



Government of **Western Australia**
Department of **Sport and Recreation**
Combat Sports Commission

Annual Report 2015/16

For the Safety and Organisation of Combat Sports





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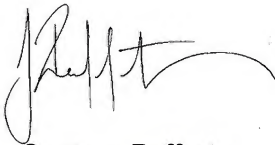
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Minister for Sport and Recreation

Hon. Mia Davies MLA
Minister for Sport and Recreation

In accordance with Section 66 of the *Financial Administration and Audit Act 1985*, I hereby submit for your information and presentation to Parliament the annual report for the Combat Sports Commission (the Commission) for the period 1 July 2015 to 30 June 2016.

The Annual Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act 1985*.



Seamus Rafferty
Commission Chairman



Arron Minchin
Commission Member on behalf of the
Department of Sport & Recreation

Supporters and partners of the Commission

Without the support of the Combat Sports Commission's (the Commission) major partners a great deal of the Commission's work would not be possible. The contribution of these partners and supporters is gratefully acknowledged.

Department of Sport and Recreation Western Australia

Western Australian Police

New South Wales Combat Sports Authority

Victorian Boxing and Combat Sports Board

South Australian Boxing and Martial Arts Advisory Committee

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Commission structure

The structure of the Combat Sports Commission (the Commission) refers to its size and composition and is outlined in section 4(2) of the *Combat Sports Act 1987* (the Act). Section 4(2) requires that the Commission maintain a mix of knowledge, skills and experience to ensure that it can effectively regulate combat sports contests.

Commissioner	Role within the Commission	Term
Mr Seamus Rafferty	Chairman	Ends January 2018
I. Mark Longman	A police officer nominated in writing by the Commissioner of Police.	Commenced January 2016*
Dr Roslyn Carbon	A medical practitioner who in the opinion of the Minister has knowledge of injuries suffered by contestants.	Ends January 2017
Mr Wayne Rowland	A person who in the opinion of the Minister has knowledge of the boxing industry	Ends January 2018
Mr Derrick Chan	A person who in the opinion of the Minister has knowledge of the industry relating to combat sports other than boxing.	Ends January 2017
Vacant	A person who in the opinion of the Minister represents persons who are or have been registered as contestants in a class relevant to boxing.	
Mr Victor Stuart	A person who in the opinion of the Minister represents persons who are or have been registered as contestants in a class other than a class relevant to boxing.	Ends January 2017
Mr Dean Woodhams	A person who in the opinion of the Minister has knowledge of the industry relating to combat sports known as mixed martial arts.	Ends January 2017
Mr Arron Minchin	An officer of the Department of Sport and Recreation nominated by the chief executive officer.	Commenced November 2013*

*Commissioners in these positions are nominated by other government bodies and remain on the Commission until their nomination is withdrawn.

Commissioners



Mr Seamus Rafferty

Chairman of the Commission.

Mr Seamus Rafferty was appointed Chairman of the Combat Sports Commission in 2012.

Seamus is a barrister and solicitor specialising in criminal law. After graduating from Notre Dame University in 2001, he completed his Articled Clerkship at the Office of the Director for Public Prosecutions for Western Australia.

He worked as a State Prosecutor between 2002 and 2009, during which period he prosecuted serious criminal offences in the District and Supreme Courts. In 2009 he commenced as a sole practitioner and now defends those accused of various offences.

Seamus is the Deputy Chairman of the Liquor Commission of Western Australia. He has a strong sporting background, having played cricket competitively for over 30 years and umpired football with the Western Australian Football League and Western Australian Amateur Football League.



Dr Roslyn Carbon

A medical practitioner who in the opinion of the Minister has knowledge of injuries suffered by contestants.

Dr Roslyn Carbon was appointed to the Commission in 2014 and is a medical practitioner with knowledge of injuries suffered by contestants. Dr Carbon was nominated to provide specialist advice backed by her extensive sports medicine knowledge.

Roslyn has worked with the Australian Institute of Sport, the Perth Wildcats, the English Institute of Sport and the British Olympic Medical Centre. She has also been the medical officer for the British Olympic Team on six occasions and during this time worked with the British Olympic Boxing, Judo and Taekwondo teams.

Roslyn is focussed on ensuring that proper health and medical standards are maintained in combat sports.



I. Mark Longman

A police officer nominated in writing by the Commissioner of Police.

Inspector Mark Longman is the Western Australian Police Commissioner's representative on the Combat Sports Commission, having joined the Commission in January 2016.

Mark is a career police officer having served for over 30 years in metropolitan and regional areas predominantly in frontline uniform roles. He has been the Officer in Charge of both metropolitan and country police stations providing the integral link between the communities he policed and the Western Australia Police. Mark has also served with the Australian Federal Police in East Timor, as the Officer in Charge of a large police station.

He is currently attached to the Licensing Enforcement Division where one of his roles is to ensure the integrity of relevant industries through a stringent and ongoing probity process.

Mark brings this experience and knowledge to the combat sports industry and is focused on ensuring that persons involved in the various professions are deemed to be 'fit and proper'. On that basis Mark provides valuable assistance and advice to the Commission during the assessment of permit applications.

A person with knowledge of the boxing industry.

Mr Wayne Rowland was appointed to the Commission in January 2011 and is a person who has knowledge of the boxing industry.

Wayne has been involved in the combat sports industry for over 20 years in the capacity of a Contestant, Trainer, Judge, Promoter and now a Commissioner.

Wayne wants to help in the development of combat sport to ensure it grows into a larger industry not only in WA but also nationally and internationally. He wants combat sport to be considered a true sport that sportspeople (whether children or adult) can take up with the knowledge that their health and safety as an athlete comes first.



Mr Wayne Rowland

Commissioners – continued



Mr Derrick Chan

A person who in the opinion of the Minister has knowledge of the industry relating to combat sports other than boxing.

Mr Derrick Chan was appointed to the Commission in January 2011 as a person who has knowledge of combat sports other than boxing.

Derrick's martial arts experience extends over 36 years in the areas of Kyokushin Kai and Shotokan Karate, Jujitsu, Kung-fu and Taekwon-Do both WTF and ITF, having competed at State, National and World Championships for Australia. He is a registered official / referee for these styles of Karate and Taekwon-Do as well over the same period of time.

Derrick brings to the Commission not only experience and knowledge from his martial arts background but also years of experience from his professional work background in both project management and quality assurance.

Derrick is focused on ensuring the health and welfare of competitors and officials of all combat sports and hopes to assist in the development and improvement of the combat sports industry through improved industry relationships, encouraging further industry professional development, continuing the development of policies and procedures and implementing better strategic and forward planning.

Vacant

A person who in the opinion of the Minister represents persons who are or have been registered as contestants in a class relevant to boxing.

The position of representative of persons who are or have been registered as contestants in a class relevant to boxing is currently vacant. The Commission hopes to fill this position in the new financial year.

A person who in the opinion of the Minister represents persons who are or have been registered as contestants in a class other than a class relevant to boxing.

Mr Victor Stuart was appointed to the Commission in 2010 and represents persons who are or have been registered as contestants in a class other than a class relevant to boxing.



Mr Victor Stuart

Victor is currently employed as an Ambulance Paramedic with the West Australian Ambulance Service (St John Ambulance WA).

Victor has over 30 years of experience in martial arts, training extensively in Jujutsu, Karate, Jojutsu, Iaido, Kendo, and Jodo. Mr Stuart is focussed on maintaining a high level of safety and professionalism in all aspects of combat sports, be that professional or amateur contests, and providing strategic direction for the continued development of combat sport in Western Australia.

A person who in the opinion of the Minister has knowledge of the industry relating to combat sports known as mixed martial arts.

Mr Dean Woodhams was appointed to the Commission in October 2014 as a person who in the opinion of the Minister has knowledge of the industry relating to combat sports known as mixed martial arts.

Dean has been involved in the combat sports industry for nearly 35 years. In this time he has reached the levels of seventh degree black belt in Zen Do Kai karate, seventh degree trainer in kickboxing and first degree black belt in shoot wrestling. He also has a special interest in practical weaponry and holds first degrees in modern Bojutsu and Kombatan Arnis



Mr Dean Woodhams

Dean has competed in touch-contact and full contact Zen Do Kai competitions at one time being the undefeated state champion. He has also been a registered official with the Combat Sports Commission for a decade holding registrations in the capacity of referee, judge and timekeeper for Mixed Martial Arts, Muay Thai and professional boxing.

Dean has been a senior official for the World Muay Thai Council in WA, the senior officials advisor for the Oceania Muay Thai Federation and has previously been engaged by the Combat Sports Commission to train amateur and professional officials.

Commissioners – continued



Mr Arron Minchin

An officer of the Department of Sport and Recreation nominated by the chief executive officer.

Mr Arron Minchin was appointed to the Commission in November 2013 as an officer of the Department of Sport and Recreation nominated by the Director General.

Arron joined the Department of Sport and Recreation in September 2013 where he is the Director of Industry Development and Participation. In this role Arron works with a large number of State Sporting Associations and Industry Representative Groups on issues relating to their delivery of sport and recreation to the WA Community.

Prior to this role Arron has worked across State and Local Government as well as the private sector including roles with the Peel Development Commission, WA Police Service and BHPBilliton.

Outgoing Commissioners

There were a number of changes to the make-up of the Commission during 2015/2016 with two Commissioners moving on.

After three years with the Commission as the representative of boxers Alex McKenzie chose not to renominate for the position at the end of 2015. Alex's experience in corporate governance, risk management and reporting were invaluable to the Commission and his contribution will be missed. The Commission thanks Alex for his hard work and wishes him all the best as he moves on from the Commission.

Having acted as the representative of the Commissioner of Police Detective Inspector Tom Clay also moved on from the Commission in December 2015 when he was transferred to another division. Tom's liaison between the Commission and the WA Police was vital for Commission operations and the Commission thanks Tom for his efforts and input whilst in this role.



D.I. Tom Clay

D.I. Tom Clay was appointed to the Commission as a police officer nominated in writing by the Commissioner of Police.



Mr Alex McKenzie

Mr McKenzie was appointed to the Commission as person who in the opinion of the Minister represents persons who are or have been registered as contestants in a class relevant to boxing.

Chairman's report

The 2015/2016 financial year was a productive yet challenging year for the Combat Sports Commission (the Commission) with a number of new initiatives being implemented and a number of changes to the composition of the Commission.

Changes to Commissioner Positions

This year saw two changes in the membership of the Commission with Alex McKenzie and Detective Inspector Tom Clay moving on.

Alex McKenzie decided not to seek reappointment to the position that represents persons who are or have been registered as contestants in a class relevant to boxing, leaving the Commission in January 2016. Alex's main contribution related to advice in the areas of financial management and corporate governance, these being areas in which he has considerable experience. I thank Alex for his contribution to the Commission and wish him well in his retirement.

Tom Clay was the representative of the Commissioner of Police. He was reassigned to another division within the WA Police in December 2015. Tom provided a vital link between the Police and the Commission and valuable insight into matters relating to the application of fit and proper person requirements specified in the *Act*. I thank Tom for his contribution to the Commission and wish him well in his new role.

In January 2016 the Commission welcomed Inspector Mark Longman as the new representative of the Commissioner of Police. Mark comes from a strong community policing background and this is his first appointment to the Commission. I welcome Mark to the Commission and thank him for his contribution to date.

Drug testing

I am pleased to advise that the Commission finalised arrangements during the year to implement random drug testing at contests. This is the culmination of many months work by the Commission's staff and would not be possible without the services and guidance of ChemCentre and Mediscreen.

As clearly outlined in the Commission's Position Statement on Drug Testing, the Commission takes a zero tolerance approach to banned drugs and substances in combat sports. The implementing of this program will help ensure the integrity of the combat sports industry and go some way to addressing the concerns raised by the Australian Sports Anti-Doping Authority (ASADA) at the integrity in sport forum held in 2015.

Padding Requirements

March 2016 marked three years since the implementation of additional protective padding requirements for junior and novice contestants. Whilst these requirements are still not accepted by some sections of the industry, I am pleased with the overwhelmingly positive feedback that the Commission has received on this matter. Most of this positive feedback has been from parents of juniors who would not have allowed their children to compete if it were not for the implementation of these padding requirements.

On this topic the Australian Institute of Sport and Australian Medical Association launched their Concussion in Sport website, www.concussioninsport.gov.au in June 2016. This is a great resource for contestants and trainers and shows how far ahead of the game combat sports have been in the management of concussion.

I was also interested to note that the topic of protective headgear in sport is raised on this website stating that whilst there is no clear evidence that the use of head guards increases or decreases the risk of concussion they do play an important role in reducing the risk of skull fracture and subdural hematoma.

Policy Work

The Commission has undertaken a significant amount of policy work during 2015/2016 reviewing or implementing a range of policies to guide Commission decision making and provide greater clarity to the industry.

Chairman's report – *continued*

The most notable policies that were reviewed or implemented during the year were:

- the Exhibition Events Policy – Boxing and Muay Thai,
- the Fit and Proper Person Policy – Promoters,
- the Fit and Proper Person Policy – Other than Promoters,
- the Pregnancy Testing Policy, and
- the Code of Conduct for Contestants and Industry Participants.

Steps are being taken to ensure that these policies are available to the general public through the Commission website and this work will be completed in the coming months.

In addition to these policies the Conditions of Registration were also reviewed during the year with a view to making them more concise and clearer for registrants. Previously large sections of these conditions were devoted to requirements already clearly spelt out in permit conditions or the *Act* and *Regulations*. These sections have now been removed and the updated document has been added to the Commission website for contestant and industry participant information.

Mixed Martial Arts Risk Review

The Mixed Martial Arts Risk Review continued into 2015/2016 with little progress. The purpose of this review was to ensure that the Commission was doing all it could to safeguard the health and safety of MMA contestants in the absence of a fenced enclosure or 'cage'.

I am disappointed to report that the review has stalled in the consultation stage as members of the industry are not interested in providing their feedback. Time and again the Commission is criticised for not listening to or consulting with the industry however when a significant opportunity such as this is presented, industry members are not interested in even participating in a phone interview. It remains to be seen what impact this lack of response will have on the regulation of MMA contests in Western Australia into the future. Commission staff are now working with the consultant to determine whether further work is worth pursuing.

Chairman's Resignation

In May 2016 I announced that I would be resigning from the Commission effective from 31 July 2016. This is due to an increase in workload in my professional life which has not left me with the time to dedicate to the Chairman's role. I have really enjoyed the last five or so years as Chairman and have learnt so much about combat sports. I would like to thank the current Minister for Sport and Recreation, the Hon. Mia Davies and the previous Minister the Hon. Terry Waldron for their support during my tenure.

I wish to publically acknowledge the efforts of Greg McGuire, Stacey Newton, Tracey Beckwith, Antoni Grover, Lisa Pearson and Alice Ferro. It is their commitment and professionalism that ensures the smooth running of the Commission. Each of them made my task as Chairman extremely easy.

I also wish to acknowledge the contribution of all members of the Commission, with specific acknowledgement of Commissioners Derrick Chan and Dean Woodhams. Both of these Commissioners has a significant level of knowledge and experience in combat sports and has attended the majority of promotions in 2015/2016. I thank them for their dedication and personal assistance that they have provided to me.

Recently retired Magistrate Paul Heaney has been appointed as my successor in the Chairman's role. His experience will be an invaluable asset to the Commission and I wish him well.

Chairman's report – *continued*

On behalf of the Commission, I would like to again thank the Hon. Mia Davies for her support of the Commission and would also like to personally commend all Commission members and support staff for their efforts in enforcing the Act during the year.

A handwritten signature in black ink, appearing to read 'Seamus Rafferty', with a long horizontal flourish extending to the right.

Seamus Rafferty
Commission Chairman
July 2016

Mission statement and priorities

The mission of the Combat Sports Commission (the Commission) is to improve all aspects of safety, integrity and organisation of combat sports contests in Western Australia.

1. Industry leadership – The Commission consists of individuals with knowledge appropriate to combat sports. The appointment of these representatives ensures that the Commission remains at the fore-front of all issues and trends relating to combat sports events.
2. Support – Meeting with industry participants on a regular basis and attending all combat sports contests, provides promoters and other industry participants with a visible level of support.
3. Education – The Commission provides industry participants with access to a number of courses run in conjunction with the Department of Sport and Recreation as well as training initiatives that are specific to combat sports.

These priorities assist the Commission to provide advice and direction to all participants which has resulted in an increased level of health, safety and event management outcomes.

Minister Responsible

The Combat Sports Commission reports to the Hon. Mia Davies, in her capacity as Minister for Sport and Recreation.

Objectives

The objectives of the Combat Sports Commission (the Commission) are to:

- Carry out the functions conferred on the Commission under the *Combat Sports Act 1987*.
- Recommend standards, specifications, codes of conduct and guidelines to ensure proper standards in combat sports.
- Devise and approve standards or guidelines for the preparation or training of persons participating in or proposing to participate in contests, and
- Advise the Minister for Sport and Recreation on combat sport matters or any other matter incidental to combat sports.

Vision

The vision of the Commission is the improvement in the monitoring of the health and safety of all contestants both professional and amateur by:

- Protection of contestants and officials through stringent medical requirements for registration.
- Detection of blood borne diseases through ongoing serology testing.
- Presence of a medical practitioner and required medical equipment at all contests.
- Pre and post medical examinations.

Highlights

Drug Testing

The Commission takes a zero tolerance approach to drug use in combat sports contests and in 2015/2016 finalised arrangements to implement random drug testing at contests in Western Australia. As previously reported the unique organisation of combat sports in Australia has meant that this drug testing cannot be undertaken by the Australian Sports Anti-Doping Authority (ASADA). As such the Commission has sought out its own supplier to undertake this testing.

To this ends the Commission has partnered with ChemCentre and Mediscreen to create a testing regime that covers both performance enhancing, licit and illicit drugs. Currently Mediscreen is undertaking the collection of samples and ChemCentre is providing the analysis service. All tests adhere to the Australian Standards for both analysis and chain of custody. Both urine and saliva samples are being collected to ensure historical and in contest drug use is detected.

Combat Sports Database

Following a recommendation included in the Functional Review of 2014/2015 the Commission took its first steps toward upgrading its registrant database in early 2016. The purpose of this upgrade is to reduce double handling of registration and contest information and make it easier to submit registration and permit applications.

It has been a slow process so far with the requirements and specifications being finalised over a number of months. The Commission is hoping that work will begin in August 2016 with a view to completing the project in September 2016.

Once this new database is complete it will allow contestants and industry participants to register and pay online, allow promoters to submit permit applications and fight cards online, send automatic reminders when registration requirements are about to expire, automatically update promotion records and make the approval of promotions and contests easier.

Once complete the Commission will produce a user guide for the industry and hold training sessions if there is the demand.

Injury Statistics

In 2015/2016 the Commission continued to maintain a database of reportable injuries suffered by contestants. Reportable injuries are defined as any injury sustained during a contest that is recorded on the Post Contest Medical Examination Form and required treatment from the ringside medical practitioner or follow up treatment after the contest.

The Commission can report that of the 810 contestants participating in the 34 promotions directly overseen by the Commission in 2015/2016, there were 89 reportable injuries. This equates to 9.2% of contestants suffering an injury during a contest and is a five percent drop from 2014/2015. Once again the Commission is pleased to report that it is significantly less than the industry average for all combat sports which sits around 20%.

Further analysis of the 89 reportable injuries show; 24 mandatory medical suspensions due to stoppages, 42 lacerations requiring steri-strips, glue or sutures, 11 dislocations, breaks or referrals for x-rays and 19 miscellaneous injuries ranging from bruises to sprains and strains.

Business Management

Human Resources

During 2015/2016 there were some changes to Commission staffing with part time Commission Administration Officer Lisa Pearson accepting a secondment to the Department of Sport and Recreation's Executive Office. The Commission wishes Lisa well in this new role and hopes to see her back in the combat sports team again in the future.

Alice Ferro joined the Commission's staff in June 2016 to back fill the part time Administration Officer role. Alice comes from the Department of Mines and Petroleum and brings with her a wealth of administrative experience. The Commission welcomes Alice and looks forward to working with her.

The Commission's Compliance and Client Services Officer Tracey Beckwith took some well-earned long service leave in May 2016. Filling in for Tracey is Antoni Grover who is on secondment from the Department of Sport and Recreation's inclusion team. The Commission welcomes Antoni and hopes he enjoys his time with the combat sports team and finds the experience a rewarding one.

It is also with a sense of sadness that the Commission advises that its Chairman of over five years, Seamus Rafferty, has resigned and will leave this role at the end of July 2016. Seamus has been a strong and effective Chairman and his leadership will be missed. The Commission wishes Seamus well in his future endeavours and will liaise with the Minister's Office to ensure a new Chairman is recruited in readiness for his departure.

Financial Management

The Commission remains on an ongoing funding arrangement with the Department of Treasury.

The Commission's finances are managed by the Department of Sport and Recreation's finance branch under a service level agreement. The finance branch provides effective governance of the Commission's financial policies and processes.

The implementation of the Technology One finance system by the Department this year has allowed the Commission to access more detailed financial reporting. This will allow the Commission to better analyse and manage its finances.

Industry contact

The Commission provided the industry with an array of information over the last year, including information on:

- Commission Fact Sheets,
- First aid courses,
- Strapping courses,
- Proposed promotion dates, and
- Injury management.

In addition to providing the industry with this information the Commission also held a Boxing Officials and a Muay Thai Officials seminar during 2015/2016. Unfortunately these seminars were not well attended however those that were there gained a valuable refresher on judging and refereeing contests. The Commission thanks Gary Ingraham, Mark Simpson and Darius Douch for presenting these seminars.

The Commission continued to use social media as a communication tool with the industry. The Commission's Facebook account continues to prove invaluable in contacting contestants and industry participants and in providing timely information to the industry.

Statutory reporting

Freedom of Information (FOI) Act 1992

The Combat Sports Commission (the Commission) abides by the Department of Sport and Recreation's Freedom of Information policy. The department provides all FOI services to the Commission and liaises with the community, public and media in regards to FOI requests.

The Freedom of Information policy is available at www.dsr.wa.gov.au.

No FOI requests were received during 2015/2016.

Public sector standards and ethical codes

No compliance issues arose during the 2015/2016 year in relation to the Public Sector Standards. The Commission continues to monitor all complaints made to the Chairman.

Equity, access, inclusion and substantive equality

The Commission has adopted all of the Department of Sport and Recreation principles, standards or procedures in relation to equity, access, inclusion and substantive equality.

Advertising and marketing expenditure

In compliance with section 175ZE of the *Electoral Act 1907*, the 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.

Advertising agencies	
Adcorp	\$2593.06
Market research agencies	\$0.00
Polling agencies	\$0.00
Direct mail agencies	\$0.00
Media advertising agencies	\$0.00
TOTAL	\$2593.06

Enabling legislation

The Combat Sports Commission (the Commission) is established as a statutory authority under Section 4 of the *Combat Sports Act 1987*.

Legislation impacting on the activities of the Commission

In performing its functions, the Commission must comply with the following legislation:

- *Equal Opportunity Act 1984*
- *Disability Services Act 1993*
- *Financial Administration and Audit Act 1985*
- *Salaries and Allowances Act 1975*
- *State Supply Commission Act 1991*
- *State Records Act 2000.*
- *Freedom of Information Act 1992*
- *Government Employees Superannuation Act 1987*
- *Occupational Health and Safety Act 1984*
- *Workers' Compensation and Rehabilitation Act 1981 (as the amended Workers' Compensation and Rehabilitation Amendment Act 1993)*
- *Public Interest Disclosure Act 2003*

Independent Audit Opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

COMBAT SPORTS COMMISSION

Report on the Financial Statements

I have audited the accounts and financial statements of the Combat Sports Commission.

The financial statements comprise the Statement of Financial Position as at 30 June 2016, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Combat Sports Commission at 30 June 2016 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Commission's Responsibility for the Financial Statements

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

Auditor's Responsibility 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 based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Report on Controls

I have audited the controls exercised by the Combat Sports Commission during the year ended 30 June 2016.

Controls exercised by the Combat Sports Commission are those policies and procedures established by the Commission 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.

Opinion

In my opinion, in all material respects, the controls exercised by the Combat Sports Commission 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 2016.

Commission's Responsibility for Controls

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

Auditor's Responsibility for the Audit of Controls

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Combat Sports Commission based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

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

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

Report on the Key Performance Indicators

I have audited the key performance indicators of the Combat Sports Commission for the year ended 30 June 2016.

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

Opinion

In my opinion, in all material respects, the key performance indicators of the Combat Sports Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2016.

Commission's Responsibility for the Key Performance Indicators

The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Commission determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility for the Audit of Key Performance Indicators

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

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Commission's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

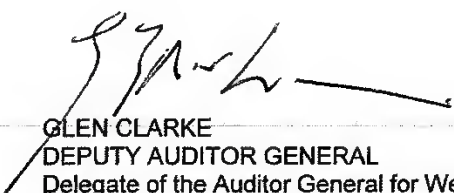
I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting the above audits, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Combat Sports Commission for the year ended 30 June 2016 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.




GLEN CLARKE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
9 September 2016

Certification of Performance Indicators


**CERTIFICATION OF PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2016**

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Combat Sports Commission's performance, and fairly represent the performance of the Combat Sports Commission for the financial year ended 30 June 2016.



Chairman
Seamus Rafferty

Date: 8/9/16



Member

Date: 8/9/16



Performance Indicators

Government Goal

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians

Performance indicators

For each service, agencies are required to report measures of quantity, quality, timeliness and cost.

Service

The Combat Sports Commission (the Commission) has only one service, being: "To ensure that contestants and officials taking part in contests can do so with reasonable confidence that the risks of contracting disease from bodily fluids are minimal and that the promoter will fulfil their requirements under the *Combat Sports Act 1987* and the *Combat Sports Regulations 2004*".

Desired outcome

To improve all aspects of safety and organisation of combat sports contests in Western Australia.

Effectiveness indicators:

Indicator one

Percentage of registered combat sports contestants with a positive serology test: This is the percentage of serology reports that the Commission received that showed a registered contestant was positive for either Hepatitis B, Hepatitis C, or HIV.

The target for this KPI is 0%.

Period	Percentage of positive serology reports
2015/2016	0%
2014/2015	0%
2013/2014	0%
2012/2013	0.96%
2011/2012	0%
2010/2011	0.52%
2009/2010	0%

As required by the *Combat Sports Act 1987* and the *Combat Sports Regulations 2004* individuals that apply for registration and present with a positive serology report have their registration as a contestant was declined.

Performance Indicators - continued

Indicator two

Percentage of instances of non-compliance with the *Combat Sports Act 1987* and its *Combat Sports Regulations 2004*: This percentage represents the number of breaches out of all the potential breaches under the *Act* and *Regulations* over a financial year.

The target for this KPI is 0%.

Period	Percentage of non-compliance
2015/2016	1.13%
2014/2015	0.83%
2013/2014	1%
2012/2013	2.3%
2011/2012	2%
2010/2011	3%
2009/2010	6%

Non Compliance relates to any breach of the Act or its supporting Regulations. Examples include but are not limited to:

- Failing to hold a weigh-in in accordance with the provisions of the Act,
- Taking part in a contest without being registered,
- Arranging a contest without a permit,
- Failing to adhere to a medical suspension issued by a medical practitioner, or
- Failing to adhere to the mandatory rest periods specified in the Regulations.

Despite the Commission's best efforts there were breaches of the Act and the Regulations this financial year. Whilst the number of breaches was higher this year than previous years they remain at very low levels due largely to the Commission's promotion feedback system. As with previous years major breaches of the Act/Regulations that impact on contestant health and safety are not tolerated by the Commission and in these situations the breach is either addressed or the contest permit is cancelled. Low level breaches of the Act/Regulations that do not impact on contestant health and safety are generally raised with the relevant people at the time and if not addressed the Commission takes action after the contest through the promotion feedback process.

Performance Indicators - continued

Efficiency indicator:

Indicator 3

The cost of issuing a permit for a contest regulated by the Commission.

The measure is calculated by:

Total operating cost
Number of promotions held

	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012	2010/2011	2009/2010
Costs	\$	\$	\$	\$	\$	\$	\$
Chairman's fee	13,250	9,400	9,400	9,400	9,537	9,400	12,250
Commissioner fees and allowances	43,899	38,700	25,022	27,800	31,739	24,617	28,800
Commissioner superannuation	4,945	4,570	2,887	3,303	3,589	3,061	3,695
Operating costs	633,599	587,120	500,229	468,517	221,114	313,623	238,228
Total	695,692	639,790	537,538	509,020	265,979	350,701	282,973
Number of promotions	34	39	35	24	23	20	16
Cost of issuing a permit	20,462	16,405	15,358	21,209	11,564	17,535	17,686

NB: The target cost of issuing a permit in 2015-16 was \$19,650. This is based on estimated operating costs of \$786,000 and the estimated number of promotions of 40 for the 2015-2016 financial year.

The Commission did not meet its efficiency indicator this year due to a lower than expected number of promotions and a small number of one off costs relating to the development of a new registrant database and a risk review of Mixed Martial Arts contests.

Certification of Financial Statements


**CERTIFICATION OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

The accompanying financial statements of the Combat Sports Commission 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 2016 and the financial position as at 30 June 2016.

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.



Chief Financial Officer
Damian Rosielle



Member

Date: 8/9/16

Date: 8/9/16.



Chairman
Seamus Rafferty

Date: 8/9/16



Statement of Comprehensive Income

For the year ended 30 June 2015.

	Note	2015	2014
		\$	\$
COST OF SERVICES			
Expenses			
Members' remuneration	6	62,094	52,670
Supplies and services	7	633,599	587,121
Total cost of services		695,693	639,791
Income			
<i>Revenue</i>			
User charges and fees	8	46,477	35,195
Sundry Revenue	9	568	1,202
Total revenue		47,045	36,397
Total income other than income from State Government		47,045	36,397
NET COST OF SERVICES		648,648	603,394
Income From State Government			
Grants	10	786,000	758,000
Services received free of charge	10	20,888	-
Total income from State Government		806,888	758,000
SURPLUS/(DEFICIT) FOR THE PERIOD		158,240	154,606
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		158,240	154,606

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

Statement of Financial Position

For the year ended 30 June 2015.

	Note	2015	2014
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	18 (a)	649,989	529,022
Receivables	13	17,601	21,981
Other current assets	14	-	110
Total Current Assets		667,590	551,113
Non-Current Assets			
Property, plant and equipment	11	-	-
Total Non-Current Assets		-	-
TOTAL ASSETS		667,590	551,113
LIABILITIES			
Current Liabilities			
Payables	15	77,347	120,293
Other current liabilities	16	59,507	60,443
Total Current Liabilities		136,854	180,736
Non-Current Liabilities			
Other non-current liabilities	16	24,033	21,914
Total Non-Current Liabilities		24,033	21,914
TOTAL LIABILITIES		160,887	202,650
NET ASSETS		506,702	348,462
EQUITY			
Accumulated surplus/(deficit)	17	506,701	348,462
TOTAL EQUITY		506,701	348,462

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

Statement of Cash Flows

For the year ended 30 June 2015.

	Note	2015 \$	2014 \$
		<u> </u>	<u> </u>
CASH FLOWS FROM STATE GOVERNMENT			
Grants		786,000	758,000
Net cash provided by State Government		<u>786,000</u>	<u>758,000</u>
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Members' sitting fees		(73,183)	(61,503)
Supplies and services		(638,843)	(606,410)
GST payments on purchases		(77,648)	(61,927)
GST payments to taxation authority		(6,977)	(9,252)
Receipts			
User charges and fees		44,657	41,736
Other receipts		568	1,202
GST receipts on sales		12,398	4,138
GST received from taxation authority		73,995	58,134
Net cash provided by/(used in) operating activities	18 (b)	<u>(665,033)</u>	<u>(633,882)</u>
Net (decrease)/increase in cash and cash equivalents		120,967	124,118
Cash and cash equivalents at the beginning of the period	18 (a)	529,022	404,904
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	18 (a)	<u><u>649,989</u></u>	<u><u>529,022</u></u>

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

Statement of Changes in Equity

For the year ended 30 June 2015.

	Note	Accumulated Surplus/(Deficit)	Total Equity
		\$	\$
Balance at 1 July 2013	17	193,856	193,856
Surplus/(Deficit)		154,606	154,606
Balance as at 30 June 2014		348,462	348,462
Balance at 1 July 2014		348,462	348,462
Surplus/(Deficit)		158,240	158,240
Balance as at 30 June 2015		506,702	506,702

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

Notes to the Financial Statements

Note 1 Australian Accounting Standards

General

The Commission's financial statements for the year ended 30 June 2016 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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

Early adoption of standards

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. Partial exemption permitting early adoption of AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities has been granted. Aside from AASB 2015-7, there has been no early adoption of any other Australian Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2016.

Note 2 Summary of significant accounting policies

(a) General Statement

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

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

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

(b) Basis of Preparation

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

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

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

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

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

(c) Reporting Entity

The reporting entity comprises the Commission and bodies included at note 25 'Related bodies'.

(d) Income

Revenue Recognition

Revenue is recognised at fair value 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.

Note 2 Summary of significant accounting policies (continued)

Registrations and Permits (User Charges and Fees)

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

Service Appropriations (Grants from State Government)

Service Appropriations are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account by the Department of Sport and Recreation.

Other Revenue

The revenue from other activities including fines is recognised at fair value when the significant risks and rewards of ownership transfer to the Commission and can be measured reliably.

(e) Property, Plant and Equipment

Capitalisation/expensing of assets

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

Initial recognition and measurement

Property, plant and equipment and infrastructure are initially recognised at cost.

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

Derecognition

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

(f) Depreciation of non-current assets

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

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

Plant and Equipment	3 - 5 years
Computer Hardware	3 years

(g) Impairment of Assets

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

Note 2 Significant accounting policies (continued)

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

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

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

Refer to note 12 'Impairment of assets' for the outcome of impairment reviews and testing.

(h) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent assets comprise cash on hand. The Commission does not hold short term deposits or any bank overdrafts.

(i) Accrued members' remuneration

Accrued members' remuneration (see note 16 'Other Liabilities') represent the amount due to members but unpaid at the end of the financial year. Accrued members' remuneration is settled within a fortnight of the financial year end. The Commission considers the carrying amount of accrued members' remuneration to be equivalent to its fair value.

(j) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Commission will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(k) Payables

Payables are recognised when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

(l) Services

The Commission has only one service, being: "To ensure that contestants and officials taking part in amateur and 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 fulfil their requirements under the Combat Sports Act 1987 and the Combat Sports Regulations 2014". Accordingly, separate reports by service are not produced.

(m) Combat Sports Commission Prize Money and Suspended Postings Accounts

Statements have not been prepared for the Combat Sports Commission Prize Money Account and Suspended Postings Account as the balance of these accounts at the end of the financial year was nil (2014-15: Nil).

Note 2 Significant accounting policies (continued)

(n) Members' benefits

Superannuation

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

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

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

The Commission has no liabilities under the Pension Scheme, the GSS or the WSS schemes.

Superannuation Expense

"The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GESBS and other superannuation funds."

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

Assets or services received free of charge or for nominal cost, that the Commission would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(p) Comparative Figures

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

Note 3 Judgements made by management in applying accounting policies

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

Note 4 Key sources of estimation uncertainty

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

Note 5 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards effective, or adopted, for annual reporting periods beginning on or after 1 July 2016 that impacted on the Commission.

AASB 2013-9	Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments Part C of this Standard defers the application of AASB 9 to 1 January 2017. The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014-1. The Commission has not yet determined the application or the potential impact of AASB 9.
AASB 2014-8	Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)] This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 Financial Instruments (December 2010), arising from the issuance of AASB 9 Financial Instruments in December 2014. The Commission is not currently permitted to early adopt the resultant financial instrument standard and has not yet determined the financial impact of the Standard.
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact.

Future impact of Australian Accounting Standards not yet operative

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

		Operative for reporting periods beginning on/after
AASB 9	<i>Financial Instruments</i> This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i> , introducing a number of changes to accounting treatments. The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9 and AASB 2014-1 <i>Amendments to Australian Accounting Standards</i> . The Department has not yet determined the application or the potential impact of the Standard.	1 Jan 2018

AASB 15	<i>Revenue from Contracts with Customers</i>	1 Jan 2018
	This Standard establishes the principles that the Authority shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The Authority has not yet determined the application or the potential impact of the Standard.	
AASB 16	<i>Leases</i>	1 Jan 2019
	This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Authority has not yet determined the application or the potential impact of the Standard.	
AASB 1057	<i>Application of Australian Accounting Standards</i>	1 Jan 2016
	This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. There is no financial impact.	
AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i>	1 Jan 2018
	This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.	
	The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Commission has not yet determined the application or the potential impact of the Standard.	
AASB 2014-1	<i>Amendments to Australian Accounting Standards</i>	1 Jan 2018
	Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Department to determine the application or potential impact of the Standard.	
AASB 2014-3	<i>Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11]</i>	1 Jan 2016
	The Commission establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in Joint Operations. Therefore, there is no financial impact on application of the Standard.	
AASB 2014-4	<i>Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]</i>	1 Jan 2016
	The adoption of this Standard has no financial impact for the Department as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.	

AASB 2014-5	<i>Amendments to Australian Accounting Standards arising from AASB 15</i>	1 Jan 2018
	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The Commission has not yet determined the application or the potential impact of the Standard.	
AASB 2014-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i>	1 Jan 2018
	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Commission has not yet determined the application or the potential impact of the Standard.	
AASB 2014-9	<i>Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 1, 127 & 128]</i>	1 Jan 2016
	This Standard amends AASB 127, and consequentially amends AASB 1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. The Commission has not yet determined the application or the potential impact of the Standard.	
AASB 2014-10	<i>Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]</i>	1 Jan 2016
	This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The Commission has not yet determined the application or the potential impact of the Standard.	
AASB 2015-1	<i>Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</i>	1 Jan 2016
	These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-2014 Cycle in September 2014, and editorial corrections. The Commission has not yet determined the application or the potential impact of the Standard.	
AASB 2015-2	<i>Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</i>	1 Jan 2016
	This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.	
AASB 2015-6	<i>Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]</i>	1 Jul 2016
	The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. The Commission has not yet determined the application of the Standard, though there is no financial impact.	

AASB 2015-8	<i>Amendments to Australian Accounting Standards - Effective Date of AASB 15</i>	1 Jan 2017
	This Standard amends the mandatory effective date (application date) of AASB 15 Revenue from Contracts with Customers so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. The Authority has not yet determined the application or the potential impact of AASB 15.	
AASB 2015-10	<i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 & 128</i>	1 Jan 2016
	This Standard defers the mandatory effective date (application date) of amendments to AASB 10 & 128 that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. The Authority has not yet determined the application or the potential impact of AASB 2014-10.	
AASB 2016-2	<i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107</i>	1 Jan 2017
	This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. There is no financial impact.	
AASB 2016-3	<i>Amendments to Australian Accounting Standards – Clarifications to AASB 15</i>	1 Jan 2018
	This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Authority has not yet determined the application or the potential impact.	
AASB 2016-4	<i>Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</i>	1 Jan 2017
	This Standard clarifies that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement. The Authority has not yet determined the application or the potential impact.	

2016	2015
\$	\$

Note 6	Members' remuneration
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Chairman's fee	13,250	9,400
Other members' fees	43,899	38,700
Superannuation (a)	4,945	4,570
	<u>62,094</u>	<u>52,670</u>

(a) Defined contribution plans include West State, GESB Super and other eligible funds

	2016 \$	2015 \$
Note 7 Supplies and services		
Audit fees	12,519	12,300
Services and Contracts	611,382	559,981
Advertising for Vacancies	2,357	-
Travel	6,288	8,415
Materials	1,053	6,425
	<u>633,599</u>	<u>587,121</u>

Note 8 User charges and fees		
Industry participants' registration fees	37,189	25,106
Contest permits	8,112	8,657
Promoters' registration fees	1,176	1,432
	<u>46,477</u>	<u>35,195</u>

Note 9 Other Revenue		
Sundry revenue	568	1,202
	<u>568</u>	<u>1,202</u>

Note 10 Income from State Government		
Grants (a)	786,000	758,000
	<u>786,000</u>	<u>758,000</u>
Services received free of charge from other State government agencies during the financial period:		
State Solicitors Office	20,888	-
	<u>20,888</u>	<u>-</u>
	<u>806,888</u>	<u>758,000</u>

(a) Grants from Department of Sport and Recreation are paid periodically as appropriations.

Note 11 Property, Plant and Equipment		
<u>Plant and equipment</u>		
At cost	2,310	2,310
Accumulated depreciation	(2,310)	(2,310)
	<u>-</u>	<u>-</u>

Note 12 Impairment of Assets		
There were no indications of impairment to property, plant and equipment at 30 June 2016.		
The Commission held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.		
No surplus assets were identified at 30 June 2016.		

2016
\$

2015
\$

Note 13 Receivables

<u>Current</u>		
Receivables		
GST receivable	17,601	21,981
	<u>17,601</u>	<u>21,981</u>

The commission holds no collateral or provision for doubtful debts due to the low value of debts and low risk of delinquency

Note 14 Other Assets

<u>Current</u>		
Income Receivable	-	110
	<u>-</u>	<u>110</u>

Note 15 Payables

<u>Current</u>		
Trade payables	77,347	120,293
	<u>77,347</u>	<u>120,293</u>

Note 16 Other Liabilities

<u>Current</u>		
Income received in advance	28,794	32,842
Accrued Sitting Fees	16,942	14,071
Accrued Audit Fees	13,771	13,530
	<u>59,507</u>	<u>60,443</u>
 <u>Non-Current</u>		
Income received in advance	24,033	21,914
	<u>24,033</u>	<u>21,914</u>

Note 17 Equity

The West Australian Government holds the equity interest in the Commission on behalf of the community. Equity represents the residual interest in the net assets of the Commission.

Accumulated surplus

Balance at start of period	348,462	193,856
Result for the period	158,240	154,606
Balance at end of period	<u>506,701</u>	<u>348,462</u>
 Total Equity at end of period	<u>506,701</u>	<u>348,462</u>

	2016	2015
	\$	\$

Note 18 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 and cash equivalents	649,989	529,022
 (b) Reconciliation of net cost of services to net cash flows provided by / (used in) operating activities		
Net cost of services	(648,648)	(603,394)
<u>Non-cash items:</u>		
Depreciation expense	-	-
Services received free of charge	20,888	-
<u>(Increase)/decrease in assets:</u>		
Current receivables (a)	110	1,410
Net GST receipts (b)	-	-
<u>Increase/(decrease) in liabilities:</u>		
Current payables (a)	(42,946)	(19,619)
Other Liabilities	1,184	(3,373)
Change in GST Receivables (c)	4,380	(8,906)
Net cash provided by / (used in) operating activities	(665,033)	(633,882)

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e. cash transactions

(c) This reverses out the GST in receivables and payables.

Note 19 Commitments for expenditure

As at 30 June 2016 the Commission has no future non-cancellable commitments of either a capital, financial or operating nature (2014-15: no commitments).

Note 20 Contingent liabilities and Contingent assets

Contingent liabilities

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

Contingent assets

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

Note 21 Events occurring after the end of the reporting period

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.

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Commission are cash and cash equivalents, and receivables and payables. All of the Commission's cash is held in the public bank account (non-interest bearing) account. The Commission has limited exposure to financial risks. The Commission's overall risk management program focuses on managing the risks identified below.

Credit risk

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 22(c) 'Financial instruments disclosures' and note 13 'Receivables'.

The Commission measures credit risk on a fair value basis and monitors risk on a regular basis. Credit risk associated with the Commission's financial assets is minimal because the Commission trades only with recognised, creditworthy third parties. The Commission 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 Commission's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

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

Market risk

The Commission is not exposed to interest rate risk because cash and cash equivalents and restricted cash are non-interest bearing and have no borrowings.

(b) Categories of financial instruments

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

	2016	2015
	\$	\$
<u>Financial Assets</u>		
Cash and cash equivalents	649,989	529,022
Receivables (a)	-	-
Other current assets	-	110
<u>Financial Liabilities</u>		
Payables (a)	77,347	120,293
Other liabilities	83,540	82,357

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

Fair Values

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

**COMBAT SPORTS COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 22. Financial Instruments - continued

Liquidity risk and interest rate exposure

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

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

	Weighted Average Effective Interest Rate %	Carrying Amount \$	Interest rate exposure			Total Nominal Amount \$	Maturity dates										
			Fixed Interest rate \$	Variable Interest rate \$	Non-interest Bearing \$		Up to 1 months \$	1-3 months \$	3-12 months \$	1-5 years \$	More than 5 years \$						
2016																	
Financial Assets																	
Cash and cash equivalents		649,989			649,989	649,989	649,989	-	-	-	-	-	-	-	-	-	-
Receivables (a)		-			-	-	-	-	-	-	-	-	-	-	-	-	-
Other current assets		-			-	-	-	-	-	-	-	-	-	-	-	-	-
		649,989	-	-	649,989	649,989	649,989	-	-	-	-	-	-	-	-	-	-
Financial Liabilities																	
Payables		77,347		-	77,347	77,347	77,347	-	-	-	-	-	-	-	-	-	-
Other liabilities		83,540		-	83,540	83,540	83,540	-	-	-	-	-	-	-	-	-	-
		160,887	-	-	160,887	160,887	160,887	-	-	-	-	-	-	-	-	-	-
2015																	
Financial Assets																	
Cash and cash equivalents		529,022			529,022	529,022	529,022	-	-	-	-	-	-	-	-	-	-
Receivables (a)		-			-	-	-	-	-	-	-	-	-	-	-	-	-
Other current assets		110			110	110	110	-	-	-	-	-	-	-	-	-	-
		529,132	-	-	529,132	529,132	529,132	-	-	-	-	-	-	-	-	-	-
Financial Liabilities																	
Payables		120,293			120,293	120,293	120,293	-	-	-	-	-	-	-	-	-	-
Other liabilities		82,357			82,357	82,357	82,357	-	-	-	-	-	-	-	-	-	-
		202,650	-	-	202,650	202,650	202,650	-	-	-	-	-	-	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable)

Interest rate sensitivity analysis

The Commission is not exposed to interest rate sensitivity.

**COMBAT SPORTS COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 22 Financial Instruments - continued

(c) Financial instrument disclosures

Credit risk

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

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

Ageing analysis of financial assets

2016 Financial Assets	Carrying Amount \$	Not past due and not impaired \$	Past due but not impaired					Impaired financial assets \$
			Up to 1 months \$	1-3 months \$	3-12 months \$	1-5 years \$	More than 5 years \$	
Cash and cash equivalents	649,989	649,989	-	-	-	-	-	-
Receivables (a)	-	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-
	649,989	649,989	-	-	-	-	-	-
2015								
Cash and cash equivalents	529,022	529,022	-	-	-	-	-	-
Receivables (a)	-	-	-	-	-	-	-	-
Other current assets	110	110	-	-	-	-	-	-
	529,132	529,132	-	-	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable)

Note 23 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, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2016 No.	2015 No.
\$0 - \$10,000	6	6
\$10,000 - \$15,000	1	3
\$15,000 - \$20,000	1	
\$20,000 - \$25,000	1	

	\$	\$
The total remuneration of the members of the Commission is:	<u>62,094</u>	<u>52,670</u>

The total remuneration includes 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.

Note 24 Remuneration of Auditor

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

	2016 \$	2015 \$
Auditing the accounts, financial statements and key performance indicators	<u>12,519</u>	<u>12,300</u>

Note 25 Related Bodies

The Combat Sports Commission has no related bodies.

Note 26 Affiliated Bodies

The Combat Sports Commission has no affiliated bodies.



Department of
Sport and Recreation
Combat Sports Commission