hr/>
	9	7

Note: Departmental staff figures in 02/03 show that two members represented the Department in the year due to one officer leaving during the year. The same situation occurred with the Executive Officer role.



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

WESTERN AUSTRALIAN BOXING COMMISSION FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2003

Audit Opinion

In my opinion,

- (i) the controls exercised by the Western Australian Boxing Commission provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Commission at June 30, 2003 and its financial performance and cash flows for the year ended on that date.

Scope

The Commission's Role

The Commission is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.


D D R PEARSON
AUDITOR GENERAL
October 28, 2003

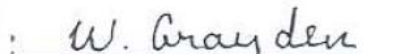
CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

The accompanying financial statements of the Western Australian Boxing Commission have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2003 and the financial position as at 30 June 2003.

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


Principal Accounting Officer
J Ough
Date: 29 August 2003


Member of Accountable Authority
G McLennan
Date: 29 August 2003


Chairman of Accountable Authority
W Grayden
Date: 29 August 2003



**WESTERN AUSTRALIAN BOXING COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2002/2003	2001/2002
		\$	\$
COST OF SERVICES			
Expenses from ordinary activities			
Members' sitting fees	2	7,388	6,288
Travel expenses	3	1,566	26
Administration expenses	3	8,511	3,792
Total cost of services		17,465	10,106
Revenues from ordinary activities			
<i>Revenue from operating activities</i>			
User charges and fees	4	855	250
Total revenues from ordinary activities		855	250
NET COST OF SERVICES		16,610	9,856
REVENUES FROM STATE GOVERNMENT			
Grants	5	20,000	20,000
Resources received free of charge	5	7,736	3,000
Total revenues from State Government		27,736	23,000
CHANGE IN NET ASSETS		11,126	13,144
Total changes in equity other than those resulting from transactions with WA State Government as owners		11,126	13,144

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

**WESTERN AUSTRALIAN BOXING COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2003**

	Note	2002/2003 \$	2001/2002 \$
Current Assets			
Cash assets	9 (a)	67,404	30,304
Receivables	6	-	20,000
Total Current Assets		67,404	50,304
Total Assets		67,404	50,304
Current Liabilities			
Payables	7	7,491	1,517
Total Current Liabilities		7,491	1,517
Total Liabilities		7,491	1,517
NET ASSETS		59,913	48,787
Equity			
Accumulated surplus	8	59,913	48,787
TOTAL EQUITY		59,913	48,787

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

**WESTERN AUSTRALIAN BOXING COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2002/2003 \$	2001/2002 \$
CASH FLOWS FROM STATE GOVERNMENT			
Grants		40,000	-
Net cash provided by State Government		40,000	-
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Members' sitting fees		(1,517)	(5,545)
Travel expenses		(1,566)	(26)
Administration expenses		(672)	(792)
Receipts			
User charges and fees		855	250
Net cash used in operating activities	9 (b)	(2,900)	(6,113)
Net increase/(decrease) in cash held		37,100	(6,113)
Cash assets at the beginning of the financial year	9 (a)	30,304	36,417
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	9 (a)	67,404	30,304

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

1 Significant accounting policies

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated, these policies are consistent with those adopted in the previous year.

General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

(a) Grants Revenue

Grants are recognised as revenue when the Commission obtains control over the assets comprising the contributions, or when the grant has been approved by the Department of Sport and Recreation.

Revenue from registrations and permits are recognised when the Commission receives the appropriate fee.

(b) Cash

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

(c) Receivables

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubts as to collection exists.

(d) Payables

Payables, including accruals not yet billed, are recognised when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. Payables are generally settled within 30 days.

(e) Outputs

The Commission has only one output, being: "To ensure that contestants and officials taking part in professional contests can do so with reasonable confidence that the risks of contracting disease from bodily fluids are minimal and that their contract with the promoter will be fulfilled".

Accordingly, separate reports by output are not produced.

(f) Western Australian Boxing Commission Prize Money and Suspended Postings Accounts

Statements have not been prepared for the Western Australian Boxing Commission Prize Money Account and Suspended Postings Account as the balance of these accounts at the end of the financial year was nil (2001/2002: Nil).

(g) Members benefits

Superannuation

Members of the Commission become non-contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. This scheme is administered by the Government Employees Superannuation Board (GESB).

The liability for superannuation charges under the West State Superannuation Scheme is extinguished by payment of employer contributions to the GESB.

(h) Resources Received Free of Charge or For Nominal Value

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.

(i) Comparative Figures

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

(j) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest dollar.

	2002/2003 \$	2001/2002 \$
2 Members' sitting fees		
Chairman's fee	5,610	5,482
Other members' fees	1,168	473
Superannuation	610	333
	<u>7,388</u>	<u>6,288</u>
3 Travel and Administration Expenses		
Audit fees	3,500	3,000
Other expenses	5,011	792
Travel	1,566	26
	<u>10,077</u>	<u>3,818</u>

4 User charges and fees

Boxers' registration fees	95	30
Industry participants' registration fees	360	220
Contest permits	250	-
Promoters' registration fees	150	-
	<u>855</u>	<u>250</u>

5 Revenues from State Government

Grants	20,000	20,000
Resources received free of charge (i) Determined on the basis of the following estimates provided by agencies:		
Office of the Auditor General	3,500	3,000
Crown Solicitors Office	4,236	-
	<u>27,736</u>	<u>23,000</u>

- (i) Where assets or services have been received free of charge or for nominal consideration, the Commission recognises revenues (except where the contribution of assets or services is in the nature of contributions by owners, in which case the Commission shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

6 Receivables

Current		
Grants receivable from Government Agencies	<u>-</u>	<u>20,000</u>

A grant of \$20,000 for the 2001/02 year was approved by the Department of Sport and Recreation during the year. The grant was not drawn prior to the end of that financial year.

2002/2003	2001/2002
\$	\$

7 Payables

Current		
Trade payables	103	-
Other - amounts due to Commission members	7,388	1,517
	<u>7,491</u>	<u>1,517</u>

8 Equity

Accumulated surplus		
Opening balance	48,787	35,643
Change in net assets	11,126	13,144
Closing balance	<u>59,913</u>	<u>48,787</u>

9 Notes to the Statement of Cash Flows

(a) Reconciliation of cash

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

Cash assets	<u>67,404</u>	<u>30,304</u>
 (b) Reconciliation of net cost of services to net cash flows used in operating activities		
Net cost of services	(16,610)	(9,856)
Non cash items:		
Resources received free of charge	7,736	3,000
Increase/(decrease) in liabilities:		
Payables	<u>5,974</u>	<u>743</u>
Net cash used in operating activities	<u>(2,900)</u>	<u>(6,113)</u>

(c) Non-cash financing and investing activities

During the financial year, there were no assets/liabilities transferred/assumed from other government agencies not reflected in the Statement of Cash Flows.

(d) At the reporting date, the Commission had fully drawn on all financing facilities, details of which are disclosed in the financial statements.

10 Commitments for expenditure

As at 30 June 2003 the Commission has no future non-cancellable commitments of either a capital, financial or operating nature (2002: no commitments).

11 Contingent Liabilities and Contingent Assets

The Members of the Commission are not aware of any contingent liabilities or contingent assets as at reporting date.

12 Events Occurring After Reporting Date

The Members of the Commission are not aware of any matters or circumstances that have arisen since the end of the financial year to the date of this report which has significantly affected or may significantly affect the activities of the Commission, the results of those activities or the state of affairs of the Commission in the ensuing or any subsequent years.

13 Explanatory Statement

(i) Significant variations between estimates and actual results for the financial year

No variances are reported as the Commission is not required to produce estimates for publication.

(ii) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year

Details and reasons for significant variations between actual results with the corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than 10% or \$1,000.

	2002/2003	2001/2002	Variance
	\$	\$	\$
Members' sitting fees	7,388	6,288	1,100
Travel expenses	1,566	26	1,540
Administration expenses	8,511	3,792	4,719
User charges and fees	855	250	605
Resources received free of charge	7,736	3,000	4,736

Members' Sitting Fees

The members of the Commission met more times in 2002/03 as there were more contests held this year. Their input was also required whilst legislation was being drafted in respect of the new Combat Sports Act.

Travel expenses

Travel expenses increased as an interstate trip was undertaken in 2002/2003. No significant travel occurred in 2001/2002.

Administration expenses

The increase is due to legal fees incurred for drafting legislation in respect of the new Combat Sports Act, along with an increase in the fee charged by the Office of the Auditor General.

User charges and fees

Fees and charges collected increased as five contests were held in 2002/03 (2001/02: nil contests).

Resources received free of charge

The increase is due to an increase in both legal and audit fees (refer Administration expenses above).

2002/2003	2001/2002
\$	\$

14 Financial Instruments

(a) Interest Rate Risk Exposure

The following table details the Commission's exposure to interest rate risk at reporting date.

	Non-interest bearing	Non-interest bearing
Financial Assets		
Cash	67,404	30,304
Receivables	-	20,000
	<u>67,404</u>	<u>50,304</u>
Financial Liabilities		
Payables	<u>7,491</u>	<u>1,517</u>

(b) Credit Risk Exposure

Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect of those amounts. In respect of cash assets, the carrying amount represents the maximum exposure to credit risk for those assets.

(c) Net Fair Values

The carrying amounts of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in note 1 to the financial statements.

15 Remuneration of Members of the Commission

Remuneration of Members of the Commission

The number of members of the Commission, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

	No.	No.
\$0 - \$10,000	4	4
	\$	\$
The total remuneration of the members of the Commission is:	7,388	6,288

The superannuation included here represents the superannuation expense incurred by the Commission in respect of members of the Commission.

No members of the Commission are members of the Pension Scheme.

16 Related Bodies

The Western Australian Boxing Commission has no related bodies.

17 Affiliated Bodies

The Western Australian Boxing Commission has no affiliated bodies.



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

WESTERN AUSTRALIAN BOXING COMMISSION PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2003

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Western Australian Boxing Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended June 30, 2003.

Scope

The Commission's Role

The Commission is responsible for developing and maintaining proper records and systems for preparing performance indicators.

The performance indicators consist of key indicators of effectiveness and efficiency.

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

D D R PEARSON
AUDITOR GENERAL
October 28, 2003

**CERTIFICATION OF PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2003**

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Western Australian Boxing Commission's performance, and fairly represent the performance of the Western Australian Boxing Commission for the financial year ended 30 June 2003.

W. Grayden

Chairman of Accountable Authority
W Grayden

Date: 29 August 2003

G McLennan

Member of Accountable Authority
G McLennan

Date: 29 August 2003



Performance Indicators

Mission Statement

To improve all aspects of safety and organisation of professional boxing in Western Australia.

Vision

Continued improvement in the monitoring of the health and safety of professional contestants and officials at contests through:

- Detection of diseases passed on by contact with bodily fluids;
- Presence of required medical equipment and staff at contests;
- Pre and post medical examinations;
- Protection of professional contestants and officials through stringent medical requirements for registration;
- Production of serology and general medical certificates;
- Improvement in the efficiency and administration of boxing promotions;
- Proof of the financial capacity of the promoter to promote a contest;
- Appropriateness of the venue.

Outcome

To ensure that professional contestants and officials taking part in professional contests can do so with reasonable confidence that the risks of contracting diseases from bodily fluids are minimal, and that their contract with the promoter will be fulfilled.

Performance Indicators

Effectiveness Indicators

1. Percentage of registered professional boxers with a positive serology test.

2002/2003 0%

2001/2002 0%

A condition of registration with the Commission is that the examining doctor must return a serology test result certificate to the Commission. The certificate will advise the Commission if a boxer has tested positive.

2. Percentage of instances of non-compliance with the Boxing Control Act 1987 and its Regulations.

2002/2003 0%

2001/2002 0%

Efficiency Indicators

1. Cost of issuing a permit for a contest registered by the Commission.

This measure is calculated as follows:
$$\frac{\text{Total Costs}}{\text{Number of Registered Promotions}}$$

Total costs will include:

- Chairman's fee;
- Members fees and contest attendance allowances;
- Operating costs including any professional / non professional services

	DETAILS	2002/2003	2001/2002
1	Chairman's fees	5,610	5,482
2	Members sitting fees and allowances	1,168	473
3	Member's Superannuation	610	333
4	Operating costs	10,077	3,818
	TOTAL	17,465	10,106

Cost Of Issuing A Permit

2002/2003

<u>Total Operating Costs</u>	<u>17,465</u>	\$3,493
Registered Contests	5	

2001/2002

There were no contests held during 2001/2002.