



Department of **Local Government,
Sport and Cultural Industries**
Combat Sports Commission

Combat Sports Commission

2018-19 Annual Report

For the Safety and Organisation of Combat Sports





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Minister for Sport and Recreation

Hon. Mick Murray 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 2018 to 30 June 2019.

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



Cassandra Wright

Commission Chair



Jacqui Jashari

Commission Member on behalf of
the Department of Local Government, Sport and
Cultural Industries

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 Local Government, Sport and Cultural Industries

Western Australian Police

New South Wales Combat Sports Authority

Professional Boxing and Combat Sports Board of Victoria

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) of the Act requires that the Commission maintain a mix of knowledge, skills and experience to ensure that it can effectively regulate combat sports contests.

Commission Member	Role within the Commission	Term
Ms Cassandra Wright	Chair	Ends January 2020
Senior Sergeant Marcus Murray	A police officer nominated in writing by the Commissioner of Police.	Commenced January 2019*
Dr Brian Galton-Fenzi	A medical practitioner who in the opinion of the Minister has knowledge of injuries suffered by contestants.	Ends January 2020
Ms Pearl Lim	A person who in the opinion of the Minister has knowledge of the boxing industry	Ends January 2021
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 August 2019
Mr Glen Austin	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.	Ends January 2021
Ms Renée Felton	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 2020
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 2020
Ms Jacqui Jashari	An officer of the Department of Local Government, Sport and Cultural Industries nominated by the Director General.	Commenced February 2018*

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in these positions are nominated by other government bodies and remain on the Commission until their nomination is withdrawn.

Commission Members

Ms Cassandra Wright - Chair of the Commission

Ms Cassandra Wright was appointed Chair of the Combat Sports Commission in May 2017.

Cass is a highly experienced legal practitioner with significant experience in litigation (in many jurisdictions including the High Court of Australia) and dispute resolution. Cass has in-depth knowledge of relevant legislation, regulatory compliance and governance and is an experienced corporate Lawyer. Cass holds a Bachelor of Laws, a Bachelor of Health Science, and a Diploma in Management and has completed Executive Leadership courses.

Cass is passionate about health, safety, inclusion and diversity and fitness. She is a member of the Commission's Governance and Risk Committee and Audit and Finance Committee and keen to ensure the Commission's vision of creating a healthier and safer combat sports community guides the Commission's decision making.

Dr Brian Galton-Fenzi - A medical practitioner who, in the opinion of the Minister, has knowledge of injuries suffered by contestants

Dr Brian Galton-Fenzi was appointed to the Commission in June 2018.

Brian is an occupational and environmental physician and a public health physician with an interest in safety and risk management. He gained his Fellowships with the Australasian Faculties of Occupational and Environmental Medicine and the Faculty of Public Health Medicine, he is a Certified Professional of the Safety Institute of Australia. Dr Galton-Fenzi is also an Adjunct Clinical Associate Professor, Faculty of Health Sciences, Curtin University.

Brian has extensive experience in health and wellbeing in all workplace environments; injury management and musculoskeletal medicine; pain medicine; health surveillance programmes and their effectiveness; fitness for work with appropriate risk reviews; and workplace risk and safety assessments.

Brian continues in his role as clinical consultant in both his private capacity and public hospital work, and on a medical board.

Senior Sergeant Marcus Murray - A police officer nominated in writing by the Commissioner of Police

Senior Sergeant Marcus Murray is a career police officer having served for more than 32 years in metropolitan and regional areas predominantly on the frontline.

Marcus was appointed as the Officer in Charge of the WA Police Liquor Enforcement Unit in 2017 where one of his roles is to ensure the integrity of relevant industries through a stringent and ongoing probity process. Marcus brings his 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, Marcus provides valuable assistance and advice to the Commission during the assessment of permit applications.

Commission Members – continued

Ms Pearl Lim - A person who in the opinion of the Minister has knowledge of the boxing industry.

Ms Pearl Lim was appointed to the Commission in December 2018 as a person who has knowledge of the boxing industry.

Pearl has been trained in martial arts since young age and has extensive knowledge of all disciplines of combat sports. Pearl stems from a legal background and brings extensive board experience to assist the Commission in discharging its operations effectively.

Pearl has a keen interest in ensuring that the Commission develops policies and procedures to ensure that contestants are healthy and safe and that there is a high degree of integrity in all contests.

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 41 years in the areas of Kyokushin Kai and Shotokan Karate, Jujitsu, Kung-Fu and Taekwondo both WTF and ITF, having competed at State, National and World Championships for Australia. Over this time, he has continued as a registered official / referee for these styles of Karate and Taekwondo. Derrick brings to the Commission not only experience and knowledge from his martial arts background but also years of experience and professional relationships in the martial arts industry as a whole and the world. He also brings from his professional work background in both project management and quality assurance his wealth of experience and knowledge.

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.

Mr Glen Austin - 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 Glen Austin was appointed to the Commission in December 2018 as a person who represents people that are or have been registered in a class relevant to boxing.

Glen has had extensive experience as a contestant, trainer and promoter within amateur and professional boxing ranks. Glen brings relevant and extensive industry knowledge to the Commission that is invaluable to Commission deliberations.

Glen is focused on ensuring a growing a vibrant combat sports industry in Western Australia and is also keen to provide a safe and fair environment to nurture the next generation of elite athletes.

Commission Members – continued

Ms Renée Felton - 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.

Ms Renée Felton was appointed to the Commission in January 2017 as the person who has knowledge of registered contestants in a class other than a class relevant to boxing.

Renée has an extensive career and experience as a competitor, promoter and contestant manager. Renée would like to continue to develop her knowledge and continue to build the relationship between contestants, industry participants and the Commission.

As the combat sports industry grows, Renée wishes to utilise her passion and knowledge that has spanned over 12 years to ensure that all competitors have a healthy and safe environment to perform.

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.

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 over 39 years. In this time, he has reached the levels of Seventh Degree Black Belt in Karate, Trainers Level in Muay Thai and kickboxing and holds a Blue Belt in Brazilian Jiu Jitsu. He also has a special interest in practical weaponry and holds First Degrees in Modern Bojutsu and Kombatan Arnis.

Dean has competed in touch-contact and full contact karate competitions, at one time being the State champion. In the mid-1980s Dean competed as a contestant in Kickboxing and Muay Thai, finishing with a record of five fights for five wins.

Following time spent as a fighter, Dean developed his career as a judge and referee. Dean maintained a longstanding registration with the Combat Sports Commission of Western Australia, as an official across several classes. He enjoyed undertaking referee, judge and timekeeper roles for contests across mixed martial arts, Muay Thai and professional boxing. He has officiated over 280 title fights including refereeing 17 World Title Bouts.

Dean has been the Chief Referee and Technical Adviser for the World Kick Boxing Association (WKA), the World Muay Thai Council in WA (WMC), the International Sport Karate Association (ISKA) WA, Muay Thai Australia (MTA) and several other private contests and has previously been engaged by the Combat Sports Commission to train amateur and professional officials.

Commission Members – continued

Ms Jacqui Jashari - An officer of the Department of Local Government, Sport and Cultural Industries nominated by the Director General.

Ms Jacqui Jashari was appointed to the Commission in February 2018 as an officer of the Department of Local Government, Sport and Cultural Industries, Sport and Recreation (WA) division, nominated by the Director General.

Jacqui is currently a Manager, Industry Development at the department, having previously worked across many other areas including Organisational Development, Community Participation and High Performance.

In this role, Jacqui works with many State Sport Associations and Industry Representative Organisations, their Chief Executive Officers and Boards, to support implementation of strong governance, leadership and management practices. Jacqui has a strong governance background through recent completion of the Australian Institute of Company Directors course and the Governance Institute of Australia – Governance and Risk Management Certificate and sitting on various boards and nominations committees.

Along with this, Jacqui brings a strong knowledge of sport at the community and elite level.

Outgoing Commission Members

The following Commission Members departed the Commission during 2018/19:

Mr Anthony Van Der Wielen

Mr Anthony Van Der Wielen was appointed to the Commission in January 2017 as a person who has knowledge of the boxing industry. Anthony departed the Commission in January 2019. Anthony's broad business and sporting experience was highly beneficial to the Commission during his tenure. The Commission wishes Anthony all the very best.

Mr Wayne Rowland

Mr Wayne Rowland was appointed to the Commission in January 2011 as a person who has knowledge of persons who are or have been registered as a contestant in a class relevant to boxing. Wayne has been involved in the combat sports industry for over 20 years in the capacity of a contestant, trainer, judge, promoter and Commission Member. Wayne departed the Commission in January 2019. His contribution to the Combat Sports Industry has been highly regarded and the Commission wishes Wayne all the very best.

Inspector Mark Longman

Inspector Mark Longman joined the Commission in January 2016 as the Western Australian Police Commissioner's representative. Mark contributed his experience and knowledge to the combat sports industry and focused on ensuring that persons involved in the various professions are deemed to be 'fit and proper'. On that basis, Mark provided valuable assistance and advice to the Commission during the assessment of permit applications. The Commission wishes Mark all the very best.

Chair's Report

As the Chair of the Commission I am proud of the work we achieved in 2018/19. Combat sports in WA has become increasingly popular, with a noticeable increase in the number of registrations across contestants and Industry Participants, and the Commission has worked hard to support a large number of promotions whilst working behind the scene on several key projects for the betterment of the Combat Sports Community.

Changes to the Commission and Staff

This year saw a number of changes to the composition of the Commission. Mr Wayne Rowland departed after seven years with the Commission and Mr Anthony Van der Wielen ended his two-year term with the Commission. Also departing was the WA Police Commissioner representative, Inspector Mark Longman. I thank Wayne, Anthony and Mark for all their hard work and effort during their time with the Commission.

Senior Sergeant Marcus Murray was appointed in February 2019 as the WA Police Commissioner representative. Ms Pearl Lim was appointed in January 2018 as the Commission Member with knowledge of the boxing industry. Mr Glen Austin was appointed in January 2018 as someone who has experience and knowledge as a contestant in a class relevant to boxing. Marcus, Pearl and Glen all bring a wealth of knowledge and experience in their respective fields and I look forward to continuing working together in the next financial year and beyond.

I wish to also acknowledge the outgoing Executive Officer, Seema Saxena, who departed in December 2018. I am appreciative of Seema's hard work and efforts during her time with the Commission and wish Seema all the best with her future endeavours. The vacant Executive Officer position was filled by Antoni Grover from January 2019. Antoni hit the ground running having previously worked for the Commission in 2016 and quickly demonstrated his ability to perform and effectively lead the team of staff who assist the Commission. Since October 2018, the Commission has also been assisted by Erin Guthrie and in February 2019 Melissa Baker joined the team. Erin and Melissa both bring strong administrative and regulatory skills to the team. The Commission said goodbye to Lisa Pearson and Stacey Newtown who were well known to the industry. The staff all do an amazing job in ensuring the Commission complies with the requirements set out in the Act. Their work, passion, and dedication is appreciated.

New Departmental Structure

As part of the Machinery of Government changes that occurred in 2017, the former Department of Sport and Recreation now sits within the Department of Local Government, Sport and Cultural Industries (DLGSC) at the new office location of 140 William St, Perth. The Commission now sits within the Regulation Division of DLGSC under the leadership of Deputy Director General, Mick Connolly. The 2018/19 financial year has seen the strengthening of the relationship between the Commission and new department and I thank Mick for his ongoing support to the Commission.

In addition, the Commission is thankful for the support provided by the DLGSC for support in staffing, financial services, communications, legal and human resources. The restructure of the department and move to the new office was a challenge for the Commission and I thank all those involved and for making the Commission staff feel welcome in their new office.

Contestant Safety Project

In 2018/19, the Commission continued its important work with the development of a strategy to address rapid weight loss by dehydration (weight cutting) by contestants. The only way we can stop this dangerous practice is to create a culture where safety is paramount and everyone's responsibility. To that end, the Commission has continued to engage, collaborate and consult with various stakeholders to develop a strategy to what is a complex issue. The Commission acknowledges it has an opportunity to set an example to other jurisdictions in Australia and around the world in addressing this deep-seated and

dangerous practice and thanks all the jurisdictions who have been willing to consult with the Commission and share ideas, challenges and best practices. The Commission has already implemented part of the strategy with the release of some of the educational materials on the dangers of weight cutting and aims to finalise the roll out of the strategy in the 2019/20 financial year. I thank all members of the Commission and staff for their contribution, in particular I am extremely grateful to James Harmer, who has been leading this project. I am also extremely grateful to Sharron Lindsay, Dr Patrick Golden and Dr Roslyn Carbon who have continued to consult with the Commission and assist in the development of the strategy.

Risk Management Project

The Commission engaged Mark Humphrey's from RiskWest as a consultant to complete a review of the Commission's Risk Management framework and relevant risk related policies and procedures. The Commission places a high importance on risk management given its regulatory role in an industry that comes with acknowledged inherent health and safety risks. The health and safety of contestants is the utmost priority of the Commission and I thank Mark, and his team, for his assistance with this key project.

Communication

In an effort to improve stakeholder engagement and keep the industry informed, the Commission launched an official Facebook page in 2018/19. The Commission has used Facebook to share important information, messages and policies. Like our page to connect with the Commission and the Combat Sports Community.

Together with its consultant, Two Moons, the Commission also rebranded its fact sheets, guidelines and policies. The Commission's tag line "prepare well, perform better" is found on its newly branded documents. This tag line talks to the Commission's view on the dangerous practice of weight cutting.

Other Projects

In parallel to the abovementioned projects, the Commission has been developing a new online registration and promotion application portal, developing a new website and increasing its online presence. The new online portal will provide a new streamlined process for registration and promotion permit applications and is expected to be launched in the 2019/20 financial year. The Commission has also been working towards a new website, which will sit within the DLGSC website, which will also be launched in 2019/20.

Policy and Regulatory Amendments

The Commission has continued to review its policies to ensure they are relevant and align with industry priorities. During this financial year, the Commission developed the Dual Roles Policy and updated the Children Participating at Promotions Policy. In addition, weight classifications for boxing, kickboxing and Muay Thai were amended in the Combat Sport Regulations to ensure the prescribed weight classifications were aligned to those prescribed by international bodies. The Commission also did some work to require that Seconds are also registered (this came into effect on 1 July 2019).

In November 2018, the Commission issued a stakeholder survey and thanks everyone who took the time to participate in the survey to enable the Commission to evaluate its performance and gain feedback from the industry. In doing so, the Commission learnt of the importance of engaging and consulting the industry when developing and amending policies. Unfortunately, the Commission has observed that during all consultation processes, the response from the industry has been limited. I encourage all members of the industry to engage with the Commission to ensure that your voice is heard. Your feedback is important to us in ensuring the health and safety of the community.

Acknowledgements

I acknowledge the contribution of all members, current, incoming and outgoing, of the Commission. The work of all Commission members is not lost on me and I appreciate everyone's passion and commitment.

I wish to publicly acknowledge the continued efforts of Antoni Grover, Tracey Roper, Erin Guthrie, Melissa Baker and James Harmer throughout the year. It is their commitment and professionalism that ensures the smooth running of the Commission.

In addition, thank you to all external stakeholders, consultants, support functions within the DLGSC and the combat sports industry for your ongoing support and contribution.

Finally, on behalf of the Commission, I would like to again thank the Hon. Mick Murray, and his wonderful staff, for their support, approachability and willingness to assist. I personally commend all Commission members and staff for their efforts in enforcing the Act throughout the course of the year.

I am encouraged by the progress the Commission made in 2018/19 in respect of the various projects and look forward to another exciting year ahead.



Cassandra Wright

Chair

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. This is achieved with a focus on the following key areas:

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 forefront 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 facts sheets, guidelines and brochures to the industry. In addition, the Commission provides industry participants with access to courses run in conjunction with the Department of Local Government, Sport and Cultural Industries 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. Mick Murray, in his capacity as Minister for Sport and Recreation.

Objectives

Section 10 of the *Combat Sports Act 1987* (the Act) provides that the functions of the Commission are:

- carry out the functions conferred on the Commission under the Act;
- formulate or 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 on combat sport matters or any other matter incidental to combat sports.

Vision

The Commission revisited its vision in February 2019. A new vision was developed. The vision of the Commission is:

“to create a healthier and safer Combat Sports Community”

The vision is discussed regularly by Commission Members and is used to guide the Commission in its decision making process.

Highlights

Contests

The Commission approved 33 contests in 2018/19 across all disciplines including boxing, mixed martial arts, and Muay Thai.

A number of breaches of the Act and the Regulations occurred this financial year, however, the Commission is pleased to see that the number of breaches remained relatively low this year.

Injury Statistics

In 2018/19, 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 908 contestants participating in the 33 contests directly overseen by the Commission in 2018/19, there were 75 reportable injuries.

This equates to 8.25% of contestants suffering an injury during a contest and is a 4.25% decrease from 2017/18.

Further analysis of the 75 reportable injuries shows; 25 mandatory medical suspensions were issued, 16 concussions, 26 lacerations required steri-strips, glue or sutures, 7 dislocations, breaks or referrals for x-rays and 26 miscellaneous injuries ranging from bruises to sprains and strains.

Industry Training and Development

The Commission hosted two industry training and development events in 2018/19. Ongoing training and development is important for the combat sports industry and the Commission will continue to provide these services going forward. The events were:

- December 2018 – Gloves and hand wraps seminar
- June 2019 - Boxing official's seminar

Business Management

Financial Management

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

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

The Commission thanks the department for all the ongoing support it provides.

Industry contact

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

- proposed contest dates
- current projects
- opportunities for engagement
- policies.

The Commission continued to use social media as a communication tool with the industry. The Commission's Facebook account has proved to be an invaluable tool to contact contestants and industry participants and provide timely information to the industry.

Statutory Reporting

Freedom of Information (FOI) Act 1992

The Commission abides by the Department of Local Government, Sport and Cultural Industries' Freedom of Information policy. The Department provides all FOI services to the Commission and liaises with the community, public and media regarding FOI requests.

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

There were no FOI requests received during 2018/19.

Public sector standards and ethical codes

No compliance issues arose during the 2018/19 year in relation to the Public Sector standards. The Commission continues to monitor all complaints made to the Commission Chair.

Equity, access, inclusion and substantive equality

The Commission has adopted all the Department of Local Government, Sport and Cultural Industries' 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

Government Gazette	\$326.54
Initiative Media	\$1,628.01
Market research agencies	\$0.00
Polling agencies	\$0.00
Direct mail agencies	\$0.00
Media advertising agencies	\$0.00
TOTAL	\$1,954.55

Enabling Legislation

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

Legislation Impacting 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*



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

COMBAT SPORTS COMMISSION

Report on the Financial Statements

Opinion

I have audited the financial statements of the Combat Sports Commission 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 Combat Sports Commission 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 Commission 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 Commission 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, the *Financial Management Act 2006* 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.

In preparing the financial statements, the Commission 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 Commission.

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 Commission.
- Conclude on the appropriateness of the Commission'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 Commission 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 Combat Sports Commission. The controls exercised by the 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 (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 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 2019.

The Commission's Responsibilities

The Commission 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 Combat Sports Commission 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 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 2019.

The 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 internal control as the Commission 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 Commission 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 Combat Sports Commission for the year ended 30 June 2019 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.




KELLIE TONICH
SENIOR DIRECTOR
FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia
5 September 2019

CERTIFICATION OF KEY PERFORMANCE INDICATORS

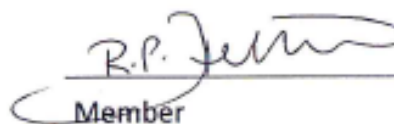
FOR THE YEAR ENDED 30 JUNE 2019

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Combat Sports Commission's performance, and fairly represent the performance of the Combat Sports Commission for the financial year ended 30 June 2019.


Chairperson

Cassandra Wright

Date: 05/09/2019


Member

Renee Felton

Date: 05/09/2019



Government Goals

Sustainable Finances: Responsible financial management and better service delivery;

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

Service

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 1

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

The target for this KPI is 0%.

Period	Percentage of Registered Contestants with a Positive Serology Test
2018/19	0.00%
2017/18	0.00%
2016/17	0.00%
2015/16	0.00%
2014/15	0.00%

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 declined.

Indicator 2

Percentage of instances of non-compliance with the *Combat Sports Act 1987* and the *Combat Sports Regulations 2004* at contests: 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
2018/19	1.54%
2017/18	1.71%
2016/17	0.99%
2015/16	1.13%
2014/15	0.83%

Non-compliance relates to a breach of the *Act* or its supporting *Regulations*. Examples include but are not limited to:

- * Failing to submit a permit application within the timelines specified in the *Act*,
- * Holding a contest without a permit,
- * Failing to hold a weigh-in in accordance with the provisions of the *Act*,
- * Failing to adhere to a permit condition, or
- * Participating in a contest without being registered in an appropriately capacity.

Despite the Commission's best efforts there were breaches of the *Act* and the *Regulations* this financial year. However, the Commission is pleased to see that the number of breaches remained relatively low (2019: 33 breaches, 2018: 39 breaches) this year and attributes this to the Commission's contest feedback system, further, the number of events has decreased this year (2019: 33 events, 2018: 35 events). 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.

**Combat Sports Commission
Annual Report 2018-19
Efficiency Indicator**

Efficiency Indicator

Indicator 3

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

This measure is calculated by:

$$\frac{\text{Total Operating Cost}}{\text{Number of Registered Promotions}}$$

Costs	2018/19 \$	2017/18 \$	2016/17 \$	2015/16 \$	2014/15 \$
Chairman's fee	21,040	13,250	8,289	13,250	9,400
Commissioner fees and allowances	85,682	99,890	51,380	43,899	38,700
Commissioner superannuation	10,108	10,748	5,669	4,945	4,570
Operating costs	682,030	728,582	655,320	633,599	587,120
Total	798,860	852,470	720,658	695,692	639,790
Number of Promotions	33	35	39	34	39
Cost of issuing a permit *	24,208	24,356	18,478	20,462	16,405

NB: The target cost of issuing a permit in 2018-19 was \$25,375. This is based on estimated total cost of \$1.015m and the number of contests 40 for the 2018-19 financial year.

The Commission met its efficiency indicator in 2018-19 due to significantly lower total costs than budgeted and there was seven less promotions than the target of 40.

Certification of Financial Statements

Financial Statements

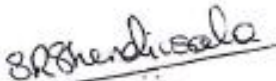
Combat Sports Commission

Certification of Financial Statements

For the year ended 30 June 2019

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 reporting period ended 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 within the financial statements misleading or inaccurate.



Shanaeya Sherdiwala

Chief Finance Officer

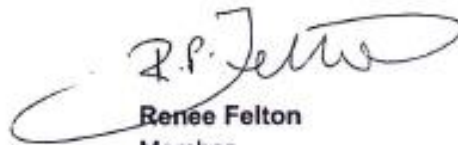
Date: 05/09/2019



Cassandra Wright

Chairperson

Date: 05/09/2019



Renee Felton

Member

Date: 05/09/2019



Combat Sports Commission
Statement of Comprehensive Income
For the year ended 30 June 2019

	Notes	2019	2018
COST OF SERVICES			
Expenses			
Members' remuneration	2.1	116,830	123,888
Grants and subsidies	2.2	0	11,250
Supplies and services	2.3	682,030	717,332
Total cost of services		798,860	852,470
Income			
Revenue			
User charges and fees	3.2	54,959	36,992
Other revenue	3.3	0	1,234
Total revenue		54,959	38,226
Total income other than income from State Government		54,959	38,226
NET COST OF SERVICES		743,901	814,244
Income from State Government			
Grants and subsidies from State Government	3.1	937,000	750,000
Services received free of charge	3.1	14,061	10,743
Total income from State Government		951,061	760,743
SURPLUS(DEFICIT) FOR THE PERIOD		207,160	(53,501)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		207,160	(53,501)

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



Combat Sports Commission
Statement of Financial Position
As at 30 June 2019

	Notes	2019	2018
ASSETS			
Current Assets			
Cash and cash equivalents	6.1	891,563	665,698
Receivables	5.1	36,086	33,720
Other current assets	5.2	105	-
Total Current Assets		927,754	699,418
Non-Current Assets			
Intangible assets (Works in Progress)	4.1	174,129	115,974
Total Non-Current Assets		174,129	115,974
TOTAL ASSETS		1,101,883	815,392
LIABILITIES			
Current Liabilities			
Payables	5.3	212,192	97,338
Other current liabilities	5.4	22,929	58,452
Total Current Liabilities		235,121	155,790
TOTAL LIABILITIES		235,121	155,790
NET ASSETS		866,762	659,602
EQUITY			
Accumulated surplus/(deficit)	8.8	866,762	659,602
TOTAL EQUITY		866,762	659,602

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



Combat Sports Commission
Statement of Changes in Equity
For the year ended 30 June 2019

	Note	Accumulated Surplus/(Deficit)	Total Equity
Balance at 1 July 2017	8.8	713,103	713,103
Surplus/(Deficit)		(53,501)	(53,501)
Balance at 30 June 2018		<u>659,602</u>	<u>659,602</u>
Balance at 1 July 2018	8.8	659,602	659,602
Surplus/(Deficit)		207,160	207,160
Balance at 30 June 2019		<u>866,762</u>	<u>866,762</u>

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

Combat Sports Commission Statement of Cash Flows

For the year ended 30 June 2019

	Notes	2019	2018
CASH FLOWS FROM STATE GOVERNMENT			
Receipts from general government agencies		937,000	750,000
Net cash provided by State Government		937,000	750,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Members' sitting fees		(139,694)	(121,470)
Supplies and services		(576,582)	(655,235)
Grants and subsidies		-	(11,250)
GST payments on purchases		(70,098)	(80,467)
GST payments to taxation authority		(4,969)	(3,912)
Other payments		(966)	(118)
Receipts			
User charges and fees		54,959	36,992
GST receipts on sales		5,408	3,836
GST receipts from taxation authority		78,962	65,746
Other receipts		-	1,234
Net cash provided by/(used in) operating activities		(652,980)	(764,644)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(58,155)	(19,239)
Net cash provided by/(used in) investing activities		(58,155)	(19,239)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Other payments		-	-
Net cash provided by/(used in) financing activities		-	-
Cash and cash equivalents at the beginning of the period		665,698	699,581
Net increase/(decrease) in cash and cash equivalents		225,865	(33,883)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.1	891,563	665,698

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

Notes to the Financial Statements

Combat Sports Commission Notes to the Financial Statements

For the year ended 30 June 2019

1. Basis of preparation

The Combat Sports Commission (the "Commission") is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Commission is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements. These annual financial statements were authorised for issue by the Accountable Authority of the Commission on 5 September 2019.

Statement of Compliance

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

- 1) The *Financial Management Act 2006* (FMA)
- 2) The Treasurer's Instructions (the Instructions or TI)
- 3) Australian Accounting Standards (AAS) - Reduced Disclosure Requirements
- 4) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

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

Basis of preparation

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

Judgements and estimates

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

2. Use of our funding

Expenses incurred in the delivery of services

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

	Notes	2019	2018
Members' remuneration	2.1	116,830	123,888
Grants and subsidies	2.2	0	11,250
Supplies and services	2.3	682,030	717,332

2.1 Members' remuneration

	2019	2018
Chairperson's fee	21,040	13,250
Other member's fees	85,682	99,890
Superannuation – defined contribution plans ^(a)	10,108	10,748
Total members' remuneration	116,830	123,888

(a) Defined contribution plans include West State Superannuation Scheme (WSS), Government Employees Superannuation Board Schemes (GESBs) and other eligible funds.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the WSS, the GESBs, or other superannuation funds.

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

Combat Sports Commission
Notes to the Financial Statements

For the year ended 30 June 2019

2.2 Grants and subsidies

	2019	2018
Combat Sports Dehydration Project	0	11,250
Total grants and subsidies	0	11,250

Transactions in which the Commission provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

2.3 Supplies and services

	2019	2018
Supplies and services		
Audit Fees	16,022	12,830
Services and Contracts	657,079	698,367
Advertising for Vacancies	1,480	1,499
Travel	5,465	2,458
Materials	1,184	2,178
Total supplies and services expenses	682,030	717,332

Supplies and services:

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

3. Our funding sources

How we obtain our funding

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

	Notes	2019	2018
Income from State Government	3.1	951,061	760,743
User charges and fees	3.2	54,959	36,992
Other Revenue	3.3	0	1,234

3.1 Income from State Government

	2019	2018
Grants ^(a)	937,000	750,000
Services received free of charge - Legal services provided by State Solicitor's Office	14,061	10,743
Total income from State Government	951,061	760,743

(a) Grants from Department of Local Government, Sport and Cultural Industries are paid periodically as appropriations. 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 Local Government, Sport and Cultural Industries.

3.2 User charges and fees

	2019	2018
Industry participants' registration fees	44,994	30,080
Contest permits	4,565	5,112
Promoters' registration fees	5,400	1,800
	54,959	36,992

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 Local Government, Sport and Cultural Industries.

Registrations and Permits

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

3.3 Other Revenue

	2019	2018
Sundry revenue	0	1,234
	<u>0</u>	<u>1,234</u>

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.

4. Key assets

Assets the Commission utilises for economic benefit or service potential

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

	Notes	2019	2018
Intangibles (Works in Progress)	4.1	174,129	115,974
Total key assets		<u>174,129</u>	<u>115,974</u>

4.1 Intangible assets (Works in Progress)

Year ended 30 June 2018	Computer Software (WIP)	Total
1 July 2017		
Carrying amount at start of period	96,735	96,735
Additions	19,239	19,239
Carrying amount at 30 June 2018	<u>115,974</u>	<u>115,974</u>
Year ended 30 June 2019	Computer Software (WIP)	Total
1 July 2018		
Carrying amount at start of period	115,974	115,974
Additions	58,155	58,155
Carrying amount at 30 June 2019	<u>174,129</u>	<u>174,129</u>

Initial recognition

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted below), are capitalised.

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

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

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

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

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

Subsequent measurement

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

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. 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 its recoverable amount, an impairment loss is recognised through profit or loss.

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

As the Commission is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

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

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 value any impairment risk from declining replacement costs.

Combat Sports Commission
Notes to the Financial Statements

For the year ended 30 June 2019

5. Other assets and liabilities

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

	Notes	2019	2018
Receivables	5.1	36,086	33,720
Other Assets	5.2	105	0
Payables	5.3	212,192	97,338
Other Liabilities	5.4	22,929	58,452

5.1 Receivables

		2019	2018
Current			
GST receivable		34,877	33,720
Other receivables		1,209	0
Total receivables		36,086	33,720

The Commission does not hold any collateral or other credit enhancements as security for receivables.

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

5.2 Other assets

		2019	2018
Current			
Prepayments		105	0
Total other assets		105	0

Other assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

5.3 Payables

		2019	2018
Current			
Trade payables		212,192	97,338
Total payables		212,192	97,338

Payables are recognised at the amounts payable 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.

5.4 Other liabilities

		2019	2018
Current			
Accrued Siting Fees		8,604	44,339
Accrued Audit Fees		14,325	14,113
Total other liabilities		22,929	58,452

6. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the Commission.

	Notes
Cash and cash equivalents	6.1

6.1 Cash and cash equivalents

	Notes	2019	2018
Cash and cash equivalents	6.1	891,563	665,698

Combat Sports Commission
Notes to the Financial Statements
For the year ended 30 June 2019

7. Financial Instruments and Contingencies

Financial instruments	Notes
Contingent assets	7.1
Contingent liabilities	7.2.1
	7.2.2

7.1 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:

	2019	2018
Financial assets		
Cash and cash equivalents	891,563	665,698
Other receivables (a)	1,209	0
Other current assets	105	0
Total financial assets	892,877	665,698
Financial liabilities		
Payables	212,192	97,338
Other liabilities	22,929	58,452
Total financial liability	235,121	155,790

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

7.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent assets

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

7.2.2 Contingent liabilities

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

8. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

Events occurring after the end of the reporting period	Notes
Initial application of Australian Accounting Standards	8.1
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Remuneration of auditors	8.6
Equity	8.7
	8.8

8.1 Events occurring after the end of the reporting period

The Commission is 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 financial year.

8.2 Initial application of Australian Accounting Standards

AASB 9 Financial Instruments

The Commission does not hold any Financial instruments as defined in AASB 9. Financial instruments held by the Commission are cash and cash equivalents, and GST receivables and payables. All of the Commission's cash is held in the public bank account [non-interest bearing account].

Combat Sports Commission
Notes to the Financial Statements
For the year ended 30 June 2019

8.3 Key management personnel

The Commission has determined key management personnel to include cabinet ministers, board members and senior officers of the Commission. The Commission does not incur expenditures to compensate Ministers and those disclosures may be found in the Annual Report on State Finances.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Commission for the reporting period are presented within the following bands:

Compensation band (\$)	2019	2018
\$20,001 to \$30,000	3	2
\$10,001 to \$20,000	1	3
\$0 to \$10,000	8	5
	<u>12</u>	<u>10</u>
Total compensation of members of the accountable authority	116,830	121,490

Total compensation includes the superannuation expense incurred by the Commission in respect of senior officers.

8.4 Related party transactions

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

Related parties of the Commission include:

- all senior officers and their close family members, and their controlled or jointly controlled entities;
- all cabinet ministers and their close family members, and their controlled or jointly controlled entities; and
- other departments and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Significant transactions with Government-related entities

In conducting its activities, the Commission is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- operating expenses recoup paid to Department of Local Government, Sport and Cultural Industries for supplies and services received (Note 2.3);
- services received free of charge from State Solicitor's Office (Note 3.1);
- grants received from Department of Local Government, Sport and Cultural Industries (Note 3.1); and
- remuneration for services provided by the Auditor General (Note 8.7).

Material transactions with other related parties

- superannuation payments to GESB (Note 2.1).

The Commission had no material related party transactions that involved key management personnel and/or their close family members; and/or their controlled (or jointly controlled) entities.

8.5 Related bodies

The Combat Sports Commission has no related bodies.

8.6 Affiliated bodies

The Combat Sports Commission has no affiliated bodies.

8.7 Remuneration of auditors

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

	2019	2018
Auditing the accounts, financial statements controls, and key performance indicators	13,022	15,830

8.8 Equity

	2019	2018
<u>Accumulated Surplus</u>		
Balance at start of period	659,602	713,103
Result for the period	207,160	(53,501)
Balance at end of period	<u>866,762</u>	<u>659,602</u>
Total Equity at end of period	866,762	659,602



Department of **Local Government,**
Sport and Cultural Industries
Combat Sports Commission