

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

CONTENTS OF REPORT

Cover Page	Page 1
Contents	Page 2
Statement of Compliance	Page 3
Enabling Legislation	Pages 4 to 5
Board Membership and Operations	Pages 6 to 8
Financial Statements	Pages 9 to 20
Performance Indicators	Pages 21 to 24
Annual Estimates for 2019/20	Page 25
Board Policies	Page 26 to 34
Audit Report	Pages 35 to 39

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

**STATEMENT OF COMPLIANCE
FOR YEAR ENDED 30 JUNE 2019**

**To : The Hon Bill Johnston, MLA
Minister for Mines and Petroleum**

In accordance with Section 63(2) of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament the Annual Report of the Coal Miners' Welfare Board of Western Australia for the financial year ended 30 June 2019.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006.

The Coal Miners' Welfare Board has, during the course of its business within the financial year under review, complied with all legislation that significantly impacts upon the Board's operations.



JL Kearney
CHAIRMAN OF ACCOUNTABLE AUTHORITY

- 2 SEP 2019
Date



JL Hanns
MEMBER OF ACCOUNTABLE AUTHORITY

- 2 SEP 2019
Date



IH Miffing
CHIEF FINANCE OFFICER

- 2 SEP 2019
Date

CONTACTS:

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THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

ENABLING LEGISLATION COAL MINERS' WELFARE ACT 1947

The Coal Miners' Welfare Act of 1947 {'the Act'}(assented to on 10 January 1948) was set up for the purpose as outlined in the long title to the Act, that being -

"An Act to establish a fund to provide or assist in providing amenities for coal miners and to improve or assist in improving the welfare of coal miners; to constitute and incorporate a Board to administer the fund and to control any amenities provided and to declare the objects, functions and powers of such Board, and for other purposes incidental thereto."

The Act has received minor amendments over the years but remains principally in its original form. The initial object, that is to improve the amenities of coal miners and the district in which they live, is as relevant today as it first was some sixty-nine years ago when the Act was assented to. It is mentioned however that the Act is currently undergoing a review by the State Government and it is expected that a number of recommendations will be forthcoming and acted upon.

The administration of the Act is vested in a Board (The Coal Miners' Welfare Board of Western Australia) and comprises three members inclusive of -

- i) The President of the Combined Mining Unions' Council who, in accordance with the Act, presides as Chairman of the Board;
- ii) The President of the CFMEU Mining and Energy Division, Collie, and;
- iii) One other community member.

The Act confers 'by virtue of office' Board membership to the President of the Combined Mining Unions' Council (and therefore as Chairman of the Board) and the President of the CFMEU Mining and Energy Division, Collie. The other member of the Board is a 'community person' appointed by the Hon Minister from applications sought by the Board from within the Collie community. The Board makes recommendation from amongst the applications received but the ultimate appointment is at the discretion of the Hon Minister. The Act also provides for the 'by virtue of office' members to have Deputies.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

**ENABLING LEGISLATION
(CONTINUED)**

The Board may, of its own decision, appoint a Secretary to service the Board and may also, with the approval of the Hon Minister, appoint such other officers or employees as are deemed necessary to efficiently carry out the duties and functions imposed under the Act. The only appointment necessary at this time is a part time Secretary.

The Board is responsible to the Minister for Mines and Petroleum and reports to the Minister through the Department of Mines, Industry Regulation and Safety.

With regards to the No.2 Account (former Coal Mines Accident Relief Fund Trust), the Welfare Board has consulted with, and will continue to consult with, coal mine companies as required by the Act and these consultations will determine the future distribution of funds held within the account.

The Board's current account and various short-term investments are now operated through the Collie Community (Bendigo) Bank.

The real advantage of having the Board's funds lodged locally in a bank is that surplus funds from time to time can be employed in short term investments to earn interest. This in turn provides the Board with extra funds for distribution within the Collie community. The result of the Board's Policy in this regard was the fact that \$12,633 was actually earned from interest revenue during the 2018/19 financial year. This amount however is slightly above the previous year's interest earning (\$11,774). Interest revenue will always fluctuate according to prevailing interest rates and the amount of funds the Board has available for investment from time to time and it is recognised that current interest rates are at an all-time low.

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

BOARD MEMBERSHIP AND OPERATIONS

The current members of the Coal Miners Welfare Board are -

- | | |
|--|------------------|
| * Mr John Leslie KEARNEY
(President of the Combined Mining Unions' Council) | Chairman |
| * Mr Robert Joseph SANFORD
(President of the CFMEU Mining & Energy Division, Collie) | Member |
| * Mrs Jodie Louise HANNS
Community Member | Member |
| * Mr Ian Houghton MIFFLING | Secretary |

The Board maintains an office within the Collie Mineworkers' Institute (Inc) complex at 75 Throssell Street, Collie, WA, 6225. The Board's presence within the Institute fits within its general purpose as it is a facility specifically providing for the welfare and benefit of coal miners and it also houses the offices of the Coal Miners' Union.

The Board has no publications although its existence is commonly known about within the Collie district. From time to time the Board receives acknowledgement through the local newspaper for grants it has made to community organisations.

There have been no Ministerial directions to the Board during the past financial year.

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

BOARD MEMBERSHIP AND OPERATIONS (CONTINUED)

The Board derives its income in accordance with the Act and Regulations which allow for the payment by coal mining companies to the Board of -

- i) 2 cents per tonne of coal produced into the general fund (Fund No.1) for which accounts are rendered to coal mining companies on a quarterly basis in arrears; and
- ii) 0.4101 cents per tonne of coal produced into the separate fund (Fund No.2) as instituted from the transfer of operations from the former Coal Mines Accident Relief Fund Trust. Accounts for these payments are rendered to coal mining companies on a six-monthly basis in arrears.

The Board has not to date been involved in any matters of an entrepreneurial type and there have been no research or promotional activities. With only one part-time staff member comprising of the Secretary, there have not been any staff development programmes carried out.

No goods are sold by the Board and there are no marketing activities. No major capital works have been undertaken.

As can be seen from the financial statements, the Board has again assisted a wide cross section of Collie organisations ranging through community services, the sports, education and the coal mining industry.

Major contributions for the year included –

- \$25,000 to The Smith Family for their 'Learning for Life' programs in Collie schools;
- \$7,000 to the Collie Harness racing Club Inc to assist with the cost of installing security fencing around the Starter's gate and also shade cloth over their horse stalls;
- \$5,000 to the Lions Club of Collie to assist with the cost of staging Collie's annual 'Christmas pageant';
- \$5,000 to the Collie Visitor Centre to assist with the cost of upgrading their computer based bookkeeping system;
- \$5,000 to the Collie Western Riders' Association Inc to assist with the cost of purchasing a new grader for maintenance of their riding arena;
- \$2,000 to the Collie Scout Group to assist with the cost of sending Collie Scouts and Venturers to the National Jamboree in South Australia;
- \$2,000 to the Collie Cheerio Club to assist with the cost of staging the annual 'Collie Pensioners' Christmas Party';
- \$4,387 to various Collie schools to assist needy school children attend school camps and outings throughout the year.

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

BOARD MEMBERSHIP AND OPERATIONS (CONTINUED)

The total outlay of \$57,187 in grants for the year has assisted eighteen Collie organisations and individuals who have been considered by the Board as worthy of such help.

The Board's total income for the year amounted to \$163,950 being amounts of -

- i) \$125,506 mine owners' royalty payments based on 2 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd (\$52,049) and Premier Coal Ltd (\$73,457) and now held in a separate account being Fund No.1;
- ii) \$25,735 in mine owners' royalty payments based on 0.4101 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd (\$10,673) and Premier Coal Ltd (\$15,062) as per the former Coal Mines Accident Relief Fund Trust contributions (now being administered by the Welfare Board) and now held in a separate account being Fund No.2;
- iii) \$76 recovered by KordaMentha, Administrators for the former The Griffin Coal Mining Co Pty Ltd (In Administration);
- iv) \$7,720 interest was earned on short term investments of the Board's surplus funds in the No.1 A/c;
- iv) \$4,913 interest was earned on short term investments of the Board's surplus funds in the No.2 A/c.

Grants from the Board have become a very substantial and important source of funds for local community groups and this fact is highlighted quite markedly through reference to the Board's statistics which show that in the past seventy-one years some \$5,003,651 has been allocated out in direct grant funds. The importance of the Board's function in this regard cannot be recognised for the continued well-being of many Collie organisations.

The Board regrets that on occasions over the years it has had to reject claims for assistance where those applications did not meet the criteria set by the Board however, in the year under review no applications were rejected.

Record Keeping Plan:

The Board's Recordkeeping Plan was approved in April 2010 for a further period of five (5) years by the State Records Commission. In accordance with section 28 of the *State Records Act 2000* the Plan had to be reviewed. A review was carried out and submitted to the State Records Office by 7 April 2015 due date.


- Compliance with the *State Records Act 2000*:
The Board maintains records in compliance with provisions of the *State Records Act 2000*

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

**CERTIFICATION OF FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2019**

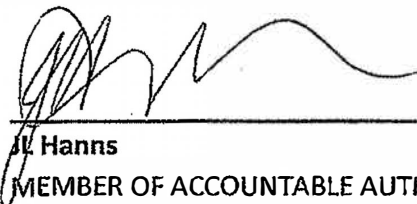
The accompanying financial statements of The Coal Miners' Welfare Board of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2019 and the financial position as at 30 June 2019.

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.



J. Kearney
CHAIRMAN OF ACCOUNTABLE AUTHORITY

- 2 SEP 2019
Date



J. Hanns
MEMBER OF ACCOUNTABLE AUTHORITY

- 2 SEP 2019
Date



IH Miffling
CHIEF FINANCE OFFICER

- 2 SEP 2019
Date



**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
COST OF SERVICES			
Expenses:			
Grants	11	57,187	261,886
Secretary's honorarium	9	7,500	6,000
Audit fees	7	8,300	8,200
Supplies and services	8	3,674	2,297
Total cost of services		<u>76,661</u>	<u>278,383</u>
INCOME			
Revenues:			
Royalties		151,317	164,022
Interest revenue		12,633	11,774
Total revenue		<u>163,950</u>	<u>175,796</u>
NET COST OF SERVICES		87,289	(102,587)
SURPLUS/(DEFICIT) FOR THE PERIOD		87,289	(102,587)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		87,289	(102,587)

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



**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	Note	2019 \$	2018 \$
ASSETS			
Current assets:			
Cash and cash equivalents	4	667,414	567,779
Receivables	5	47,418	59,764
		-----	-----
Total Current Assets		714,832	627,543
		-----	-----
TOTAL ASSETS		714,832	627,543
		=====	=====
NET ASSETS		714,832	627,543
		=====	=====
EQUITY			
Accumulated Surplus	6	714,832	627,543
		-----	-----
TOTAL EQUITY		714,832	627,543
		=====	=====

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



**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	\$ Accumulated Surplus
Balance at 1 July 2017		730,130
Total comprehensive income for the year		(102,587)
Balance at 30 June 2018	6	627,543 =====
Balance at 1 July 2018		627,543
Total comprehensive income for the year		87,289
Balance at 30 June 2019	6	714,832 =====

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

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments:			
Grants	11	(57,187)	(261,886)
Secretary's honorarium	9	(7,500)	(6,000)
Audit fees	7	(8,300)	(8,200)
Supplies and services	8	(3,674)	(2,297)
Receipts:			
Royalties		164,711	153,396
Interest revenue		11,585	13,159
		<hr/>	<hr/>
Net cash provided by (used in) operating activities		99,635	(111,828)
		<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents		99,635	(111,828)
Cash and cash equivalents at the beginning of the period		567,779	679,607
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	4	667,414	567,779
		<hr/> <hr/>	<hr/> <hr/>

The Statement of cash flows should be read in conjunction with the accompanying notes

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

1. Australian Accounting Standards

General

The Coal Miners' Welfare Board of Western Australia financial statements for the year ended 30 June 2019 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standards Board (AASB)

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

Early adoption of standards

The Board cannot early adopt an Australian Accounting Standard unless specifically permitted by TI101 'Application of Australian Accounting Standards and Other Pronouncements'. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Board for the reporting period ended 30 June 2019.

2. Summary of significant accounting policies

a) General Statement

The financial statements constitute a general purpose financial report, which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board 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 and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has 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.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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.

Any judgments that have been made in the process of applying the Board's accounting policies that have a significant effect on the amounts recognised in the financial statements are disclosed. There were no significant judgments.

Any key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed. There were no significant assumptions.

(c) Reporting Entity

The reporting entity comprises The Coal Miners' Welfare Board as a single entity only.

(d) Income

Revenue Recognition

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

Royalties

Revenue is recognised at fair value when the Board obtains control over the assets comprising the royalty payments which is usually when cash is received.

Interest

Revenue is recognised as the interest accrues.

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

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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 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 impairments at each reporting date.

(e) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(f) Receivables

Receivables are recognised and carried 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 Board 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. See note 5 'Receivables'.

(g) Financial Instruments

In addition to cash, the Board has one category of financial instrument:

These have been disaggregated into the following classes:

- Financial Assets
- Cash and cash equivalents
- Receivables

Initial recognition and measurement is at fair value. The transaction cost or face value is equivalent to the fair value. Subsequent measurement is at amortised cost using the effective interest method.

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

(h) Comparative Figures

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

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

3. Future impact of Australian Accounting Standards not yet operative

AASB 9 Financial Instruments

AASB 9 *Financial Instruments* AASB 139 *Financial Instruments: Recognition and Measurement* for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The application of AASB 9 has had no effect on The Coal Miners' Welfare Board of Western Australia.

4. Cash and Cash equivalent	2019	2018
	\$	\$
Cash at bank	102,800	14,347
Term deposits	564,614	553,432
	-----	-----
	667,414	567,779
	-----	-----
5. Receivables	2019	2018
	\$	\$
Royalty payments from mine owners	44,580	57,973
Interest receivables	2,838	1,791
	-----	-----
	47,418	59,764
	=====	=====

All Receivables due to the Board are considered of minimal risk due to the requirement of the coal mining companies to make payments in terms of section 6 of the *Coal Miners' Welfare Act 1947*.

Credit Risk

Ageing of receivables past due but not impaired based on the information provided to senior management, at balance sheet date:

	2019	2018
	\$	\$
Not more than 3 months	43,436	46,332
More than 3 months (Griffin Coal March 2019 A/c)	1,144	13,432

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

6. Equity

Equity represents the residual interest in the net assets of the Board. The government holds the equity in the Board on behalf of the community.

Accumulated surplus:	2019	2018
	\$	\$
Opening balance	627,543	730,130
Surplus/(deficit) for the year	87,289	(102,587)
	-----	-----
Closing balance	714,832	627,543
	=====	=====

7. Remuneration of auditor

Remuneration payable to the Auditor General for the financial year is as follows:

	2019	2018
Auditing the accounts, financial statements and Performance indicators	\$ 8,425	\$ 8,300

8. Supplies and services

	2019	2018
	\$	\$
Communication	1,588	1,326
Consumables	2,086	971
	-----	-----
	3,674	2,297
	-----	-----

9. Compensation of Key Management Personnel

The Board has determined that key management personnel include Cabinet Ministers and senior officers of the Board. However, the Board is not obligated to reimburse for compensation of Ministers and therefore no disclosure is required. The disclosures in relation to Ministers' compensation may be found in the *Annual Report on State Finances*.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

Total compensation for senior officers of the Board for the reporting period is within the following bands:

Compensation Band (\$)	2019	2018
0 – 10,000	4	4
	2019	2018
	\$	\$
Short-term employee benefits	7,500	6,000
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
	-----	-----
Total compensation of Key Management Personnel	7,500	6,000
	-----	-----

It is noted that Board members do not receive any remuneration or other benefits in relation to their positions. The Board Secretary received an annual honorarium of \$7,500 as disclosed above.

10. Related Party Transactions

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

Related Parties to the Board include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all Board members and their close family members, and their controlled or jointly controlled bodies;
- all senior officers and their close family members, and their controlled or jointly controlled entities

Material transactions with related parties

Nil

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

11. Statement of Grants Made for Year Ended 30 June 2019

NAME	PURPOSE	GRANT
The Smith Family	Learning for Life Programs Collie Schools	\$25,000
Collie Harness racing Club Inc	Fencing of Starter's Gate & Horse Shade Sails	\$7,000
Lions Club of Collie Inc	Collie Christmas Pageant	\$5,000
Collie Scout Group	Scout Jamboree in South Australia	\$2,000
Collie Visitor Centre Inc	Upgrade of Computer Bookkeeping System	\$5,000
Collie Cheerio Club	2018 Collie Pensioners' Christmas party	\$2,000
Belle Ramshaw	Uniforms/Equipment State Hockey Team	\$400
Grace Sheppard	Uniforms/Equipment State Hockey Team	\$400
Collie Western Riding Association Inc	New Tractor for Maintenance of Riding Arena	\$5,000
Aref Babaie	St Brigid's School Year 6 Scholarship	\$200
Kaitlin Davies	Allanson School Year 6 Scholarship	\$200
Holly Barrett	Amaroo School Year 6 Scholarship	\$100
Lainey Shepherd	Amaroo School Year 6 Scholarship	\$100
Leilani de Waal	Wilson park School Year 6 Scholarship	\$200
Lola Henderson	Fairview School Year 6 Scholarship	\$100
Nina Bercene	Fairview School Year 6 Scholarship	\$100
Collie Schools' Excursion Fund	Assistance for needy Collie school children to attend school camps/excursions	\$4,387
	TOTAL GRANTS MADE	\$57,187 =====

12. Contingent liabilities and contingent assets

The Board did not have any contingent liabilities or assets as at 30 June 2019.

13. Events occurring after the end of the reporting period

The Board is not aware of any events occurring after the reporting date that would have a significant financial effect on the financial statements.

14. Supplementary financial information

a) Losses through theft, defaults or other causes.

There were no losses incurred by the Coal Miners' Welfare Board of WA for the period.


b) Gifts of public property

No gifts were made by The Coal Miners' Welfare Board of WA for the period.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

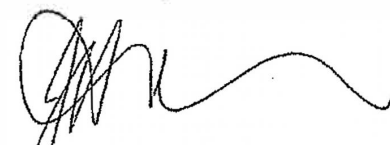
**CERTIFICATION OF KEY PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2019**

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Coal Miners' Welfare Board of Western Australia's performance and fairly represents the performance of the Coal Miners' Welfare Board of Western Australia for the financial year ended 30 June 2019



J.L. Kearney
CHAIRMAN OF ACCOUNTABLE AUTHORITY

- 2 SEP 2019
Date



J.L. Hanns
MEMBER OF ACCOUNTABLE AUTHORITY

- 2 SEP 2019
Date



THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

STATEMENT OF KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2019

The main functions of the Board are:

- * to receive coal production levies from coal mining companies operating upon the Collie coalfields, and
- * to distribute the levy (Welfare Fund) received in accordance with provisions of the *Coal Miners' Welfare Act 1947*.

In considering the distribution of the Welfare Fund, the Board:

- * recognises firstly any amenities or needs directly benefiting or affecting the welfare of coal miners,
- * attempts to assist as wide a cross section of community interests as possible,
- * shows preference to community groups which, where possible, are also contributing to projects the subject of grant assistance requests,
- * contributes to the establishment of tangible assets from which the community as a whole can benefit,
- * does not as a general rule contribute to fund raisings the benefits of which are limited to individual community members although official policy has been developed in respect of grant applications relating to State or National sporting events selections.

PERFORMANCE INDICATORS

OUTCOME: To provide total or partial financial assistance towards amenities or needs capable of improving the well-being or lifestyles of coal miners or Collie residents generally.

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2019

Effectiveness Indicator:

"Percentage of expenditure used to provide financial assistance towards improving the well being or lifestyle of coal miners and Collie residents"

NOTE :

100% of the grants issued were used to provide financial assistance or amenities for coal miners or Collie residents.

The Board considers that to be most effective it must refrain from expending excessively on administration costs. The purpose of the 'Welfare Board Fund' is to provide assistance and amenities to coal miners and the Collie community generally therefore emphasising the importance of concentrating expenditures towards achieving this purpose. However, the Board, from necessity, has established its own office and as a consequence administration funds are required for purposes such as telephone/internet services, computer services, stationery/office supplies, audit fees and secretarial costs.

The measure of how effective the Board is in delivering against its main purpose (of providing assistance and amenities to coal miners and the Collie community generally) is arrived at by dividing the total amount of grants (made in achieving the main purpose) by the total cost of all services (being all grants made plus administration costs). The Board considers it reasonable if the effectiveness measure achieves greater than 90% each year.

2018/19	2017/18	2016/17	2015/16	2014/15
74.60%	94.07%	80.80%	92.15%	91.80%

NOTE: The effectiveness indicator of 74.60% for the year 2018/19 is below the Board's 90% or higher target due mainly to the fact that grants approved at the 14th June 2019 Board meeting (\$131,192) (and later Ministerial approval) were not paid out in the current financial year but will appear as grant payments in the 2019/20 financial year.

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2019

Efficiency Indicator:

The efficiency of the Coal Miners' Welfare Board is reflected by the percentage of funds received that are used for administrative purposes.

The Board has now established its own office and therefore office expenditures are required on items such as telephone/internet expenses, stationery items such as copy paper computer/printer inks and supplies, and sundry other stationery items. Audit fees and Secretary's honorarium are included as administration expenses. The total cost of administration services is divided by the total revenue received to arrive at the *'percentage of funds received used for administrative purposes'*. It is considered reasonable if the percentage of funds used for administrative purposes remains within the scope of 6% to 10% annually.

"Percentage of funds received used for administrative purposes"

2018/19	2017/18	2016/17	2015/16	2014/15
11.88%	9.38%	9.75%	9.54%	9.17%

NOTE: The efficiency indicator of 11.88% is slightly higher than the parameters (6% to 10%) set by the Board due to an increase in the Board Secretary's Honorarium as from the current financial year and a slight increase in the purchase of office supplies.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA**

**ANNUAL ESTIMATES
FOR THE FINANCIAL YEAR 2019/20**

Credit Balances 1/7/2019 -		\$
Welfare Board A/c No.1	398,619	
Welfare Board A/c No.2	268,795	
	-----	667,414
Estimated Revenue for Year -		
Welfare Board A/c No.1 (Based on 6,000,000 tonnes of coal at 2 cents per tonne)	120,000	
Welfare Board A/c No.2 (Based on 6,000,000 tonnes of coal at 0.4101 cents per tonne)	24,606	
	-----	144,606
Interest on Investments – A/c No.1 and A/c No.2		8,280

		\$820,300
Estimated Expenditure for Year -		
Grants to Local Organisations A/c Nos.1 & 2	234,000	
Operating Expenses	19,325	
	-----	253,325

Estimated Credit Balance 30/6/2020		\$566,975
		=====
Capital Grant Works - Estimated Expenditure		NIL

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA POLICY RELATING TO GRANT REQUESTS FOR FINANCIAL ASSISTANCE TOWARDS ARTS AND CULTURAL INDIVIDUALS OR GROUPS

POLICY OBJECTIVE:

To financially assist local individuals or groups of local individuals to participate or represent Collie at State or National levels and to provide a level of financial assistance that is fair and equitable to all.

POLICY:

1. Financial assistance is only available to local (Collie) persons or a local (Collie) group of individuals where such group is viewed as a team. Where reference is made to "local (Collie) persons" it is to be construed that persons who have left Collie for study/work or furtherance of their particular field of excellence (arts/culture) but whose immediate families still reside in Collie are to be regarded as local (Collie).
2. Persons who have been absent from the Shire of Collie district for a continuous period of six (6) years or more shall cease to be covered by this Policy as they will be deemed to have reached adulthood (beyond 21 years of age) and therefore no longer considered to be a Collie resident.
3. Assistance provided to individuals or groups of individuals within any calendar year can span more than one arts or cultural interest but the individual or group of individuals claiming cannot in any case receive more than the maximum amount so specified for that calendar year.
4. All applications must be accompanied by a personal statement or where applicable a statement from the parent body or organising committee advising -
 - (i) the event to be participated in, the reasons for that participation and the significance of the event; and
 - (ii) the expected level of financial expense (in detailed form) to be outlaid by the individual or group of individuals.
5. Financial assistance is to be categorized into either State or National Level and in the case of—

State Level :	Assistance for an individual may be provided to a maximum of \$400 per year; and Assistance for a group of individuals may be provided to a maximum amount of \$1,000 per group per year.
National Level :	Assistance for an individual may be provided to a maximum amount of \$800 per year; and Assistance for a group of individuals may be provided to a maximum amount of \$1,500 per group per year.

6. All applications for financial assistance shall be brought before the next available meeting of the Board for consideration and determination according to their individual merits. Nothing in this Policy is to be construed as to infer that there is an automatic right of any individual or group of individuals to receive financial assistance.
7. All applications whether approved or rejected by the Board shall be replied to by the Secretary advising of the outcome of the Board's deliberations and in the case of rejection the Board's reasons for such shall be made known.

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA POLICY RELATING TO FINANCIAL ASSISTANCE TOWARDS COMMUNITY FACILITIES AND AMENITIES

POLICY OBJECTIVE:

To provide financial assistance to local (Collie) community groups to establish new, or enhance existing, community facilities (including the provision of amenities, fixtures or fittings within any such facility) for the betterment of the whole Collie community. Such assistance shall only be provided within the scope of the enabling legislation, the *Coal Miners Welfare Act, 1947*. This Policy adheres to the provision of all discrimination and disability legislative requirements.

POLICY:

1. The Coal Miners' Welfare Board (the Board) receives funding from Collie coal mining companies in accordance with provisions of the *Coal Miners Welfare Act 1947* and associated Regulations. Currently funds are derived as follows -
 - (a) 2 cents per tonne of coal produced payable quarterly – funds are deposited into the Board's No.1 operating account;
 - (b) 0.4101 cents per tonne of coal produced payable half-annually – funds are deposited into the Board's No.2 operating account.
2. The Board is empowered to expend funds from its accounts as follows -
 - (a) From the No.1 operating account :
 - (i) by resolution of the Board upon the provision of amenities for coal miners and the improvement of the physical, cultural and social well-being of coal miners, and the education, recreation and conditions of living coal miners, as the Board may consider desirable;
 - (ii) by resolution of the Board and with the prior approval of the Minister, towards provisions of amenities for persons, including persons who are not coal miners, as the Board considers desirable;
 - (b) From the No.2 operating account :

by resolution of the Board and in accordance with conditions mentioned in 2(a) above except that prior to any expenditures being made, the Board is first to consult with the coal mining companies on the proposed expenditures.
3. All applications for financial assistance are to be submitted in writing to the Board and they are to be considered at the next available Board meeting.

4. In considering applications, the Board will have regard to -
 - (i) the merit and/or community standing of the applicant body;
 - (ii) the total amount of funds requested and the contribution to be made from its own resources by the applicant body;
 - (iii) the extent of community benefit expected to be derived from the applicant's proposal;
 - (iv) the intent, if any, of the applicant to share facilities or outcomes with other community bodies;
 - (v) the amount of grants previously received from the Board by the applicant body.
5. The Board, as a general rule, will only contribute to amenities that produce benefits to the community as a whole or to a significant number of community members individuals of which cannot derive personal financial gain or profit from the amenity being provided. Exceptions to this rule are as provided for in the Board's policies relating to 'Assistance to Sporting Individuals or Groups' or 'Assistance to Individuals or Groups for Education Research Purposes' or 'Assistance to School Children in Need to Attend Educational Camps or Outings'.
6. *The Board will only approve expenditures on amenities contained within the boundaries of the Shire of Collie.*

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA POLICY RELATING TO GRANT ASSISTANCE TO SPORTING INDIVIDUALS OR GROUPS

POLICY OBJECTIVE:

To financially assist local sporting individuals or teams to participate at State or National levels and to provide a level of assistance that is fair and equitable to all.

POLICY:

1. Financial assistance is only available to local (Collie) persons or local (Collie) teams. Where reference is made to "local (Collie) persons" it is to be construed that persons who have left Collie for study/work or sporting reasons but whose families still reside in Collie are still to be regarded as local (Collie).
Persons who have been absent from the Shire of Collie district for a continuous period of six (6) years or more shall cease to be covered by this Policy as they will be deemed to have reached adulthood (beyond 21 years of age) and therefore no longer considered to be a Collie resident. In cases of exceptional circumstances (such as left Collie at an earlier than normal age for specified training, eg Olympic gymnastic training) the Board may continue to grant funding assistance beyond the six years limit specified above.
2. Assistance will only be provided towards the cost of participants' uniforms or equipment and not for intangibles such as travel fares, accommodation, meals or the like.
3. Assistance provided to individuals within any calendar year can span more than one sport but the individual claiming cannot in any case receive more than the maximum amount so specified for that calendar year.
4. All applications should be accompanied by a statement or authorisation from the parent body or organising committee advising -
 - (i) the applicant is a bona fide participant of the relevant event,
 - (ii) the anticipated costs for participating (uniforms and/or equipment costs).
5. (A) Financial assistance is to be categorised into -
 - (i) participation at a State level,
 - (ii) participation at a National level.

. 2 .

(B) State Level -

Assistance may be provided up to a maximum of -

- (i) \$400 per individual participant in any calendar year,
- (ii) \$1,000 per participating team in any calendar year.

Applicants may re-apply in subsequent years should the selection be on-going.

(C) National Level -

Assistance may be provided up to a maximum of -

- (i) \$800 per individual participant in any calendar year,
- (ii) \$1,500 per participating team in any calendar year.

Applicants may re-apply in subsequent years should the selection be on-going.

6. For definition purposes:-

- (i) **State** is taken to be any local (Collie) individual who represents an organisation at State level or a team that originates as a composite of players from within WA and competes in that composite team at State level whether that competition is at home, interstate or overseas.
- (ii) **National** is taken to be any local (Collie) individual who represents an organisation at Australian level or a team that originates as a composite of players Australia wide and who competes in that composite team at National level whether that competition is in Australia or overseas.

7. All applications for financial assistance shall be brought before the next available meeting of the Board for consideration and determination according to their individual merits. Nothing in this Policy is to be construed as to infer that there is an automatic right of any individual or team to receive financial assistance.

8. All applications whether approved or rejected by the Board shall be replied to by the Secretary advising of the outcome of the Board's deliberations and in the case of rejection the Board's reasons for such shall be made known.

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA POLICY RELATING TO GRANT REQUESTS FOR ASSISTANCE TO INDIVIDUALS OR GROUPS FOR EDUCATIONAL RESEARCH PURPOSES

POLICY OBJECTIVE:

To financially assist local individuals or groups to undertake educational research projects that have a direct benefit to Collie's social, educational, health, welfare or employment opportunities.

POLICY:

1. Financial assistance is only available to local (Collie) persons or local (Collie) groups. Where reference is made to "local (Collie) persons" it is to be construed that persons who have left Collie for study reasons but whose families still reside in Collie are to be regarded as local (Collie).
2. Assistance will be provided towards costs directly associated with an identified research project that may be of benefit to the Collie community. The Board reserves the right to reject any application where in the opinion of the Board it is not considered that the application fits within this important criterion.
3. Assistance provided to individuals or groups within any calendar year may include more than one research project but the individual or group claiming cannot in any case receive more than the maximum amount so specified for that particular year.
4. All applications must be accompanied by sufficient background information to ensure:-
 - (i) the applicant is a bona fide student directly related to the research project;
 - (ii) the research project is authentic;
 - (iii) the associated costs for the research project can be verified.
5. Financial assistance may be provided up to a maximum of:-
 - (i) \$400 per individual in any calendar year; or
 - (ii) \$1,000 per group where three or more people are members of that group.
6. All applications for financial assistance shall be brought before the next available meeting of the Board for consideration and determination according to their individual merits. Nothing in this Policy is to be construed as to infer that there is an automatic right of any individual or group to receive financial assistance.
7. All applications whether approved or rejected by the Board shall be replied to by the Secretary advising of the outcome of the Board's deliberations and in the case of rejection the Board's reasons for such shall be made known.

POLICY RELATING TO PAYMENT OF GRANTS TO ASSIST COLLIE SCHOOL CHILDREN IN NEED TO ATTEND SCHOOL EDUCATIONAL OR RECREATIONAL OUTINGS

POLICY OBJECTIVE:

To assist needy Collie school children to attend school educational or recreational outings (including school camps). It is recognised that many Collie school children come from needy families and without assistance they may not be able to attend school outings or may be made to feel inferior about their inability to attend due to family financial constraints. The Board considers the payment of financial assistance grants to be one its social responsibilities in distributing the Board's funds to the wider Collie community.

POLICY:

1. This fund is only available to children attending school in Collie.
2. All applications for funding are to be submitted to the Secretary on the approved application form (as attached to this Policy).
3. Applicants are to append to their application form proof of their eligibility which, in most cases, will be copies of pension or unemployment relief benefit cards. In exceptional circumstances of hardship, the Secretary, in consultation with the school, may approve applications where the applicant is not in possession of a pension or unemployment benefit card.
4. The Secretary is to ascertain the validity of all school outings applied for by applicants.
5. The Board will only make payment of 50% of the cost of the school outing, the payment to be made direct to the organising school. The balance of the cost is the responsibility of the applicant.
6. The maximum amount that shall be paid to any individual student for any single school camp or outing/excursion shall be \$300.
7. The Secretary is authorised by this Policy to receive applications, to make all necessary enquiries to ascertain validity of such applications and to make payment of the appropriate grant assistance to the applicant's school.
8. From time to time the Board, with approval of the Minister, will set aside funds that can be applied to meet the objectives of this Policy.

**THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA
- COLLIE -**

The Secretary, The Coal Miners' Welfare Board of WA
C/- Mineworkers' Institute, 75 Throssell Street
COLLIE WA 6225

Telephone 9734 3293

SCHOOL EXCURSION FUND

APPLICATION FORM

(To be completed by Applicant)

Name of Applicant _____

Address _____

Child/Children's Name/s _____

Name of School _____

Title of Activity/Outing _____

Date of Activity/Outing _____

Total Cost of Activity/Outing _____
(as determined by School)

Subsidy Sought (50% of total cost is
Maximum subsidy payable by Board) _____

Pensioner/Concession/Health Care Card number
(Copy of card **MUST** be attached to this
application form for Board purposes) _____

PLEASE NOTE : The Welfare Board's payment will only be made direct to the relevant school,
no payments will be made to individual persons/families. The maximum grant
payable per single application is \$300

(Signature of Applicant)

Welfare Board Use Only

Date Application received _____

Benefit Card Sighted/Attached _____

Authorised for Payment _____

Cheque Made Payable To _____ School



Our Ref: 5674-02

OAG
Office of the Auditor General
Serving the Public Interest

Chairperson
The Coal Miners' Welfare Board of Western Australia
Mineworkers' Institute
75 Throssell Street
COLLIE WA 6225

7th Floor, Albert Facey House
469 Wellington Street, Perth

Mail to: Perth BC
PO Box 8489
PERTH WA 6849

Tel: (08) 6557 7500
Fax: (08) 6557 7600

Email: info@audit.wa.gov.au

Dear Sir

**FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2019**

The Office has completed the annual audit of the financial statements, controls and key performance indicators for your agency. We enclose a copy of the opinion of the Auditor General, together with a set of the audited financial statements and key performance indicators. We have forwarded the audit opinion, financial statements and key performance indicators to the Minister for Mines and Petroleum for tabling in Parliament.

The result of the audit was satisfactory. Please note that the purpose of our audit was to express an opinion on the financial statements, controls and key performance indicators. The audit included consideration of internal control relevant to the preparation of the financial statements and key performance indicators in order to design audit procedures that were appropriate in the circumstances. It also included consideration of internal control for the purpose of expressing an opinion on the effectiveness of internal control in ensuring compliance with requirements prescribed by the *Financial Management Act 2006* and Treasurer's Instructions.

An audit is not designed to identify all internal control deficiencies that may require management attention. It is possible that irregularities and deficiencies may have occurred and not been identified as a result of our audit.

The date that agencies provided their financial statements to Audit has been recorded for purposes of reporting to Parliament. I advise that the date recorded for the receipt of your financial statements was 18 July 2019.

This letter has been provided for the purposes of The Coal Miners' Welfare Board of Western Australia and the relevant Minister and may not be suitable for other purposes.

I would like to take this opportunity to thank you, the management and the staff of your agency for their cooperation with the audit team during our audit.

Feel free to contact me on 6557 7682 if you would like to discuss any matters concerning the audit.

Yours faithfully

HAYLEY CHANTO
AUDIT MANAGER
FINANCIAL AUDIT
3 September 2019

Attach



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

Report on the Financial Statements

Opinion

I have audited the financial statements of The Coal Miners' Welfare Board of Western Australia which comprise the Statement of Financial Position as at 30 June 2019, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of The Coal Miners' Welfare Board of Western Australia for the year ended 30 June 2019 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

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

Responsibility of the Board for the Financial Statements

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

In preparing the financial statements, the Board is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Board.

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

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

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

In my opinion, in all material respects, the controls exercised by The Coal Miners' Welfare Board of Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2019.

The Board's Responsibilities

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

Auditor General's Responsibilities

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

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

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

Limitations of Controls

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

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of The Coal Miners' Welfare Board of Western Australia for the year ended 30 June 2019. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of The Coal Miners' Welfare Board of Western Australia are relevant and appropriate to assist users to assess the Board's performance and fairly represent indicated performance for the year ended 30 June 2019.

The Board's Responsibility for the Key Performance Indicators

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

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

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

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

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

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

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

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

This auditor's report relates to the financial statements and key performance indicators of The Coal Miners' Welfare Board of Western Australia for the year ended 30 June 2019 included on the Board's website. The Board's management is responsible for the integrity of the Board's website. This audit does not provide assurance on the integrity of the Board'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.



VINCE TURCO
SENIOR DIRECTOR FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia
3 September 2019