



ROTTNEST IS

*We're working for
Western Australia.*

ANNUAL REPORT

2020-21

ria.wa.gov.au

Rottnest Island Authority

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The Rottnest Island Authority respects the Whadjuk Noongar people as the traditional custodians of Wadjemup (Rottnest Island) and its surrounding waters.





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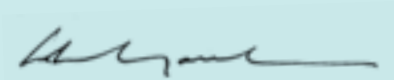
Statement of Compliance

To the Hon David Templeman MLA, Minister for Tourism; Culture and the Arts; Heritage.

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Rottnest Island Authority for the reporting period ending 30 June 2021.

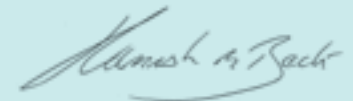
The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

The financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board.



John Langoulant AO
Chairman
Rottnest Island Authority

10 September 2021

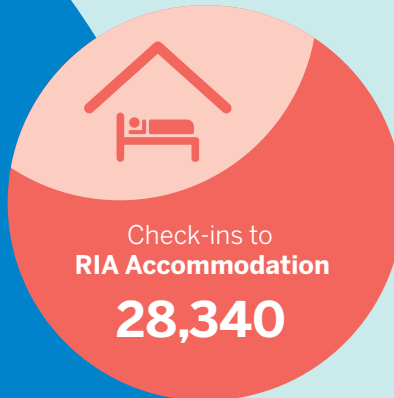
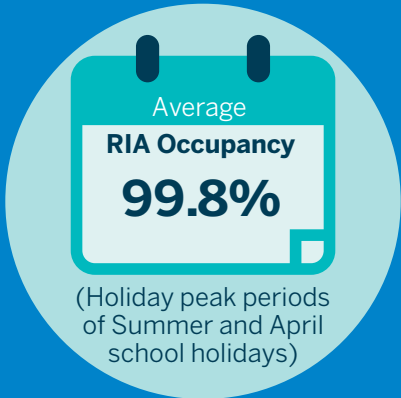


Hamish Beck
Deputy Chairman
Rottnest Island Authority

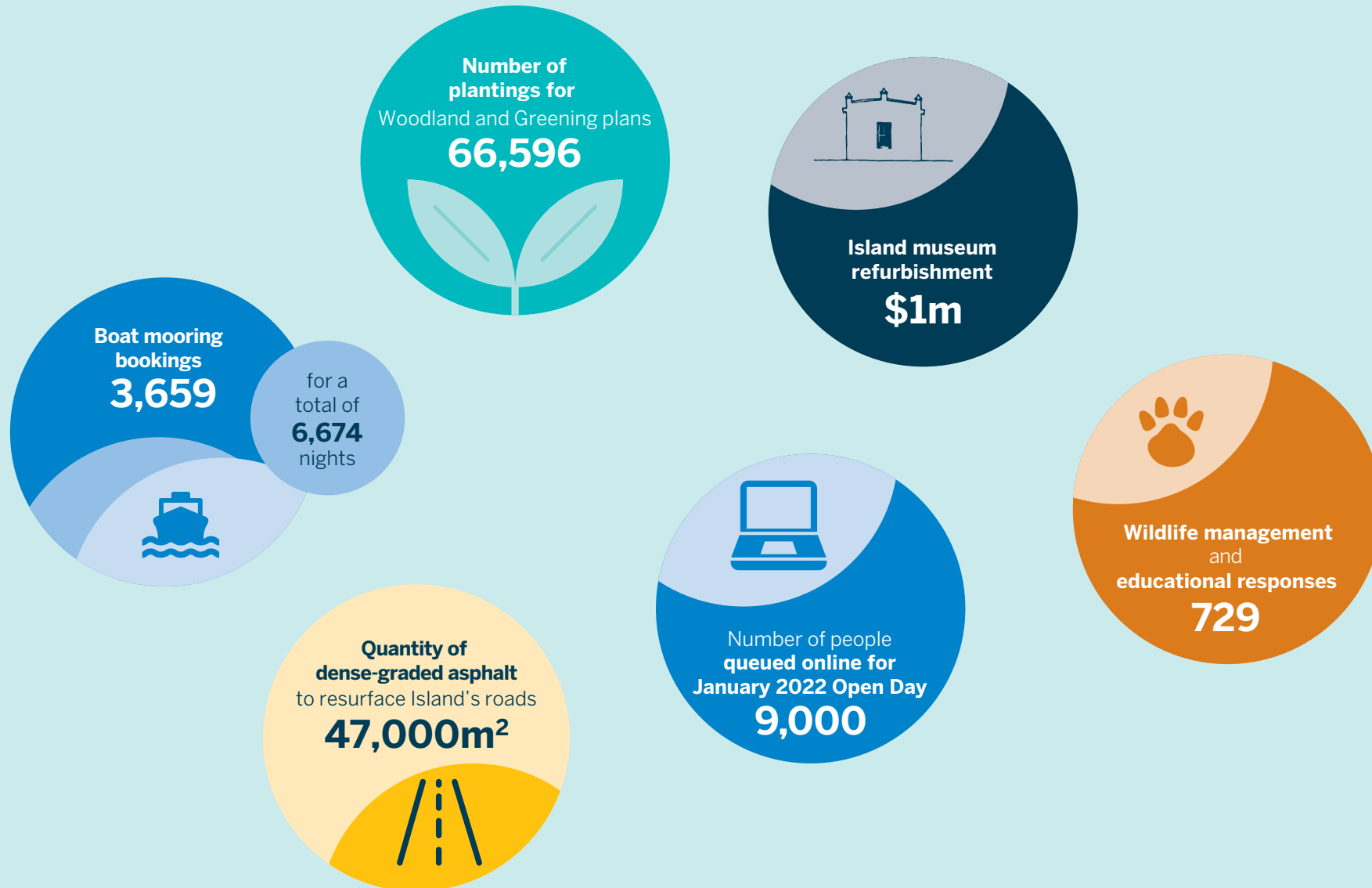
10 September 2021



Overview



* Refer to page 27 for source data notation.



Chairman's overview



The last year has challenged and changed people and businesses the world over and the Island and Rottnest Island Authority have not been immune from the effects of the global pandemic. Despite the testing times, the improvements and progress we've made during the past year have made a visible and tangible difference to the Island.

We continue to be focused on the Rottnest Island Management Plan 2020-24 which sets the direction, tone and tenor for the management of the Island.

These strategic objectives are continuing, albeit within different current conditions, and we have made significant inroads into many of these objectives.

From a strategic standpoint we remain focused on diversifying the visitor base, strengthening the Island infrastructure and services, and engaging with, promoting and preserving the Island's cultural heritage while establishing a new way of doing business.

Major works have commenced in the Settlement to upgrade water infrastructure and improve visitor amenities in the main mall area. These works complement the refurbishment of the museum and its renaming to the Wadjemup Museum.

The new museum was developed in close consultation with the Wadjemup Aboriginal Reference Group and is an important small step in recognising the dark history of the Island.

The selection of a Western Australian consortium as the preferred proponent for the \$40 million redevelopment of the Lodge site is a great example of investment and progress on the Island. It will help to stimulate the Island's economy by attracting new visitors, offering regular visitors new accommodation with a range of affordable and boutique options, while providing new visitor experiences and amenities.

We've also developed marketing strategies during the past year, with a focus on driving visitation during the pandemic. In July, the Get Quokka Happy campaign invited Western Australians to visit the Island and again undertook our popular Quokka birthday event, this time throughout September.

In the events space our two annual swims were held and in May 2021 we hosted the World Surf League for the Rip Curl Rottnest Search competition. That event captured a television and online audience of over 2.1 million people globally, bringing the Island significant national and international exposure.

With the ups and downs of the past 18 months, I'm keen to see what the next year will bring but I'm confident that we will continue to make progress towards our strategic objectives.

I would like to thank Jason Banks the Executive Director for his strong leadership of the Authority staff and to my Board colleagues who continue to serve the Authority with great enthusiasm and dedication.

John Langoulant AO
Chairman
Rottnest Island Authority

Executive Director's report



Reaching the end of my first year as Executive Director, I've had an opportunity to reflect on the past year, with all its challenges and successes. This year has been punctuated by achievements and disruption. It has been a period of mixed fortunes for tourism operators across the State and the same is true for the Rottnest Island Authority (RIA).

The COVID-19 pandemic has had a protracted impact on the number of day visitors to the Island, however, there has been an increase in local demand for accommodation. This has included record demand for RIA accommodation.

While demand for accommodation on the Island has been strong, the demand for tours and experiences has decreased. As a destination, it is important that operators remain viable to service future visitors and that the Island continues to build on its experiences and offerings. RIA maintains a close working relationship with all Island businesses and operators, and we will continue to explore new ways to increase demand for their offerings.

To help increase and diversify the Island's accommodation offerings and to attract new visitors, Sapphire Rottnest was opened in October 2020.

I'm very pleased with the inroads we're making into the objectives set out in the Rottnest Island Management Plan 2020-24. One of the key objectives in the plan is to strengthen infrastructure and services, something we are working hard on.

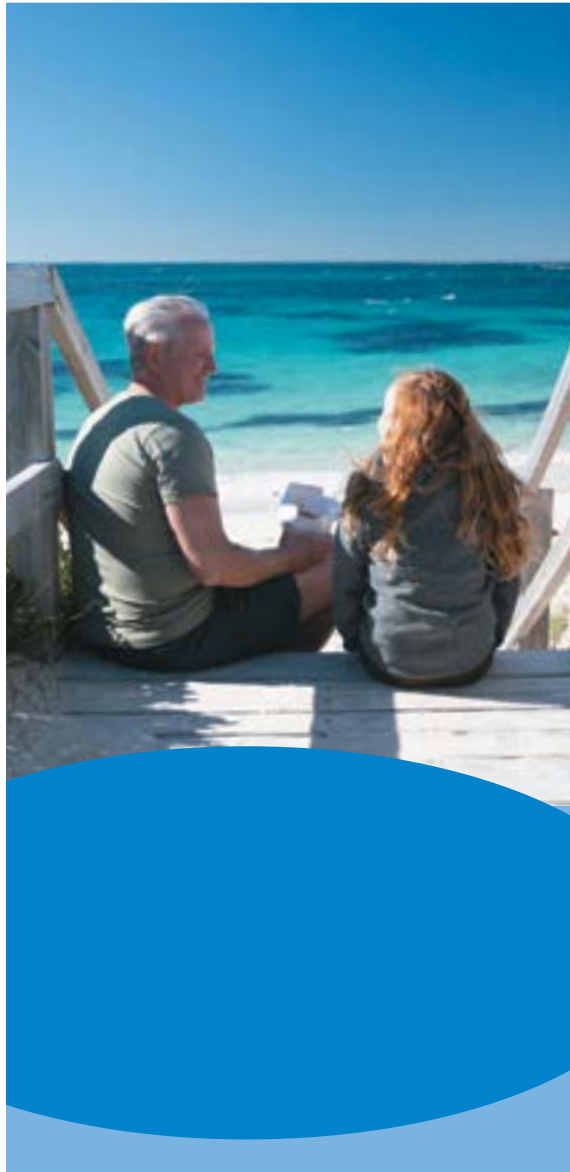
We've made some great progress with this objective during the past year, including major water services upgrades, resurfacing 10km of roads in the Settlement and constructing a new \$3m Fuel Jetty which opened in December. Our infrastructure program will continue over the years to come to help ensure the Island meets our visitors' future needs.

Much of what has been achieved could not have occurred without the support of the Rottnest Island business community and the tireless efforts of our many volunteers.

Finally, I commend the RIA team, who have been single-minded in continuing to provide a great service to our visitors, upholding our values and delivering on the projects that we've committed to. I am proud of what we have achieved and how we have gone about it. Thank you.

I would encourage us all to focus on the positives, acknowledge challenges and continue to work to deliver our shared vision of the future for the Island.

Jason Banks
Executive Director
Rottnest Island Authority



About Rottnest Island

Rottnest Island, or Wadjemup, lies in the Indian Ocean, 18 kilometres west of Fremantle in south-west Western Australia. The Island is 11 kilometres long and 4.5km wide at its widest point with a land area of approximately 1,859 hectares and an associated marine reserve of some 3,828 hectares.

Rottnest Island is a Class A reserve housing unique flora and fauna including quokkas, over 150 bird species, 64 hectares of native woodland, 63 sheltered beaches and 20 bays. This has made the Island a favourite holiday destination for visitors from around the country and the world.

The Island's natural attractions are mirrored by its rich and diverse cultural history.

Known as Wadjemup or "place of spirits" to the local Whadjuk Noongar people, the Island is managed by the Rottnest Island Authority (RIA), a statutory body created by the WA Parliament in 1987. RIA is responsible for maintaining the delicate balance between the environment, cultural heritage and the Island's iconic role as a tourism destination.

RIA is guided by the Rottnest Island Management Plan 2020-24 which focuses on making the Island a place where those who visit, whether as day visitors or extended stay holidaymakers, can engage positively with the environment and recognise the heritage of the Island, including the Island's Aboriginal cultural heritage.

About Rottnest Island Authority

RIA operates the Island according to the *Rottnest Island Authority Act 1987* (the Act). The control and management of the Island is vested in RIA for the purpose of enabling it to:

- provide and operate recreational and holiday facilities on the Island,
- protect the flora and fauna of the Island,
- maintain and protect the natural environment and the man-made resources of the Island and, to the extent that RIA's resources allow, repair its natural environment.

OUR VISION

RIA's vision for Rottnest Island is for it to be a visitor destination of national significance for its recreational, environmental and cultural heritage values.

OUR VALUES

We act on our values and commitments even when it's difficult or challenging to do so. Our values are:

- **Integrity** – unconditional respect for people, culture and place,
- **Teamwork** – dedication to collaboration and sharing,
- **Accountability** – personal responsibility.
- **Quality** – commitment to continuous improvement.

RESPONSIBLE MINISTER

The Minister responsible for RIA is Hon David Templeman MLA, Minister for Tourism; Culture and the Arts; Heritage.

ADMINISTRATION

The Act provides for the appointment of a Chief Executive Officer (CEO) and other staff. Following the incorporation of RIA into the Department of Biodiversity, Conservation and Attractions (DBCA) in 2017, the Director General of DBCA is the designated CEO for the purposes of the Act. The management of RIA and the Island on a day-to-day basis is the responsibility of the Executive Director.

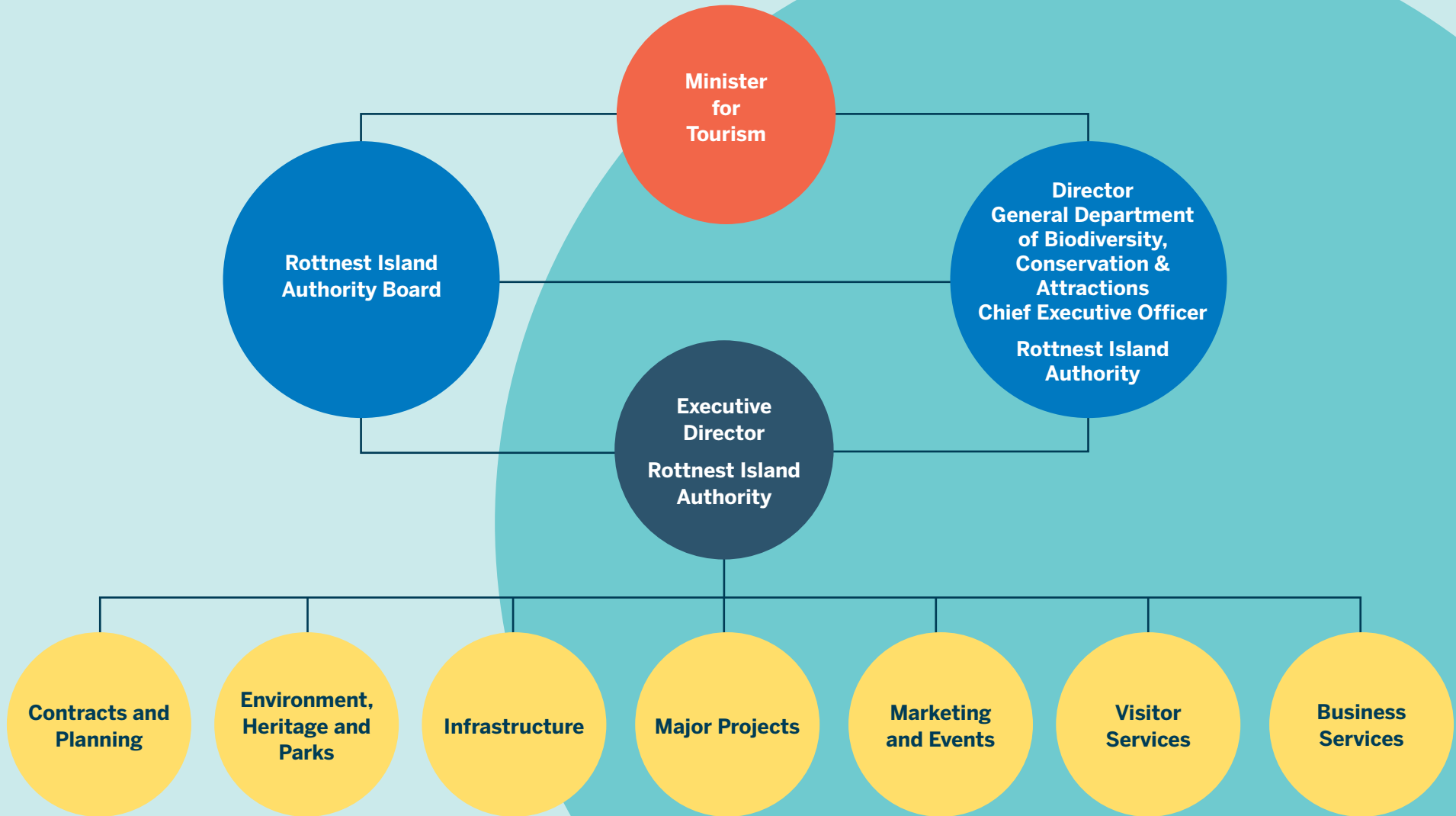
ENABLING LEGISLATION

RIA is constituted under the *Rottnest Island Authority Act 1987*.

In administering the Act, RIA adheres to the following key legislation:

- *Financial Management Act 2006*
- *Public Sector Management Act 1994*
- *State Supply Commission Act 1991*
- *Aboriginal Heritage Act 1972*
- *Conservation and Land Management Act 1984*
- *Health (Rottnest Island) By-Laws 1989*
- *Jetties Act 1926*
- *Biodiversity Conservation Act 2016*
- *South West Native Title Settlement Act 2016*

ORGANISATION STRUCTURE



THE BOARD

RIA has a Board, consisting of a Chairman and five other members appointed by the Governor on the advice of the Minister for Tourism. Appointment criteria for individual members are specified in the Act, with specific reference to:

- conservation of the environment,
- preservation of buildings of historic value,
- commerce,
- use of the Island for recreational purposes.



**Chairman
John Langoulant AO**

(Appointment expires 30 June 2023)

John Langoulant has extensive executive experience in the private and public sectors including as the Western Australian Under Treasurer, Chief Executive Officer with Australian Capital Equity, the Chamber of Commerce and Industry of Western Australia and the Oakajee Port and Rail project.

John is currently Board Chairman at the Government Employees Superannuation Board, the Northern Territory's Power and Water Corporation, Pawsey Supercomputer Centre, the Dampier to Bunbury Gas Pipeline, Infrastructure WA, and Amana Living. John is a Director of The National Disability Insurance Agency and the Multinet Board. John is also Chair of The Lester (formerly ARTrinsic) Prize for Portraiture.



**Deputy Chairman
Hamish Beck**

(Appointment expires 28 Feb 2022)

Hamish Beck was appointed Member and Deputy Chairman in March 2016. Hamish is Principal/Managing Director of Beck Advisory, a development advisory and asset management business. His involvement with the property industry spans over 25 years with substantial experience in tourism, commercial and industrial development and asset management.

Hamish is Independent Non-Executive Director of ASX listed Primewest Group (managing in excess of \$6 billion of property assets), Chairperson of the Swan River Trust, member of the Central Perth Planning Committee, Deputy Chairman of the Historic Heart of Perth, Member of the Western Australian Maritime Museum Advisory Committee and Board member of the Cockburn Sound Management Council.



Dr Marina Hogan

(Appointment expires 31 December 2022)

Marina Hogan MAICD was appointed in January 2017. Through her long association with Scoop Publishing and Scoop Digital, Marina has extensive experience in the tourism and arts sectors and in marketing services, both print and digital.

She teaches part-time in the School of Humanities at the University of Western Australia. Marina is Deputy Chair of the Foundation for the Western Australian Museum and chairs its Remuneration and Nominations Committee.

Marina is also a member of the Australian Multicultural Advisory Council and a graduate and member of the Australian Institute of Company Directors.



Peter Lee

(Appointment expires 30 June 2022)

Peter Lee was appointed in July 2019. Peter is a WA architect with extensive experience in large-scale developments in Australia and around the world and is the the recipient of many design awards. As a Principal of design firm Hassell, Peter has been involved in the design of major Perth developments including Optus Stadium, the Westin Hotel, Crown Towers, Brookfield Place and the City and Perth Stadium railway stations.

Peter is on the boards of FORM, Foundation Housing and Open House Perth. He is an Adjunct Professor at Curtin University and on the State and Metropolitan Redevelopment Authority's design review panels. Peter is also a specialist member of the WA Development Assessment Panels.



Ann Robinson

(Appointment expires 30 June 2024)

Ann Robinson was appointed in July 2019. She is a commercially-focused non-executive director and a graduate of the Australian Institute of Company Directors. Ann's executive experience includes senior roles at Wesfarmers Limited in mergers and acquisitions, commercial business management and as Chief Financial Officer of Wesfarmers Chemicals, Energy and Fertilisers. Ann's experience spans project evaluation, corporate strategy, financial reporting, risk management, governance and audit. Before joining Wesfarmers, Ann worked as a management consultant in Australia, South Africa and the US, supporting clients across a wide range of industries with operational performance improvement and strategy setting.

Ann is deputy chair of the Lionel Samson Sadleirs Group and chairs its Audit and Risk Committee. She is also a member of Curtin University's Audit, Risk and Compliance Committee.



Louise Watson

*(Appointment expires
30 June 2023)*

Louise Watson was appointed in July 2020. She is the Health, Safety and Environment Manager with Australian Gas Infrastructure Group, and brings more than a decade of experience working on Western Australian mining, port, rail and pipelines.

Louise is a graduate of the Australian Institute of Company Directors and has a Bachelor of Science (Hon) in Eco Chemistry from the University of Adelaide, a Graduate Diploma in Occupational Health and Safety and Graduate Certificate in Human Resource Management from Perth's Edith Cowan University. Louise is passionate about conservation and is also a Board member of the Rottnest Foundation.

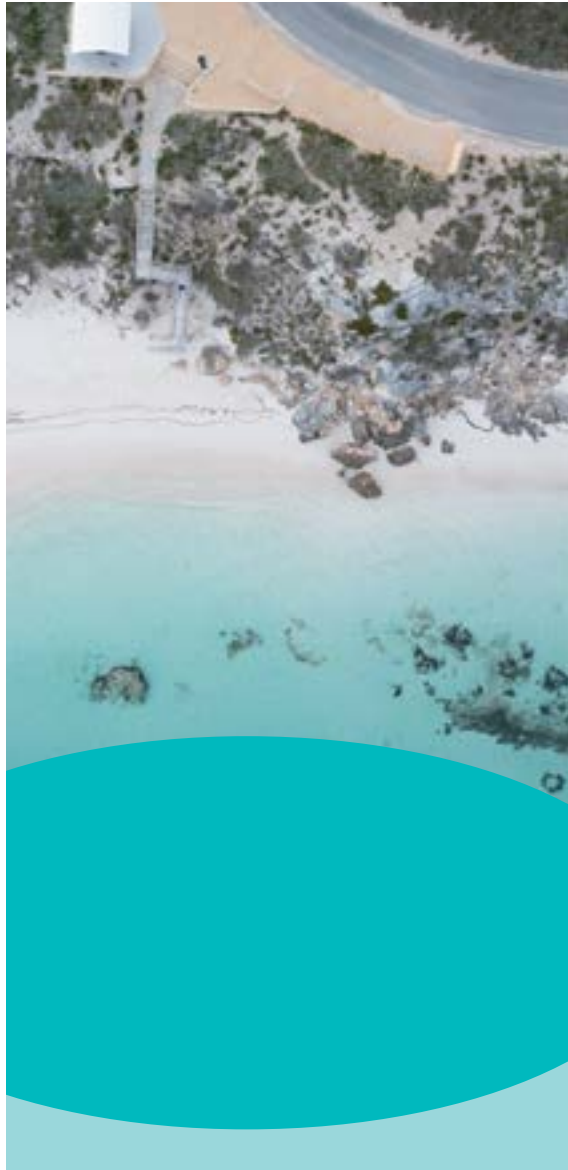
CORPORATE EXECUTIVE AND OPERATIONAL AREAS

The Department of Biodiversity, Conservation and Attractions (DBCA) is led by Director General Mark Webb. Mr Webb is also the Chief Executive Officer of the Rottnest Island Authority, Botanic Gardens and Parks Authority, and Zoological Parks Authority. The management of RIA and the Island on a day-to-day basis is the responsibility of the Executive Director.

The Corporate Executive is RIA's senior management team who work with the Executive Director to deliver services through the following operational areas:

- **Visitor Services** – leads RIA's commercial operations across Rottnest Island including accommodation services, the Visitor Centre, Pedal and Flipper and retail outlets at the Salt Store and Visitor Centre.
- **Business Services** – provides services that ensure RIA has the required financial, and physical resources to manage operations and services on Rottnest Island.
- **Executive Services** – provides HR services, business intelligence, risk, communications, board administration and ministerial liaison functions

- **Contracts and Planning** – is responsible for managing RIA's major contracts together with the commercial and residential leases of buildings and commercial agreements with recreational businesses on the Island. The Directorate also manages development applications and processes.
- **Environment, Heritage and Parks** – is responsible for developing and delivering strategies to protect, conserve and enhance the natural and cultural values of the Island.
- **Infrastructure** – is responsible for Rottnest Island's utilities, assets, and infrastructure as well as major and minor projects within the capital works program.
- **Major Projects** – is responsible for delivery of major projects including projects funded by the Commonwealth Government under its National Tourism Icons program (\$17.2m over three years from April 2019) and the State Government under its WA Recovery Plan (\$26m over four years from July 2020). The projects span the Island from the West End to the mall and surrounds and will deliver improved visitor experience and sustainable infrastructure upgrades.
- **Marketing and Events** – leads destination marketing to stimulate diversified visitation demand for Rottnest Island and increase opportunities for visitors to experience Rottnest.



The Corporate Executive of RIA's senior management team is:

Jason Banks **Executive Director**

Jason has more than 30 years of public service experience from policing to Chief Executive and Director General in the energy and environment portfolios respectively. Jason was heavily involved in key micro-economic reforms and deregulation of the State's gas and electricity markets. As the inaugural Director General of the former Department of Environment Regulation, Jason led reform and implementation of an improved environmental licensing regime.

He holds a Bachelor of Commerce and post-graduate qualifications in Economics.

Deborah Taylor **Director, Visitor Services**

Deborah has a career in hospitality spanning more than 25 years. Having started in hotels in Perth, she has managed a wide range of properties including corporate, leisure, casino and remote resorts. Deborah has worked in both broad and specialist hospitality roles in Western Australia, Victoria and New South Wales. Prior to joining RIA, Deborah was a business coach and then the Director of Learning for Quest Apartment Hotels based in Melbourne.

Deborah has a Master of Business Administration from the Curtin Graduate School of Business.

Vince Ianni **Director, Business Services**

Vince has a career in financial management, audit and corporate services spanning more than three decades. He has finance and corporate experience in the tourism, health, telecommunications and Commonwealth Government sectors.

He has significant experience in capital finance, systems development, financial management and reporting. Vince has previously held senior financial management roles with both WA Health and Telstra. Vince has a Bachelor of Commerce degree and is a Certified Practicing Accountant (CPA).

Claire Piper **Director, Contracts and Planning**

Claire is a qualified lawyer and has over 15 years post-qualification experience working in both the public and private sectors, specialising in commercial property law. She previously held a senior position at South Wales Fire and Rescue Service in the United Kingdom, managing the Legal and Insurance team.

Since arriving in Australia in 2015, Claire held the position of Associate at Corrs Chambers Westgarth where she was responsible for the commercial property portfolio of a major bank and worked on substantial agricultural property acquisitions for a major foreign investor. Claire has broad senior management experience encompassing both legal and commercial capabilities.

Stuart Gunning **Director, Executive Services**

Since joining the WA public sector, Stuart has worked extensively in policy development and Ministerial advisory roles in agriculture, food and forestry, water resources, regional development, Aboriginal economic participation and emergency management. Prior to taking on the role of Director Executive Services he was responsible for policy and strategic projects at RIA.

Arvid Hogstrom **Director, Environment, Heritage and Parks**

Arvid has spent more than three decades managing marine and terrestrial reserves. He has worked extensively on overseeing the day-to-day management of the Ningaloo Coast World Heritage Area, with a focus on joint management with traditional owners and the development and management of new coastal reserves. He has significant experience in working with tourism enterprise and tourism-based infrastructure in conservation estate, as well as overseeing conservation and land management programs.

Arvid has also worked in species conservation with not-for-profit organisations and with Aboriginal corporations assisting with managing natural values and developing Aboriginal ranger programs. Arvid has a degree in Natural Resource Management.

Sydney McDowell **A/Director, Infrastructure**

Sydney is a strategic asset management specialist with a career spanning more than 30 years providing infrastructure services. He has worked for Western Power in Western Australia in a range of senior roles including in power generation, transmission and distribution. He has also worked internationally, implementing enterprise asset management systems in six electricity utilities in Oman and is currently implementing RIA's own asset management system.

Sydney has a degree in electrical engineering from UWA and post graduate qualifications in asset management and business.

Brooke Gregory **Director, Marketing and Events**

Brooke has more than 20 years of experience in the travel and tourism sector and specialises in consumer, partnership and trade marketing across global markets.

With a background in destination marketing, product development, retail travel and operations management, Brooke has been a long-time ambassador of Rottnest Island in her past roles at Boat Torque Cruises and Tourism Western Australia. She was a Forum Advocating Cultural and Eco-Tourism (FACET) committee member and a Western Australia Tourism Awards judge. Brooke joined RIA in February 2019.

Meg Delahoy **Director, Major Projects**

Meg has supported the delivery of major infrastructure and event projects for over two decades. Professional highlights include delivering vital infrastructure for two Summer Olympic Games – London 2012 and Rio 2016, and as Manager of Engineering Services for the Gold Coast 2018 Commonwealth Games – one of the largest sporting events held in Australia.

Meg is leading a program of State and Federal-funded major projects on Rottnest Island to improve the visitor experience and deliver sustainable infrastructure upgrades. Meg is also currently completing a Master of Emergency and Disaster Management with Charles Darwin University.



COMMITTEES OF THE RIA BOARD

Audit and Risk Committee

The purpose of the Audit and Risk Committee is to report and make recommendations to RIA on the effectiveness of risk management processes, the agency's control environment and corporate governance processes.

The committee consists of the Chairman and three Board members. Committee meetings are attended by the Chief Executive Officer, Executive Director and the Manager Audit and Risk.

Contracts and Infrastructure Committee

The key responsibilities of the Committee are to:

- review all major proposed EOIs, lease options and other contracts,
- review the performances of existing major contracts,
- review all proposed major contract variations,
- evaluate the merits and impact of proposed major contract variations,
- make decisions on proposed major contract variations which may include incurring additional financial commitments for RIA,
- manage negotiations with Programmed Facility Management Pty Ltd (PFM) in relation to the variations proposed by PFM to the Facilities, Utilities and Support Services contract including proposed additional payment.

The Contracts Committee comprises the Chairman, Deputy Chairman and one other Board member. Committee meetings are attended by the Chief Executive Officer, Executive Director and Director Contracts and Planning, Director Infrastructure, Director Major Projects. Other members can be included as needed and as approved by the Chairman.

Information and Communications Technology Committee

The main responsibilities of the ICT Committee are to:

- oversee the implementation of the RIA's digital and IT plans,
- consider individual ICT project proposals,
- monitor ICT project implementations including the achievement of project objectives, timing and budget,
- resolve any OAG issues and MOU arrangements.

The ICT Committee comprises the Chairman, one Board member. Committee meetings are attended by, Chief Executive Officer, Executive Director, Director Business Services, DBCA Executive Director, Corporate and Business Services, Director Visitor Services and ICT Manager.

CORPORATE EXECUTIVE SUB-COMMITTEES

Risk Management Review Group

The Risk Management Review Group (RMRG) meets quarterly and comprises the Executive Director, Director Business Services, Director Environment, Heritage and Parks, Director Infrastructure, Director Contracts and Planning, Director Marketing and Events, and Director Visitor Services. The standing invitees include the Manager Audit and Risk, and Risk and Governance Coordinator.

The RMRG oversees risk management processes throughout RIA and provides ongoing assurance to the Corporate Executive that RIA's significant risks are being addressed in a timely and appropriate manner.

MINISTER-APPOINTED REFERENCE GROUPS

Wadjemup Aboriginal Reference Group

Consisting of Aboriginal community members including Whadjuk traditional custodians, and RIA representatives, the Wadjemup Aboriginal Reference Group (WARG) provides cultural guidance to RIA on cultural heritage management and reconciliation matters.

RIA is committed to acknowledging the deep wrongs perpetrated on Wadjemup land and to its people and to right some of the injustices that took place on Wadjemup.

The following were members of WARG for the reporting period.

Walter McGuire

A Whadjuk man with a 30-year career across Indigenous health, housing and education, Walter is a leading Indigenous tour guide in WA. He currently runs cultural tours on Wadjemup with his business, Go Cultural Aboriginal Tours and Experiences.

Brendan Moore

A Whadjuk man, Brendan is currently the Aboriginal Engagement Officer for the City of Fremantle and an Executive Director at the South West Aboriginal Land and Sea Council. He has a Masters in International Studies and a Bachelor of Science in Environmental Management.

Pamela Thorley

A Noongar woman with connections to the South West and Great Southern regions of WA, Pam is a qualified primary school teacher. Pam is currently the Office Manager at the Goldfields Aboriginal Language Centre and has previously worked at the Department of Aboriginal Affairs.

Lindsay Dean

A Minang, Koreng, Bardi and Karrijarri man, Lindsay lives in Albany. He is the Community Liaison Officer for the Great Southern Region and sits on the Aboriginal Cultural Material Committee. Lindsay has a degree in Electronic Engineering and has previously worked in information technology.

Patrick Churnside

A Ngarluma and Yinjabarndi man from Karratha, Patrick is the Murujuga Ranger Coordinator at Murujuga Aboriginal Corporation. He is also on the boards of Ngarluma Aboriginal Corporation and BigHart, and is active in the art and heritage sectors.

Strategic direction

ROTTNEST ISLAND MANAGEMENT PLAN

The Act requires RIA to control and manage Rottnest Island in accordance with a management plan.

Sections eighteen and nineteen of the Act provide for the Rottnest Island Management Plan (RIMP), to be reviewed and approved by the Minister for Tourism every five years.

RIA is currently working towards our RIMP 2020-24 which was finalised in 2019-20.

The RIMP 2020-24 sets out RIA's priorities and the following four strategic focus areas for managing the Island and its associated waters over the next five years.

1. Diversify visitor base and enhance visitor experience,
2. Strengthen Island infrastructure,
3. Engage with the Island's environment and cultural heritage, with a focus on Aboriginal cultural heritage,
4. Establish a new way of doing business.

ROTTNEST ISLAND MASTER PLAN

The Island's unique heritage, landscapes and biodiversity are the very things that attract visitors to the Island.

In 2014, a twenty-year vision document, the Rottnest Island Master Plan, was developed in order to maintain and enhance these values and guide the way forward for the Island.

The main objective of the master plan is to establish a direction for the future and a road map for the development of the places and spaces on Rottnest Island.

The master plan, which was updated in 2019-20 and publicly released in conjunction with the Rottnest Island Management Plan 2020-24, provides a renewed vision until 2040.



Performance management framework

RIA operates under the outcome-based management (OBM) framework of the Department of Biodiversity, Conservation and Attractions (DBCA). The DBCA is aligned to the State Government's goal of "A liveable environment: Ensuring a sustainable future by linking homes to transport. Conserving land and reducing waste."

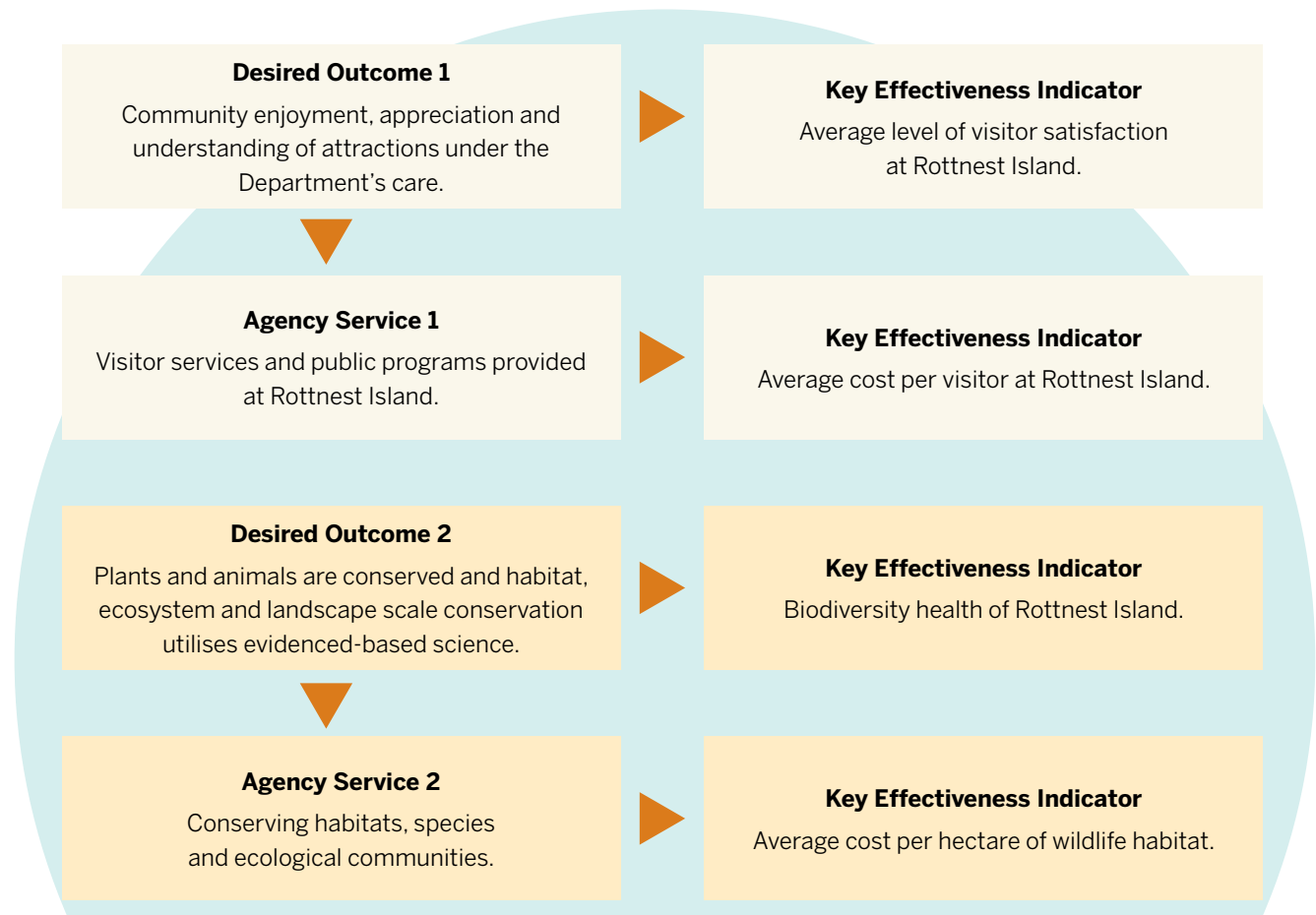
RIA contributes to two of the four DBCA Desired Outcomes (DBCA Outcomes 1 and 2) and two of the ten DBCA Services (DBCA Services 2 and 6) within the approved OBM structure of the DBCA. The DBCA OBM did not change during 2020-21.

RIA's key effectiveness and efficiency indicators include those RIA-specific indicators that form part of the DBCA budget statements, along with additional approved audit indicators.

The figure to the right illustrates the relationship between services delivered by RIA, desired agency outcomes and the State Government goal they contribute to.

GOVERNMENT GOAL

A liveable environment: Ensuring a sustainable future by linking homes to transport. Conserving land and reducing waste.



Rottnest Island Authority's performance

Report on operations

The following report provides an overview of RIA's activities and operational achievements by delivering required services.

These achievements for 2020-21 are reported against RIA's Agency Services as follows:

- Service 1:** Visitor services and public programs provided at Rottnest Island.
- Service 2:** Conserving habitats, species and ecological communities.

Service 1: Visitor services and public programs provided at Rottnest Island

ACCOMMODATION AND VISITOR SERVICES

Accommodation

The RIA operates the majority of accommodation on the Island which is RIA's principal source of revenue, representing almost half of its annual User Charges and Fees revenue.

The RIA manages and maintains 292 self-contained accommodation units, plus campground and dormitory style accommodation. Accommodation is located in discrete nodes around the northern and eastern coastline of the Island. The accommodation ranges from budget to midrange and is designed to sit at a three to four-star standard.

The annual average occupancy level for 2020-21 was 87.3%, up from 64.8% the previous year, with occupancy during the holiday peak periods of summer and April school holidays at 99.8%.

While most of the Island's accommodation is operated by RIA, a significant amount is privately managed through Samphire Rottnest (80 rooms), Karma Rottnest Island Lodge (61 rooms) and Discovery – Rottnest Island (83 rooms) with a combined 224 rooms.

Unit refurbishment

The enhancement of visitor accommodation on the Island is a key priority of the RIMP 2020-24. In 2020-21 RIA conducted a staged program of refurbishment for RIA accommodation units to ensure their structural integrity and attractiveness to visitors.

The works on 12 selected accommodation units in the South Thomson accommodation precinct involved installation of new kitchens, bathrooms, cabinetry and flooring, replacement of external windows and internal doors, new internal paint, new furnishings, and artwork by local photographers. They also included refurbishment of the outdoor courtyard spaces with new paving, seating, bike parking and shade sails.

These improvements bring the selected units in line with three-and-a-half to four-star hotel accommodation on the Island.

In addition, the South Thomson play space was upgraded with new equipment, shade sails, seating, interpretation elements and revegetation of the surrounding area.

Open Day demand

This year has seen very high demand for RIA accommodation on the Island. A number of factors have contributed to this increase in demand including changes to booking rules with a reduced deposit requirement, shorter lead time of nine months in advance, and COVID travel restrictions in and out of Western Australia.

Excess demand to the limited number of units available on the island has resulted in large spikes in bookings on Open Days. For example, the Open Day held in May 2021 opened 1,500 available stays for January 2022. At 8.30am there were more than 9,000 people queued online, 3,000 call centre callers and 300 in person between RIA's office at E-Shed in Fremantle and the Rottnest Island Visitor Centre.

All self-contained accommodation for the month was booked in just over an hour.



Lodge redevelopment

As part of the RIMP's key initiative to facilitate new private developments and specifically to re-create the Lodge in harmony with its natural setting, while respecting the solemn Aboriginal history of the area, RIA released an Expression of Interest in 2020 to identify an appropriate developer and operator for the Rottnest Island Lodge site.

In May 2021, a WA consortium led by Place Development Australia was selected as the preferred proponent to redevelop the site.

The Lodge redevelopment project will bring a new tourism offering to the Island and is further recognition of the growing significance of Rottnest as a key tourist destination for the State.

The \$40 million development is expected to include 103 rooms, day spa, restaurant, lounge, bar, new pool and landscaping which recognises the unique natural and cultural environment.

The project is anticipated to commence in mid-2022 with completion in 2025 and is expected to generate significant numbers of construction and hospitality jobs.

Proposed new composition of the Rottnest Island Lodge site viewed from Garden Lake. The design includes 35 new accommodation rooms, guest pool area and refurbished Lakeside Villas. At the heart of the property – between the two accommodation areas – is a semi-underground spa and wellness centre with a landscaped multifunctional gathering ground and shared food and beverage offerings. (Illustration by Mike Edwards)

Samphire Rottnest

Samphire Rottnest opened in October 2020, providing a new standard of accommodation for tourists, incorporating 80 luxury rooms, new conference facilities, pools, beach bar and the Lontara restaurant.

Construction of the resort complements RIA's efforts to draw visitors all year-round, with a greater range of facilities available to attract conferences and special events to the Island.



RECREATIONAL AND RETAIL OFFERINGS

RIA currently manages 18 recreational businesses on the Island via concession agreements. Services offered include water-based activities, guided tours, and Aboriginal cultural tour and adventure experiences. RIA also manages a further 13 food and beverage businesses.

In April 2021, RIA called for expressions of interest for new recreational activities including for peak season 'pop-up' businesses, a water park and Aboriginal cultural tourism offerings. It is expected that a range of new and exciting experiences for the summer season of 2021-22 will be introduced.

Pedal and Flipper recreational equipment hire

RIA operates the Pedal and Flipper hire business on the Island which offers the largest fleet and range of bikes to Island visitors. The business also offers recreational equipment such as surfboards, trailers, kiddie carriers, golf clubs, other sports equipment, snorkelling and fishing gear.

This year Pedal and Flipper rented 85,022 bikes, 11,332 e-bikes, 18,310 accessories, 4,510 snorkel sets, sold 8,080 drinks and ice creams and made 628 private bike repairs.

Accessibility is a priority for RIA which is why Pedal and Flipper also offers a golf cart, mobility scooters, beach wheelchairs and bike trailers to help people to move freely around the Island.

Pedal and Flipper staff also repair and store abandoned bikes left by visitors, before donating them to worthy causes.

Retail outlets

Open daily, the Visitor Centre is the first point of contact for most visitors arriving on the Island. The Visitor Centre carried out 28,340 check-ins to RIA accommodation during 2020-21 which was an increase of 11.3% on the last pre-COVID-19 year of 2018-19.

Staff at the Visitor Centre are on hand to share their local knowledge and provide advice to day visitors and those on the Island for a longer stay.

Intended to complement other retail operations on the Island, the iconic and centrally located heritage Salt Store building offers a range of high-quality products and supports local artists and producers. RIA offers the opportunity for visitors to purchase gifts and obtain information from the Visitor Centre and the Salt Store in the Main Settlement area.



MARKETING AND EVENTS

Destination Marketing

RIA's destination marketing activities make a significant contribution to both the financial viability of the Island's tourism programs and facilities, and the realisation of its vision to be a nationally significant tourist destination.

The focus of RIA's campaign planning and marketing efforts in 2020-21 has been to adapt marketing strategies to address visitation declines because of border restrictions.

Western Australians were invited to 'Get Quokka Happy' from July to October with a range of offers and reasons to visit Rottnest Island over winter. The campaign included accommodation offers, and voucher incentives in the form of \$20 Rotto Dollars to use on the Island, and Quokka Birthday celebrations. RIA, together with the Rottnest Island business community, invested in the recovery marketing campaign to improve consumers' propensity to research, plan and book a holiday to Rottnest Island. The 'Get Quokka Happy' campaign achieved over 67,000 website visitors and generated over 30,000 leads to Island businesses.

Rottnest After Dark activations and free admission for kids made Rottnest more appealing in summer, supported by offers of sundowner ferry deals and special free kids fares. The campaign launched on 22 December 2020 and showcased new evening experiences including tours, new menu offerings and live music. The campaign achieved over 30,000 website visitors and generated more than 12,000 leads to Island businesses.

RIA maintained tourism trade activities with participation in seven trade familiarisations, attendance at the Australian Tourism Exchange, Australia Marketplace Japan, Australian Tourism Export Council Meeting Place and multiple virtual training activities.

In 2020-21 key achievements of RIA's Destination Marketing Strategic Plan (DMSP) 2020-24 included:

- Implementation of email marketing and social media strategies which focused on improved frequency and content mechanics to achieve growth and engagement targets,
- Implementation of a social media management platform to achieve operational efficiencies, and the roll out of a social media strategy to harness improved performance insights,
- Implementation of a digital asset management system,
- Development and implementation of an 18-month horizon events calendar,

- Consumer research for visitor satisfaction and boating user survey,
- The delivery of key partner events such as Rotttnest Channel Swim, Port to Pub, and Study Perth Rotttnest Island Student Day that create a time-based reason to visit Rotttnest Island,
- Photography and videography production,
- Content production and distribution.

Visitation

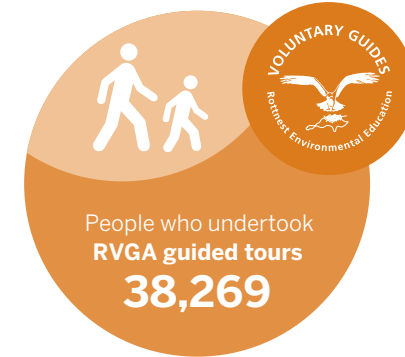
In 2020-21, Rotttnest Island welcomed 411,572* visitors to the Island by ferry.

Ferry arrivals to Rotttnest Island continue to be impacted by COVID-19, with an overall decline of 18% when compared to 2019-20*.

Visitor numbers grew in December 2020, with a return to 2019-levels of visitation in January. While ferry arrivals from February 2021 onwards were impacted by COVID-19 lockdowns, growth continued in April and May, with a return to 2019-levels of visitation in June.

Overnight visitation has remained strong during 2020-21 due to increased demand from the intrastate market, with total overnight visitation 46% higher than 2019-20 and 35% higher than 2018-19.

Intrastate day visitation declines are a result of limited visiting friends and relatives (VFR) travel, and intrastate overnight visitors are substituting regional destinations instead of city locations, which has seen less people staying in city hotels and taking day trips to Rotttnest Island.



Rotttnest volunteer guides

The Rotttnest Voluntary Guides Association (RVGA) provides an extensive range of daily tours, most of which are free of charge, as well as special request group tours and a school holiday program. In addition to a guide at the Visitor Centre, a 'meet and greet' guide is based near the Salt Store in the Main Settlement as initial points of contact and orientation for visitors.

During the year, an average of 14 guides commuted to the Island every day to provide rostered support for 19 unique history, environment and cultural tours and site visits. Twenty-nine tours were scheduled each day although this varied with periods of closure at the Museum Lighthouse and Guns to accommodate various redevelopments. A total of 38,269 participants were recorded across all tours and venues.

***Source data notation**

1. Ferry arrival data is provided to the RIA by each of the three commercial ferry providers that service Rotttnest Island.
2. Ferry arrival data excludes exempt ferry arrivals.
3. Exempt ferry arrivals are RIA staff and volunteer ferry passengers who are exempt from the Island admission fee.
4. Overnight or extended ferry arrivals are passengers who spent one night or more at Rotttnest Island.
5. Visitor location of origin is only available from January 2019, when postcodes were included in the ferry arrival data provided to RIA.
6. From October 2020 RIA adopted a business intelligence model to collate and report ferry arrival data. The model includes data from all three ferry providers dating back to 1 April 2019. Please use caution when making comparisons between data reported before and after October 2020 as the methodology change is likely to affect results.

In 2020-21, 81,106 visitors were provided with general information about the Island by RVGA guides through 'meet and greet' services and orientation and exploration advice at a variety of locations.

During the reporting period, special request tours were provided to more than 6,177 school students from an offering of 20 different curriculum-oriented experiences customised to teachers' requirements. Over an eight-week period during the school holidays, RVGA guides also delivered a wide range of family-oriented experiences and activities, from early morning to moon rise, to over 3,946 visitors as part of its school holiday program.

Delivery of volunteer guide services is sustained through a comprehensive recruitment and formal training program for new guides, as well as ongoing professional development and learning for current guides.

EVENTS

To support RIA destination marketing efforts and enhance the overall visitor experience, each year RIA organises and supports numerous events and activities on the Island. The following were some of the highlights for the 2020-21 events calendar:

Rip Curl Rottnest Search

The Rip Curl Rottnest Search, part of the 2021 World Surf League Championship Tour, was held on the Island in May.

The World Surf League is followed avidly by fans across the globe and was watched online by millions of people over the duration of the event, highlighting the Island as a surf and tourist destination.

Djindoon Djenuj

RIA and Go Cultural Aboriginal Tours and Experiences presented Djindoon Djenuj in May and June 2021.

Djindoon Djenuj, translates to 'look to the stars' and presented a journey into Aboriginal culture and astronomy, hosted by local Noongar guide and Wadjemup Aboriginal Reference Group member, Walter McGuire.

Each event at North Thomson beach saw Walter share traditional Dreamtime stories that tell of the moon and the stars, beneath a beautiful night sky. The events started with a Welcome to Country, followed by a traditional sand or water ceremony at the ocean's edge to honour and pay respect to the Noongar ancestors before the storytelling began.

The events concluded with a smoking ceremony, to bring blessings, healing and connection to country.

Quokka Birthday

RIA once again hosted the Quokka Birthday event, which this year was held throughout September.

This year's event included:

- a Quokka birthday party every Saturday with free family activities and entertainment,
- 'Wildlife Wednesdays' with Quokka and wildlife walking tours,
- Presentations by RIA Rangers,
- Quokka photography workshops,
- sleepover parties for children every Friday and Saturday night with bonfires and Quokka twilight tours.

Study Perth Rottnest Island student day

RIA hosted the second Study Perth Rottnest Island Student Day event on 6 March 2021. The day encourages domestic and international students to visit the Island and meet peers from other institutions, towns and cities from all over the world.

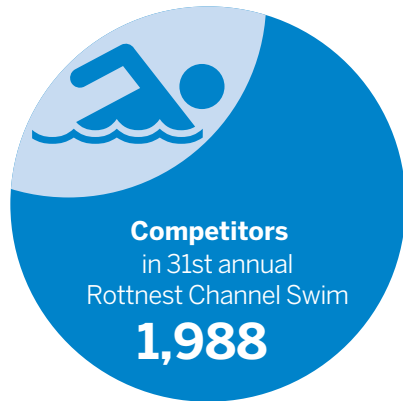
The day included live music, walking tours, historical talks and information, and of course the opportunity to get that much sought after #quokkaselfie.

In a time when it has been difficult for some international students to visit their families, this was a great initiative to bring people together to share their experiences of education and life.

Channel swim

The 31st annual Rotttnest Channel Swim was held on 26 February 2021. This is an iconic event and one of the busiest days on the Island, with 1,988 competitors.

The swim not only attracts many participants but also spectators, support boats, canoeists and volunteers.



NAIDOC Week

In 2020, NAIDOC Week was rescheduled to 8-15 November. RIA's activities included a broad range of cultural and sporting activities such as the 14th annual Wadjemup Cup AFL competition.

Also during the week, there was a 'yarn bomb' (street art display) by the Kookaburra Club, a group of senior Noongar and other Aboriginal women, outside the Visitor Centre and Settlement Mall.

On the mainland, as part of RIA's partnership with the WA Museum, two films from the alwayswadjemup.com website were played on the Yagan Square video screen in Perth's CBD.

INFRASTRUCTURE AND FACILITIES

RIA is responsible for the Island's electricity generation and distribution, water production and distribution, wastewater treatment and reuse, the retail sale of utility services to the Island's businesses, gas supply and general waste management.

RIA also manages the Island's roads, jetties, aerodrome and heritage railway, public buildings including significant heritage sites, cleaning and sanitation, and the provision of residential accommodation for Island-based businesses and essential service providers.

State and Federal Governments have contributed significant amounts of funding for infrastructure improvements on the Island to enhance the visitor experience. A total of \$17.2m in Commonwealth funding through the National Tourism Icons programme is being spent on Rotttnest over a three-year period which began in 2019.

This year the Infrastructure team has completed major upgrades to the Island, guided by current and future visitor demand, that will improve the visitor experience.

Fuel jetty

In December 2020, the new fuel jetty became operational, adjacent to the main passenger jetty. It provides improved facilities and accessibility to the Island including additional power and water outlets, new finger jetties at a lower level between pens and improved refuelling for smaller vessels.

The facility also includes a new multi-level landing platform with disability access and improved berthing for smaller vessels.

Built by Fremantle-based company Total AMS, the \$3m project created 40 jobs for local electricians, plumbers, fuel specialists, engineers, surveyors and divers.



Road upgrades

The programme of road upgrades throughout the year saw more than 10km of the Island's roads resurfaced with over 47,000m² of dense-graded asphalt.

The \$5m project included resurfacing the existing roads in the Settlement area to provide a smooth surface suitable for bike and pedestrian traffic, improving pedestrian and cyclist safety.

RIA worked closely with Main Roads WA to develop the work programme, logistics, staging, communication, traffic management plans and to provide key preliminary works to support the project.

MAJOR PROJECTS

The Major Projects team is responsible for delivering a suite of projects funded by the Commonwealth Government under its National Tourism Icons program (\$17.2m over three years from April 2019) and the State Government under its WA Recovery Plan (\$26m over four years from July 2020).

Each of the projects address focus areas of the RIMP 2020-24, including the need to strengthen Island infrastructure and services and engage with the Island's environment and cultural heritage.

These infrastructure upgrades are essential to the ongoing growth of tourism on the Island and will result in improved facilities, amenities and experiences for visitors.

Key projects

The suite of projects (page 31) span the Island and are located at key areas for visitors such as the West End, mall and surrounds and the Basin. One of the key projects is the renewal of water production facilities and distribution networks.

RIA achieved all design and commencement of construction milestones for 2020-21 in accordance with the State and Australian Government funding agreements.

National Tourism Icons program

The National Tourism Icons program funding enables RIA to build its internal capability to deliver high-quality capital improvements across the Island. The West End project, in particular, will promote the importance of this place for Aboriginal cultural heritage. The use of appropriate Indigenous public art will take visitors on a journey from arrival at the transport hub to the West End for respectful reflection.

The Island Gateway project improves the Island mall, museum and surrounds, delivering refurbished amenities and upgraded landscaping. These projects are also designed with a focus on improving directional signage, transport and movement by establishing a number of transport hubs as proposed in RIA's transport strategy.

State Recovery Plan water infrastructure project

The State Recovery Plan Water Infrastructure project enables RIA to improve the resilience of the water supply to meet current and future drinking and firefighting water demand.

The project addresses two specific objectives:

- Increasing the capacity to produce high quality water by improving the overall robustness and efficiency of the water production system to meet forecast water demand for the next 20 years,
- Substantially upgrading the water distribution network to create a high-quality network that reduces leakages down to industry levels, while also establishing a robust and easy-to-manage network enabling future development.

The table at right outlines progress of all of our major projects.

Project	Project Description	Status
West End	<ul style="list-style-type: none"> • New ablutions, new bus transfer, shelters, paths, interpretation and public artwork 	<ul style="list-style-type: none"> • Stage 1 completed • Stage 2 construction
City of York Bay	<ul style="list-style-type: none"> • Landscaping improvements and feasibility assessment for future facility upgrades 	Feasibility assessment and design completed
Oliver Hill	<ul style="list-style-type: none"> • Ablution refurbishment • Public space • Transport hub 	Works completed
Wadjemup Hill	<ul style="list-style-type: none"> • Ablutions refurbishment • Heritage remedial works and interpretation • Public paths 	Detailed design and construction
Island visitor signage	<ul style="list-style-type: none"> • Directional signage in the Main Settlement 	Detailed design and installation
Island Gateway	<ul style="list-style-type: none"> • Refurbishment of the mall and surrounds with new landscaping, paving, shelters, lighting, museum refurbishment, interpretation and public artwork 	<ul style="list-style-type: none"> • Refurbishment of Wadjemup Museum completed • Stage 1 construction
The Basin	<ul style="list-style-type: none"> • New ablutions, landscaping, shelters, picnic and bbq facilities, lighting, shuttle bus turnaround and interpretation 	<ul style="list-style-type: none"> • Stage 1 completed • Stage 2 construction
Visitor accommodation	<ul style="list-style-type: none"> • Refurbishment of 12 units (internal and courtyards) 	Works completed
Water infrastructure renewal	<ul style="list-style-type: none"> • Upgrade water production facility • Renewal and replacement of aging water distribution network 	Consultation, design, site investigation and preliminary works



Wadjemup Museum

In December, Rottneest Island’s Museum re-opened after a \$1m refurbishment. The museum’s new and traditional name was also unveiled – Wadjemup Museum.

Wadjemup Museum was opened by the Minister for Tourism, the Hon Paul Papalia CSC MLA and Senator Matt O’Sullivan Senator for Western Australia (representing the Federal Minister for Tourism) and was funded through the Commonwealth Government’s National Tourism

Icons program. The refurbishment is part of the Commonwealth’s funding commitment for Rottneest infrastructure upgrades to enhance the experience of visitors and ensure the long-term sustainability of the Island as a destination.

The new museum was recognised at the 2021 Museums and Galleries National Awards for best permanent exhibition or gallery fit out for a project budget between \$150,000 - \$500,000.

The building invites visitors to explore the unique and diverse history of the Island through themes exploring cultural connections, early exploration, Aboriginal incarceration, volunteering, tourism and holidays.

The Wadjemup Aboriginal Reference Group provided invaluable leadership on the project.

CONSERVATION AND CULTURAL HERITAGE

Some of this year's key initiatives include engaging with Aboriginal heritage. RIA is assisted in this work by the Wadjemup Aboriginal Reference Group, which consists of Aboriginal community members with traditional custodianship or other links to the Island.

Aboriginal site management

The Aboriginal connection with Rottnest Island is ancient, dating back to the Island's former connection to the Australian mainland and its significance in Whadjuk Noongar culture as a place where spirits come to rest after death.

The Aboriginal heritage also includes the relatively recent period during which the Island served as a prison, with Aboriginal men and boys imprisoned in a building known as the Quod, during the European colonisation of the western half of the Australian continent.

RIA is working with the Aboriginal community to determine how to use the Quod in the future. This year a Quod condition report was prepared, and a conservation management plan is in development.

RIA also conducted four Aboriginal Heritage Surveys as part of the Noongar Standard Heritage Agreement.



Service 2: Conserving habitats, species and ecological communities

Rottnest Island is a Class A Reserve combining a number of unique habitats to create one of the most beautiful and varied destinations in Australia.

The Island is made up of five unique ecosystems – coastal, scrub heath, wetlands, woodland, ocean as well as the settled areas – each of which has its own special charm and beauty. The variety of natural habitats means Rottnest is a haven for wildlife, with a unique array of species.

The RIA Terrestrial Conservation Action Plan (TCAP), an important part of *Strategic Focus Area 3* of the RIMP 2020-24, provides an overview of the planning process and system that is applied by RIA in the biodiversity conservation management on Rottnest Island. The plan establishes the natural values of the Rottnest Island terrestrial reserve, determines current and desired health, considers threats, and identifies the conservation actions necessary for the reserve's effective management.

The scope of the Rottnest Island TCAP encompasses the terrestrial environment up to the high-water mark (i.e., the level reached by the ocean at high tide) and includes offshore islets and the Settlement area.

Conserving the Red-tailed Tropic Bird

This year, a nesting pair of Red-tailed Tropic Birds were sighted from the Wadjemup Bidi trail. Our Rangers monitored the site for several months and observed the successful fledging of a chick.

This is the southernmost record of breeding in almost two decades after these birds stopped breeding at Sugar Loaf Rock on the Leeuwin coast. While they have previously been recorded on Rottnest there is no record of successful breeding.

The team on the Island will continue to monitor the site in future years to determine if the pair and their offspring return and establish the site as an ongoing breeding area.

Their successful breeding so far south is a unique occurrence highlighting the significance of the Island's conservation value.

ENVIRONMENTAL MANAGEMENT

Our environmental management work spans a range of elements that include conservation, compliance and sustainability. In the past year there were highlights, such as:

- 66,596 plants planted as part of the Woodland Plan and the Greening Plan,
- 5km of erosion protection and fencing erected for the protection of vegetation.

Marine Conservation Action Plan

RIA is developing a Marine Conservation Action Plan (MCAP) for the Island that sets out our marine conservation priorities for the coming years. It fills a gap in RIA's conservation planning and will sit alongside the existing Terrestrial Conservation Action Plan. The MCAP is a key initiative within the Rottnest Island Management Plan and forms one of the management tools used to care for our unique and diverse marine habitat.

The plan details specific marine conservation targets, the key environmental attributes of these targets, their threats, and identifies what indicators should be monitored to be able to track their condition, as well as some specific actions to mitigate threats and develop resilience in the marine ecosystem.

Microbialite Management Plan

This year RIA drafted its first Microbialite Management Plan.

The microbialites and microbial mats found in coastal hypersaline lakes at Rottnest Island are protected as Priority 1 Ecological communities under State legislation.

Microbialites form when bacteria cause chemicals to precipitate out of water to form limestone. The bacteria also form sticky mats that can trap sediment from the surrounding environment. They have been present in the environment since the Precambrian time (from 4.6 billion years to 541 million years ago).

There are only a few places remaining in WA where these interesting ancient bacteria exist.

As part of Environmental Protection Authority referral advice for The Lodge re-development project, it is expected that RIA will manage any impacts from proposed construction using an environmental management plan for a microbial monitoring program for Garden Lake. In addition, RIA's Terrestrial Conservation Action Plan sets out microbialite monitoring as a key requirement for measuring wetland health.

RIA has already commenced baseline monitoring of the lakes ahead of full implementation of the

Terrestrial Conservation Action Plan.

Compliance

Ensuring RIA meets its environmental compliance objectives is an important part of the management of the Island.

In the past year, RIA has renewed an MOU with the Department of Health. The MOU is designed to establish and maintain a strong co-operative relationship between RIA and the Department of Health for managing drinking water quality and protecting public health.

The memorandum operates in accordance with the *Water Services Act 2012*, under which RIA is granted licence to operate. The MOU outlines the agreement for:

- managing drinking water quality,
- auditing water supply systems, and
- publication and exchange of information and data and managing events of public health significance.





SUSTAINABILITY

The Sustainability Action Plan 2018-24 (SAP) puts in place a foundation to realise the long-term vision of the Island to be a visitor destination of national significance, recognised for its recreational, environmental and cultural heritage values.

The plan provides a set of goals for the Island community to collectively work towards longer-term sustainability while achieving an established set of sustainability targets to 2024. These targets cover ten key performance areas including carbon emissions, renewable energy, pollution controls, water usage and waste management.

RESERVE PROTECTION AND PARK SERVICES

Marine administration

RIA progressed development of a new marine administration system to provide a one-stop shop for customers to manage all their registered mooring and boating permits and fees. In 2020-21 RIA:

- Provided 843 private moorings and 143 rental facilities, including six new beach anchor points installed at Longreach Bay,
- Sold 1,971 annual admission passes for the 2020-21 boating season which is almost double the previous year,
- Generated \$4,768,823 in revenue from rental facilities, boating admission fees and private moorings.
- Maintained a vessel database in which 3,395 vessels were registered and authorised to enter and use the reserve during the 2020-21 boating season,
- Had 458 people on the waitlist for a mooring site licence, and offered 85 moorings to people on this waitlist,
- Collected fees for approximately 3,000 casual boat visits in the 2020-21 season.

Rental boat moorings

RIA offers rental boat moorings (a mix of swing moorings, jetty pens and beach pens) for Island visitors in Thomson Bay, Geordie Bay and Longreach Bay.

This year, RIA increased the number of rental mooring facilities available, all of which can be booked through an online booking system, 24 hours a day, seven days a week, and up to 100 days ahead of arrival.

In 2020-21, RIA received 3,659 boat mooring bookings for a total of 6,674 nights.

Fire and Emergency Services

To maintain fire and emergency safety on the Island, RIA reviewed its MOU with the Department of Fire and Emergency Services for providing emergency services support.

RIA executed operational plans for the New Year's Eve fireworks, Rottnest Channel Swim and Port to Pub major events. Over the course of the year RIA:

- Responded to 45 fire or emergency incidents,
- Conducted volunteer firefighter skills and development courses for 35 volunteers at the Rottnest Volunteer Rescue Service brigade,
- Managed operations at the RIA aerodrome, including nine landings by RFDS.

Rangers

RIA rangers deal with a vast range of visitor, wildlife and environmental queries and issues on a daily basis and are a vital part of RIA's operations. In 2020-21 the rangers:

- Undertook daily compliance patrols in the marine and terrestrial reserves, issuing 1,674 warnings and 212 infringements, a 70% increase from 2019-20,
- Undertook 729 wildlife management and educational responses,
- Held 18 presentations and educational talks with Island businesses and visitors,
- Reviewed wildlife management standard operating procedures in collaboration with RSPCA, Perth Zoo and DBCA,
- Continued management of pest bird populations of silver gulls and ravens within the reserve to reduce the impact on visitors while conserving significant wildlife,

- Prepared a Geological Risk Management Plan to guide ongoing assessment and mitigation of geological risk sites. Implementation began with specialist remediation at Geordie Bay and Parakeet Bay,
- Developed new content and signage for installation to refresh the interpretive snorkel trail at Little Salmon Bay,
- Prepared a Long-Nosed Fur Seal Management Plan to limit visitor impacts on the colony at Cathedral Rocks,
- Prepared new regulatory compliance guidelines,
- Coordinated wrapping of a Ranger vessel in artwork by Whadjuk artist Peter Farmer Jnr. The vessel was re-named 'Kwila', the Noongar word for shark, by students playing in the 2020 Wadjemup Cup, Rottnest's annual AFL tournament contested by Clontarf academies from across WA.

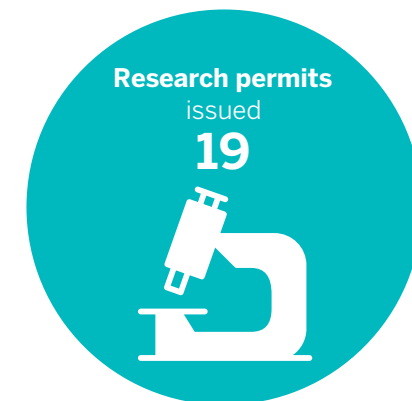


Rottnest Island research

RIA's conservation and sustainability planning is underpinned by world-class research into the natural, cultural and built environments on Rottnest Island, as well as third-party environments that share the same complexities as those found on the Island.

In 2020-21, RIA issued 19 research permits for a variety of projects including:

- Exploring Bathynellid (crustacean) diversity at Rottnest Island,
- Living at the cold edge: can tropical fish species maintain their functionality within tropicalised temperate reefs,
- Coral health, diversity and *Drupella cornus*,
- Geographies of memory and heritage: Exploring Rottnest Island and dark tourism,
- Microplastics, looking at their abundance and composition in sand across Perth locations,
- Rock Parrot recovery program,
- Marine molluscs and echinoderms in the Perth metropolitan area,
- Secondary ATAR Biology school group research projects,
- Environmental DNA and functional ecology of hypersaline lakes,
- Marine biodiversity monitoring with emphasis on Grey Nurse Sharks (*Carcharias taurus*),
- Sea temperature variability in the coastal waters,
- Rottnest Island environmental mapping school group research project,
- Field validation of earth observation wetland metrics across Australia,
- Climate refugia for the Great Southern Reef: a population genomics investigation of deep and shallow kelp refugia,
- Population genomics and environmental tolerance of the habitat-forming seaweed species *Scytothalia dorycarpa*.



Collaborations and partnerships

RIA acknowledges that the management of Island operations and services is a community effort and we thank our partners and collaborators including the following:

- Better Bees WA,
- BirdLife Australia,
- Boating WA,
- Clontarf Foundation,
- Conservation Volunteers Australia,
- Leeuwin Ocean Adventure Foundation,
- Margaret River Chocolate Company,
- Maritime Archaeological Association of WA,
- Reef Life Survey,

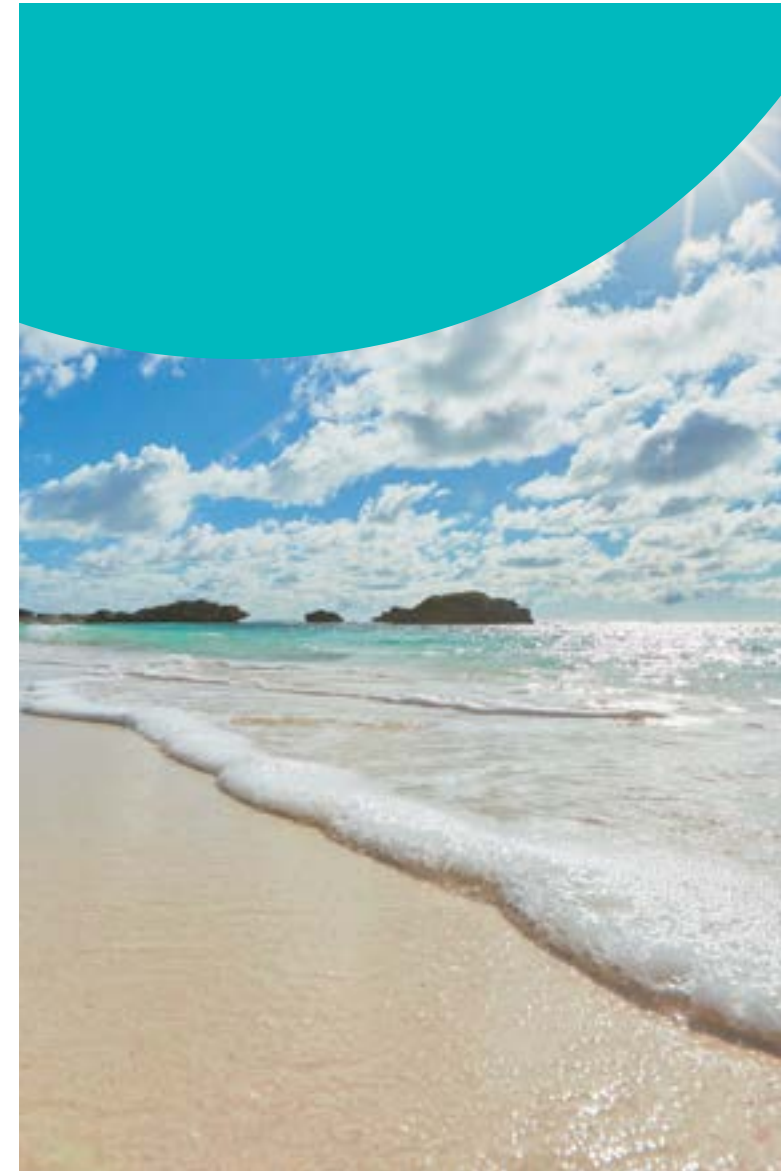
- Rottnest Channel Swim Association,
- Rottnest Island Chamber of Commerce,
- Rottnest Island Fire Service,
- Rottnest Island Nursery Volunteers,
- Rottnest Island Offshore Boardriders Club,
- Rottnest Foundation,
- Rottnest ferry operators – Rottnest Express, Rottnest Fast Ferries and SeaLink Rottnest Island,
- Rottnest Voluntary Guides Association,
- Rottnest Island Railway Advisory Committee,
- Rottnest Society,
- Scouts WA,
- Sea Rescue Fremantle,
- South West Aboriginal Land and Sea Council,
- The Winnit Club,
- Underwater Explorers Club of WA,
- West Australian Divers for Diversity Inc.,
- Whadjuk Working Party.



Significant issues impacting Rottnest Island Authority



- The Rottnest Lodge site will be handed over to the selected developer in June 2022 to commence refurbishment and construction of new visitor accommodation resulting in 103 rooms ranging from boutique to budget, a relocated pool, a day spa and new food and beverage facilities. The project will deliver an improved use and configuration of the site and incorporate acknowledgements of the proximity to important surrounding Aboriginal heritage buildings and places. Completion is expected in 2025;
- The maintenance and renewal of marine infrastructure, especially Rottnest Island's jetties, is a priority, to preserve visitor safety and enhance operational efficiency. The existing concrete deck and piles of Berths 4 and 5 on the Main Jetty will be replaced and extended during the winter of 2022-23;
- Rottnest Island Authority is progressing with the delivery of the National Tourism Icons suite of projects made possible by funding from the Australian Government. An investment of \$17.2 million has been provided for vital infrastructure upgrades to enhance the visitor experience, embrace cultural heritage and ensure the long-term sustainability of Rottnest Island;
- Increasing Rottnest Island drinking water production and renewal, and replacement of the water distribution network is a high priority to meet growing demand and avoid constraints on future development. RIA is progressing with the delivery of the WA Recovery Plan funded project to upgrade Rottnest Island's water production capability and renew the aging water distribution network.



Disclosures and legal compliance



Certification of financial statements

FOR THE REPORTING PERIOD ENDED 30 JUNE 2021

The accompanying financial statements of the Rottnest Island Authority have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2021 and the financial position as at 30 June 2021.

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.



Lyn Cassettai

Acting Chief Finance Officer
Rottnest Island Authority

10 September 2021



John Langoulant AO

Chairman
Rottnest Island Authority

10 September 2021




Hamish Beck

Deputy Chairman
Rottnest Island Authority

10 September 2021

Independent audit opinion



Auditor General

INDEPENDENT AUDITOR'S OPINION
2021
Rotttnest Island Authority

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Rotttnest Island Authority (Authority) which comprise:

- the Statement of Financial Position at 30 June 2021, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information, including administered transactions and balances.

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 Rotttnest Island Authority for the year ended 30 June 2021 and the financial position at the end of that period
- 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 Authority in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

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Responsibilities of the Board for the financial statements

The Board is responsible for:

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Rotttnest Island Authority. The controls exercised by the Authority 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 Rotttnest Island Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2021.

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Independent audit opinion

The Board's responsibilities

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

Auditor General's responsibilities

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

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

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

Limitations of controls

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

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Rottneest Island Authority for the year ended 30 June 2021. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Rottneest Island Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2021.

The Board's responsibilities for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control it 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 responsibilities

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

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

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

My independence and quality control relating to the reports on controls and key performance indicators

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

Other information

The Board is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2021, but not the financial statements, key performance indicators and my auditor's report.

My opinions do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.



Independent audit opinion

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

This auditor's report relates to the financial statements, controls and key performance indicators of the Rottnest Island Authority for the year ended 30 June 2021 included on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements, controls or key performance indicators. If users of the financial statements, controls and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements, controls and key performance indicators.



Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
14 September 2021

Statement of comprehensive income for the year ended 30 June 2021

	Note	2021 \$000	2020 \$000
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1(a)	12,565	13,379
Supplies and services	2.2	31,593	28,663
Depreciation and amortisation expense	4.1.1, 4.2.1, 4.3	6,524	6,760
Cost of sales	3.3	618	607
Finance costs	6.2	9	15
Accommodation expenses	2.3	124	112
Other expenses	2.3	1,255	1,348
Non-current assets expensed	2.5	-	810
Loss on disposal of non-current assets	2.4	667	-
Total cost of services		53,355	51,694
Revenue and Income			
Sale of goods	3.3	839	890
User charges and fees	3.2	41,152	37,220
Commonwealth grants	3.4	3,438	1,252
Interest revenue	3.5	124	363
Other revenue	3.6	460	490
Total revenue		46,013	40,215
Gain on disposal of non-current assets	2.4	-	96
Total gain		-	96
Total income other than income from State Government		46,013	40,311
NET COST OF SERVICES		7,342	11,383

	Note	2021 \$000	2020 \$000
Income from State Government			
Income from other public sector entities	3.1	14,256	12,647
Services received free of charge	3.1	173	72
Assets received free of charge	3.1	4,773	-
Total income from State Government		19,202	12,719
SURPLUS / (DEFICIT) FOR THE PERIOD		11,860	1,336
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus		-	(1,335)
Total other comprehensive income		-	(1,335)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		11,860	1

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

Statement of financial position as at 30 June 2021

	Note	2021 \$000	2020 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	6.3	11,443	12,705
Inventories	3.3	314	359
Receivables	5.1	1,812	2,120
Other current financial assets	6.4	17,000	22,000
Other current assets	5.2	327	127
Total Current Assets		30,896	37,311
Non-Current Assets			
Infrastructure, property, plant and equipment	4.1	278,094	264,639
Intangible assets	4.2	1,118	1,033
Right-of-use assets	4.3	227	492
Receivables	5.1	124	128
Total Non-Current Assets		279,563	266,292
TOTAL ASSETS		310,459	303,603

	Note	2021 \$000	2020 \$000
LIABILITIES			
Current Liabilities			
Payables	5.3	7,869	7,687
Lease liabilities	6.1	182	301
Employee related provisions	2.1(b)	2,107	2,147
Grant liability	5.6	-	2,438
Contract liabilities	5.5	4,768	13,501
Other current liabilities	5.4	1,423	865
Total Current Liabilities		16,349	26,939
Non-Current Liabilities			
Lease liabilities	6.1	50	193
Employee related provisions	2.1(b)	822	606
Other non-current liabilities	5.4	3,563	3,850
Total Non-Current liabilities		4,435	4,649
TOTAL LIABILITIES		20,784	31,588
NET ASSETS		289,675	272,015
EQUITY			
Contributed equity	8.7	57,032	51,232
Reserves	8.7	205,873	205,873
Accumulated surplus		26,770	14,910
TOTAL EQUITY		289,675	272,015

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

Statement of changes in equity for the year ended 30 June 2021

	Note	Contributed equity \$000	Reserves \$000	Accumulated surplus \$000	Total Equity \$000
Balance at 1 July 2019		50,032	207,208	13,574	270,814
Surplus		-	-	1,336	1,336
Other comprehensive (deficit) / income	8.7	-	(1,335)	-	(1,335)
Total comprehensive (deficit) / income for the period		-	(1,335)	1,336	1
Transactions with owners in their capacity as owners:					
Capital appropriations	8.7	1,200	-	-	1,200
Total		1,200	-	-	1,200
Balance at 30 June 2020		51,232	205,873	14,910	272,015
Balance at 1 July 2020		51,232	205,873	14,910	272,015
Surplus		-	-	11,860	11,860
Other comprehensive income	8.7	-	-	-	-
Total comprehensive (deficit) / income for the period		-	-	11,860	11,860
Transactions with owners in their capacity as owners:					
Capital appropriations	8.7	5,800	-	-	5,800
Total		5,800	-	-	5,800
Balance at 30 June 2021		57,032	205,873	26,770	289,675

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

Statement of cash flows for the year ended 30 June 2021

	Note	2021 \$000	2020 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Funds from other public sector entities		14,256	12,647
Capital appropriation		5,800	1,200
Net cash provided by State Government		20,056	13,847
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(12,772)	(13,254)
Supplies and services		(30,895)	(27,930)
Finance costs		(9)	(15)
GST payments on purchases		(4,830)	(3,631)
GST payments to taxation authority		-	(456)
Other payments		(1,570)	(1,265)
Receipts			
Sale of goods		839	890
User charges and fees		33,434	38,197
Commonwealth grants		1,000	3,690
Interest received		174	488
GST receipts on sales		3,352	4,082
GST receipts from taxation authority		1,051	-
Other receipts		460	163
Net cash (used in) / provided by operating activities		(9,766)	959

	Note	2021 \$000	2020 \$000
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(16,076)	(5,772)
Receipts			
Proceeds from sale of non-current assets		-	96
Net cash (used in) investing activities		(16,076)	(5,676)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		(328)	(325)
ARENA loan repayment		(148)	(162)
Net cash (used in) financing activities		(476)	(487)
Net (decrease) / increase in cash and cash equivalents			
		(6,262)	8,643
Cash and cash equivalents at the beginning of the period			
		34,705	26,062
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.3, 6.4	28,443	34,705

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

Notes to the financial statements for the year ended 30 June 2021

1. BASIS OF PREPARATION

Rottnest Island Authority ("the Authority") is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Authority 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' section of the Annual Report which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Authority on 10 September 2021.

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 (**TIs**),
- 3) Australian Accounting Standards (**AASs**) Reduced Disclosure Requirements,
- 4) Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

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

Basis of preparation

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

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.

Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

Notes to the financial statements for the year ended 30 June 2021

2. USE OF OUR FUNDING

Expenses incurred in the delivery of services

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

	Note
Employee benefits expense	2.1(a)
Employee related provision	2.1(b)
Supplies and services	2.2
Other expenditure	2.3
(Loss) / gain on disposal of non-current assets	2.4
Non-current assets expensed	2.5

2.1 (a) Employee benefits expense

	2021 \$000	2020 \$000
Employee benefits	11,448	11,978
Termination benefits	-	187
Superannuation - defined contribution plans	1,100	1,173
Superannuation - defined benefit plans	17	41
Total employee benefits expense	12,565	13,379
Add: AASB 16 Non-monetary benefits	45	51
Less: Employee Contributions (per the Statement of Comprehensive Income)	-	-
Net employee benefits	12,610	13,430

Employee benefits: Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, profit-sharing and bonuses; and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for employees.

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

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

AASB 16 Non-monetary benefits: Non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of vehicle and housing benefits are measured at the cost incurred by the Authority.

Employee Contributions: contributions made to the Authority by employees towards employee benefits that have been provided by the Authority. This includes both AASB-16 and non-AASB 16 employee contributions.

Notes to the financial statements for the year ended 30 June 2021

2.1 (b) Employee related provisions

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

	2021 \$000	2020 \$000
Current		
Employee benefits provision		
Annual leave ^(a)	1,111	872
Long service leave ^(b)	821	1,087
Time in lieu	4	18
Defined benefit liability ^(d)	39	40
	1,975	2,017
<i>Other provisions</i>		
Employment on-costs ^(c)	132	130
Total current employee related provisions	2,107	2,147
Non-current		
Employee benefits provision		
Long service leave ^(b)	604	383
Defined benefit liability ^(d)	176	198
	780	581
<i>Other provisions</i>		
Employment on-costs ^(c)	42	25
Total non-current employee related provisions	822	606
Total employee related provisions	2,929	2,753

(a) Annual leave liabilities: Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

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

(b) Long service leave liabilities: Unconditional long service leave provisions are classified as current liabilities as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

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

Notes to the financial statements for the year ended 30 June 2021

2.1 (b) Employee related provisions (continued)

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

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other Expenditure', Note 2.3 (apart from the unwinding of the discount (finance cost)) and are not included as part of the Authority's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2021 \$000	2020 \$000
Employment on-costs provision		
Carrying amount at start of period	155	194
Additional provisions recognised	44	77
Payments / other sacrifices of economic benefits	(25)	(116)
Carrying amount at end of period	174	155

(d) **Defined benefit liability:** The Authority has recognised the unfunded superannuation liability for a Pension Scheme relating to a former employee. This obligation has been measured using actuarial assumptions and on a discounted basis.

Key sources of estimation uncertainty – long service leave

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

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

- Expected future salary rates,
- Discount rates,
- Employee retention rates,
- Expected future payments.

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

Notes to the financial statements for the year ended 30 June 2021

2.2 Supplies and services

	2021 \$000	2020 \$000
Contractors – facilities operations and utilities	14,158	13,895
Contractors – housekeeping	2,432	1,821
Contractors – other	4,707	4,073
Administration expense	2,126	2,166
Other staff costs	541	579
Repairs and maintenance – Roofing Project	-	426
Repairs and maintenance – Building, infrastructure and equipment	4,510	3,252
Assets under \$5,000 expensed	1,181	1,237
Marketing expenses	1,006	598
Other supplies and services costs	932	616
Total supplies and services expenses	31,593	28,663

Supplies and services expenses 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.

Repairs and maintenance: Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

Other supplies and services costs generally represent the day-to-day running costs incurred in normal operations.

2.3 Other Expenditure

	2021 \$000	2020 \$000
Accommodation expenses		
Rental expenses	10	-
Cleaning and other accommodation expenses	114	112
Total accommodation expenses	124	112
Other expenses		
Expected credit losses expense	-	16
Employment on-costs	997	746
Bank and merchant fees	258	288
Intangible assets written off	-	226
Research and development	-	69
Bad debts written off	-	3
Total other expenses	1,255	1,348
Total other expenditure	1,379	1,460

Rental expenses include:

- Short-term leases with a lease term of 12 months or less.
- Low-value leases with an underlying value of \$5,000 or less.
- Variable lease payments, recognised in the period in which the event or condition that triggers those payments occurs.

Notes to the financial statements for the year ended 30 June 2021

2.3 Other Expenditure (continued)

Cleaning costs are recognised as expenses as incurred.

Expected credit losses is an allowance of trade receivables and is measured at the lifetime expected credit losses at each reporting date. The Authority has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to Note 5.1 for the movement in the allowance for impairment of trade receivables.

Employment on-costs includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 2.1(b) Employee related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Research and development costs are recognised as an expense in the period in which they are incurred.

2.4 (Loss) / gain on disposal of non-current assets

	2021 \$000	2020 \$000
Net proceeds from disposal of non-current assets		
Plant, equipment and vehicles	-	96
Carrying amount of non-current assets disposed		
Plant, equipment and vehicles	(667)	-
(Loss) / gain on disposal of non-current assets	(667)	96

Realised and unrealised gains are usually recognised on a net basis.

These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

Gains and losses on the disposal of non-current assets are presented by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses. Gains and losses are recognised in profit or loss in the Statement of Comprehensive Income.

2.5 Non-current assets expensed

	2021 \$000	2020 \$000
Plant and equipment	-	810
	-	810

During 2020 the Authority amended its accounting policy regarding capitalisation of grouped assets under \$5,000. This resulted in the expensing of plant and equipment totalling \$810,000 previously capitalised.

Notes to the financial statements for the year ended 30 June 2021

3. OUR FUNDING SOURCES

How we obtain our funding

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

	Note
Income from State Government	3.1
User charges and fees	3.2
Sale of goods	3.3
Commonwealth grants	3.4
Interest revenue	3.5
Other revenue	3.6

3.1 Income from State Government

	2021 \$000	2020 \$000
Income from other public sector entities during the period:		
Grants received from Department of Biodiversity, Conservation and Attractions (DBCA)	14,241	12,647
Grants received from other government entities	15	-
Total grants	14,256	12,647
Resources received from other public sector entities during the period:		
Assets received free of charge ^(a)	4,773	-
Services received free of charge ^(b)	173	72
Total resources received	4,946	72
Total income from State Government	19,202	12,719

Income from other public sector entities are recognised as income when the Authority has received a recurrent appropriation through a central department (i.e. Department of Biodiversity, Conservation and Attractions) and/or when the Authority has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the Authority receives the funds.

Notes to the financial statements for the year ended 30 June 2021

3.1 Income from State Government (continued)

Resources received from other public sector entities are recognised as income (and assets or expenses) equivalent to the fair value of the assets, or the fair value of those services that can be reliably determined and which would have been purchased if not donated.

- (a) Assets received free of charge relates to road resurfacing works performed on the Island's roads by Main Roads WA at no cost to the Authority.
- (b) Services received free of charge relates to legal services received free of charge from State Solicitor's Office.

3.2 User charges and fees

	2021 \$000	2020 \$000
Accommodation revenue	21,770	15,047
Equipment hire and tours	4,646	4,700
Admission fees	8,220	9,460
Other fees and charges	2,120	2,049
Commercial lease and licence income	1,970	2,157
Utility charges	1,688	1,932
Recoveries ^(a)	-	1,317
Residential lease income	738	558
Total user charges and fees	41,152	37,220

- (a) Recoveries relate to COVID-19 quarantine services provided by the Authority during the prior year.

Revenue is recognised at the transaction price when the Authority transfers control of the services to customers. Revenue is recognised for the major business activities as follows:

- Accommodation revenue is recognised over the course of the visitors' stay on the Island,
- Admissions fees are generally recognised when the visitors arrive on the Island,
- Recoveries are recognised as income when the services have been provided,
- Other revenue, including residential and commercial rental income, is recognised as the goods/services are provided.

3.3 Sale of goods

	2021 \$000	2020 \$000
Sale of goods	839	890
Cost of Sales:		
Opening Inventory	(237)	(109)
Purchases	(533)	(735)
	(770)	(844)
Closing Inventory	152	237
Cost of Goods Sold	(618)	(607)
Gross profit	221	283

Notes to the financial statements for the year ended 30 June 2021

	2021 \$000	2020 \$000
Closing inventory comprises:		
Inventories held for resale (current)		
Visitors Centre and bike stock	152	237
	152	237
Inventories not held for resale (current)		
Fuels	162	122
	162	122
Total Inventories	314	359

Sale of Goods

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

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate for each particular class of inventory, with the majority being measured on a first in first out basis.

Inventories not held for resale are measured at cost unless they are no longer required, in which case they are measured at net realisable value.

3.4 Commonwealth grants

	2021 \$000	2020 \$000
Commonwealth grants:		
Capital grants	3,438	1,252
	3,438	1,252

Capital grants are recognised as income over time as the projects are constructed to the extent that the grant has been received. Refer to Note 5.6.

3.5 Interest revenue

	2021 \$000	2020 \$000
Interest revenue	124	363
	124	363

Interest revenue is recognised as the interest accrues.

Notes to the financial statements for the year ended 30 June 2021

3.6 Other revenue

	2021 \$000	2020 \$000
Insurance claims	96	13
Expected credit losses provision written back	111	-
Non-government grants / sponsorships	21	-
Public donations	29	33
Other revenue	203	117
Assets received free of charge (non-government)	-	327
Total other revenue	460	490

4. KEY ASSETS

Assets the Authority utilises for economic benefit or service potential

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

	Note
Infrastructure, property, plant and equipment	4.1
Intangibles	4.2
Right-of-use assets	4.3

Notes to the financial statements for the year ended 30 June 2021

4.1 Infrastructure, property, plant and equipment

Year ended 30 June 2021	Land \$000	Buildings \$000	Computers and electronic equipment \$000	Furniture and fittings \$000	Plant and vehicles \$000	Infrastructure \$000	Leasehold improvements \$000	Works of art \$000	Work in progress \$000	Total \$000
1 July 2020										
Gross carrying amount	135,000	77,192	1,972	5,633	4,080	50,344	279	47	3,780	278,327
Accumulated depreciation	-	-	(1,827)	(5,154)	(3,362)	(3,090)	(255)	-	-	(13,688)
Carrying amount at start of period	135,000	77,192	145	479	718	47,254	24	47	3,780	264,639
Additions	-	-	-	-	-	4,773	-	-	15,907	20,680
Transfers	-	3,154	-	184	484	9,365	-	29	(13,216)	-
Disposals	-	-	-	-	(30)	(637)	-	-	-	(667)
Adjustments	-	-	-	-	-	8	-	-	(442)	(434)
Revaluation increments / (decrements)	-	-	-	-	-	-	-	-	-	-
Depreciation	-	(2,041)	(101)	(281)	(301)	(3,392)	(8)	-	-	(6,124)
Carrying amount at 30 June 2021	135,000	78,305	44	382	871	57,371	16	76	6,029	278,094
Gross carrying amount	135,000	80,346	1,972	5,817	4,447	63,871	279	76	6,029	297,837
Accumulated depreciation	-	(2,041)	(1,928)	(5,435)	(3,576)	(6,500)	(263)	-	-	(19,743)
	135,000	78,305	44	382	871	57,371	16	76	6,029	278,094

Notes to the financial statements for the year ended 30 June 2021

4.1 Infrastructure, property, plant and equipment (continued)

Initial recognition

Items of property, plant and equipment and infrastructure, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- land,
- buildings,
- infrastructure.

Land is carried at fair value.

Buildings and infrastructure are carried at fair value less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Landgate) to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2020 by Landgate. The valuations were performed during the year ended 30 June 2021. The fair value of land was determined by reference to current use and the fair value of buildings was determined by reference to current replacement cost.

Infrastructure is independently valued every 3 to 5 years. Infrastructure assets were independently revalued by Landgate as at 1 July 2018. These valuations were recognised at 30 June 2019. The fair value for infrastructure assets was determined by reference to the current replacement cost.

Significant assumptions and judgements: The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Notes to the financial statements for the year ended 30 June 2021

4.1.1 Depreciation and impairment

	2021 \$000	2020 \$000
Charge for the period		
Depreciation		
Buildings	2,041	2,000
Computers and electronic equipment	101	129
Furniture and fittings	281	644
Plant and vehicles	301	472
Leasehold improvements	8	15
Infrastructure	3,392	3,090
Total depreciation for the period	6,124	6,350

As at 30 June 2021, there were no indications of impairment to infrastructure, property, plant and equipment.

All surplus assets at 30 June 2021 have either been classified as assets held for sale or have been written-off.

Finite useful lives

All infrastructure, property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exception to this rule is land.

Depreciation is calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the following table.

Asset	Useful life: years
Buildings	20 to 40 years
Computers and electronic equipment	3 to 5 years
Furniture and fittings	3 to 15 years
Vehicles	4 to 20 years
Plant and equipment	4 to 20 years
Infrastructure	4 to 50 years
Leasehold improvements	10 to 15 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate. During the reporting period, the useful life of roads was amended from 100 years to 40 years. This change does not have a material impact on depreciation expense.

Land, works of art and Cultural Heritage Assets, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Notes to the financial statements for the year ended 30 June 2021

4.1.1 Depreciation and impairment (continued)

Impairment

Non-financial assets, including items of infrastructure, 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 Authority is a not-for-profit entity, 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 evaluate any impairment risk from declining replacement costs.

4.2 Intangible assets

	Right to receive the Rottnest Dome Building \$000	Computer Software \$000	Total \$000
Year ended 30 June 2021			
1 July 2020			
Gross carrying amount	778	2,337	3,115
Accumulated amortisation	-	(2,082)	(2,082)
Carrying amount at start of period	778	255	1,033
Additions	-	169	169
Amortisation expense	-	(84)	(84)
Carrying amount at 30 June 2021	778	340	1,118
30 June 2021			
Gross carrying amount	778	2,506	3,284
Accumulated amortisation	-	(2,166)	(2,166)
Carrying amount at 30 June 2021	778	340	1,118

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

Notes to the financial statements for the year ended 30 June 2021

Acquisitions for intangible assets costing \$5,000 or more and internally generated intangible assets at minimum of \$5,000 that comply with the recognition criteria as per AASB 138.57 are capitalised.

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

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.

4.2.1 Amortisation and impairment

	2021 \$000	2020 \$000
Charge for the period		
Computer software	84	83
Total amortisation for the period	84	83

As at 30 June 2021, there were no indications of impairment to intangible assets.

The Authority held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

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

The estimated useful lives for each class of intangible asset are:

Software ^(a)	3 to 5 years
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(a) Software that is not integral to the operation of any related hardware.

Impairment of intangible assets

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

The policy in connection with testing for impairment is outlined in Note 4.1.1.

4.3 Right-of-use assets

	2021 \$000	2020 \$000
Buildings	130	389
Plant and equipment	34	12
Vehicles	63	91
Net carrying amount	227	492

Additions to right-of-use assets during the 2021 financial year were \$50,668 (2020: \$819,935).

Notes to the financial statements for the year ended 30 June 2021

4.3 Right-of-use assets (continued)

Initial recognition

Right-of-use assets are measured at cost including the following:

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

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

Subsequent Measurement

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

Depreciation and impairment of right-of-use assets

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

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

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 4.1.1.

The following amounts relating to leases have been recognised in the Statement of Comprehensive Income:

	2021 \$000	2020 \$000
Buildings	259	259
Plant and equipment	14	17
Vehicles	43	51
Total right-of-use asset depreciation	316	327
Lease interest expense	9	15
Expenses relating to variable lease payments not included in lease liabilities	-	-
Short-term leases	10	-
Low-value leases	-	-
Gains or losses arising from sale and leaseback transactions	-	-

The total cash outflow for leases in 2021 was \$337,000 (2020: \$340,000).

The Authority has leases for vehicles, office accommodation and office equipment.

The Authority recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

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

Notes to the financial statements for the year ended 30 June 2021

5. OTHER ASSETS AND LIABILITIES

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

	Note
Receivables	5.1
Other current assets	5.2
Payables	5.3
Other liabilities	5.4
Contract liabilities	5.5
Grant liability	5.6

5.1 Receivables

	2021 \$000	2020 \$000
Current		
Receivables	871	1,708
Allowance for impairment of receivables	(12)	(123)
GST receivable	867	439
Interest receivable	7	56
Other receivables	79	40
Total current	1,812	2,120
Non-current		
Accrued revenue	124	128
Total non-current	124	128
Total receivables	1,936	2,248

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.

Notes to the financial statements for the year ended 30 June 2021

5.2 Other current assets

	2021 \$000	2020 \$000
Prepayments	327	127
Total current	327	127

Other current 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

	2021 \$000	2020 \$000
Trade payables	7,231	7,143
Accrued expenses	192	163
Accrued salaries	446	381
Total current	7,869	7,687

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

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

5.4 Other liabilities

	2021 \$000	2020 \$000
Current		
Leases in advance	100	100
Deferred income	1,107	535
Unclaimed money	8	28
Sinking fund provision	45	38
General provisions	15	17
ARENA loan	148	147
Total current	1,423	865
Non-current		
Deferred income	233	272
Leases in advance	33	133
ARENA loan	3,297	3,445
Total non-current	3,563	3,850
Total current and non-current	4,986	4,715

Notes to the financial statements for the year ended 30 June 2021

5.5 Contract liabilities

	2021 \$000	2020 \$000
Current		
Opening balance at the beginning of the period	13,501	11,776
Additions	13,037	16,772
Revenue recognised in the reporting period	(21,770)	(15,047)
Closing balance at the end of period	4,768	13,501

The Authority's contract liabilities relate to refundable accommodation deposits for booking dates after the reporting period. The decrease in deposits is principally due to a change in the Authority's deposit policy during the reporting period, from a 100% deposit to a 25% deposit. In addition, the lead time for bookings was reduced from 18 months to 9 months.

5.6 Grant liability

	2021 \$000	2020 \$000
Opening balance at the beginning of the period	2,438	-
Additions	1,000	3,690
Income recognised in the reporting period	(3,438)	(1,252)
Closing balance at the end of period	-	2,438
Current	-	2,438
Non-current	-	-

The Authority's grant liability relates to a capital grant received from the Commonwealth for Enhancing National Tourism Icons projects. Income is recognised over time as the projects are constructed to the extent that the grant has been received. Refer to Note 3.4.

6. FINANCING

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

	Note
Lease liabilities	6.1
Finance costs	6.2
Cash and cash equivalents	6.3
Other current financial assets	6.4
Assets pledged as security	6.5
Capital expenditure commitments	6.6

6.1 Lease Liabilities

	2021 \$000	2020 \$000
Current	182	301
Non-current	50	193
	232	494

Notes to the financial statements for the year ended 30 June 2021

6.1 Lease Liabilities (continued)

Initial Measurement

The Authority measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Authority uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Authority as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date,
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised),
- Payments for penalties for terminating a lease, where the lease term reflects the Authority exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Authority if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Authority in profit or loss in the period in which the condition that triggers those payments occurs.

This section should be read in conjunction with Note 4.3.

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

6.2 Finance costs

	2021 \$000	2020 \$000
Lease interest expense	9	15
Finance costs expensed	9	15

'Finance cost' includes the interest component of lease liability repayments.

Notes to the financial statements for the year ended 30 June 2021

6.3 Cash and cash equivalents

	2021 \$000	2020 \$000
Cash and cash equivalents	11,443	12,705
Balance at end of period	11,443	12,705

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.

6.4 Other current financial assets

	2021 \$000	2020 \$000
Term Deposits (current)	17,000	22,000
Balance at end of period	17,000	22,000

6.5 Assets pledged as security

	2021 \$000	2020 \$000
Assets pledged as security		
The carrying amounts of non-current assets pledged as security are:		
Right-of-use-asset – vehicles	63	91
Total assets pledged as security	63	91

The Authority has secured the right-of-use assets against the related lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.

6.6 Capital expenditure commitments

	2021 \$000	2020 \$000
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	5,794	4,221
	5,794	4,221

The totals presented for capital commitments are GST inclusive.

Notes to the financial statements for the year ended 30 June 2021

7. FINANCIAL INSTRUMENTS AND CONTINGENCIES

	Note
Financial Instruments	7.1
Contingent assets and liabilities	7.2

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:

	2021 \$000	2020 \$000
Financial Assets		
Cash and cash equivalents	11,443	12,705
Receivables at amortised cost ^(a)	1,069	1,809
Term deposits	17,000	22,000
Total financial assets	29,512	36,514
Financial Liabilities		
Financial liabilities measured at amortised cost ^(b)	8,101	8,181
Total financial liabilities	8,101	8,181

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

(b) The amount of financial liabilities excludes GST payable to the ATO (statutory payable).

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 the best estimate. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent assets

The Authority has historically included GST on its various categories of admission fees. In 2019 the Authority requested a ruling from the Australian Taxation Office (ATO) on whether its various admission fees are subject to GST. The ATO has issued initial advice that fees in respect of mooring and authorised user licences are exempt from GST. The applicability of GST to other visitor admission fees has yet to be determined by the ATO.

The question of whether the Authority is entitled to a refund on GST paid in prior years on mooring and authorised user licences is also to be determined by the ATO. If the ATO determines that the Authority is entitled to recover GST paid in prior years, this may result in a contingent asset. The refund would only be payable to the Authority, as the GST was not passed on, but absorbed within the regulated fee. As the matter as to whether a debt exists is still undecided, the value of the contingent asset cannot be quantified.

7.2.2 Contingent liabilities

The following contingent liabilities are additional to the liabilities included in the financial statements:

Contaminated Sites

Under the Contaminated Sites Act 2003, the Authority is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the level of risk, including potential impacts on human health, the environment and environmental values.

Notes to the financial statements for the year ended 30 June 2021

Where sites are classified as contaminated and requiring remediation, or possible contamination, investigation is required, the Authority may have a liability in respect to investigation, or remediation expenses. The Authority has one contaminated site that is under investigation. During the 2020/21 financial year, no additional sites were reported to DWER. The Authority continued to invest in monitoring activities to address financial and environmental management commitments.

Long Service Leave – Casual Employees

Under the *Long Service Leave Act 1958* (LSL Act) casual employees who have been employed for more than 10 years and meet continuous service requirements may be entitled to long service leave. Whilst a provision for casual employees who are currently still employed by the Authority and who meet the criteria has been recognised in the financial statements, the amount of the obligation for those casual employees who are no longer employed by the Authority cannot be measured with sufficient reliability at reporting date. The Authority is currently assessing the impact of the LSL Act for those casual employees.

Other

A former Lessee and Island business operator initiated a claim in the Supreme Court of Western Australia in 2015 in relation to a dispute arising from a lease granted by the Authority in May 2009 which concerned the permitted uses of the leased premises and other matters. Insufficient information has been provided about this claim to enable the contingent liability to be quantified.

Litigation commenced by the above party in December 2020 was summarily dismissed by the Supreme Court as frivolous, vexatious and an abuse of process in August 2021. The Authority (together with other co-defendants) were awarded costs on an indemnity basis. No appeal has been lodged in relation to this judgment as at the date of these financial statements.

A visitor has commenced legal proceedings in the District Court of Western Australia in respect to alleged personal injury sustained in an accident on the Island. Subject to liability being established, the value of the liability is unable to be quantified.

8. OTHER DISCLOSURES

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

	Note
Events occurring after the end of reporting period	8.1
Correction of prior period errors/changes in accounting policy	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies and affiliated bodies	8.5
Remuneration of auditors	8.6
Equity	8.7
Supplementary financial information	8.8
Explanatory statement	8.9

8.1 Events occurring after the end of the reporting period

There are no events that occurred after the Statement of Financial Position date which would materially affect the financial statements.

Notes to the financial statements for the year ended 30 June 2021

8.2 Correction of prior period errors/changes in accounting policy

(a) AASB 1059 Service Concession Agreements: Grantors

AASB 1059 introduces the accounting treatment for assets in service concession arrangements from the perspective of public sector grantors. The standard defines a service concession arrangement and provides guidance on the recognition and measurement requirements.

This standard applies to service concession arrangements, which involves an operator:

- Providing public services related to a service concession asset on behalf of the grantor,
- Managing at least some of the services under its own discretion, rather than at the direction of the grantor.

The Authority has assessed all concession agreements against the scope of AASB 1059 and they are all considered out of scope. This is mainly because the Authority does not control to whom businesses provide their services and at what prices.

8.3 Key management personnel

The Authority has determined that key management personnel include the responsible Minister, members of the accountable authority and senior officers of the Authority. However, the Authority is not obligated to compensate Ministers and therefore those disclosures may be found in the Annual Report on State Finances.

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

Compensation of members of accountable authority		
Compensation Bands (\$)	2021	2020
30,001 – 40,000	1	1
10,001 – 20,000	5	5
	2021 \$000	2020 \$000
Short-term employee benefits	100	97
Post-employment benefits	9	9
Other long-term benefits	-	-
Termination benefits	-	-
Total compensation of members of the accountable authority	109	106

Notes to the financial statements for the year ended 30 June 2021

Compensation of senior officers		
Compensation Bands (\$)	2021	2020
290,001 – 300,000	-	1
230,001 – 240,000	1	-
170,001 – 180,000	2	2
160,001 – 170,000	3	2
150,001 – 160,000	1	1
130,001 – 140,000	1	-
120,001 – 130,000	-	1
110,001 – 120,000	1	2
60,001 – 70,000	1	-
40,001 – 50,000	-	1
	2021	2020
	\$000	\$000
Short-term employee benefits	1,258	1,211
Post-employment benefits	134	156
Other long-term benefits	149	147
Termination benefits	-	-
Total compensation of senior officers	1,541	1,514

Total compensation includes the superannuation expense incurred by the Authority in respect of members of the accountable authority and senior officers.

8.4 Related party transactions

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

Related parties of the Authority include:

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

Material transactions with other related parties

Outside of normal citizen type transactions with the Authority, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

8.5 Related bodies and affiliated bodies

The Authority has no related bodies or affiliated bodies.

Notes to the financial statements for the year ended 30 June 2021

8.6 Remuneration of auditors

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

	2021 \$000	2020 \$000
Auditing the accounts, financial statements, controls and key performance indicators	137	115

8.7 Equity

	2021 \$000	2020 \$000
Contributed Equity		
Balance at start of period	51,232	50,032
<i>Contributions by owners</i>		
Capital appropriation	5,800	1,200
Balance at end of period	57,032	51,232
Reserves		
Asset revaluation surplus		
Balance at the start of period	205,873	207,208
Net revaluation increments / (decrements)		
- Buildings	-	(1,335)
Balance at end of period	205,873	205,873

8.8 Supplementary financial information

(a) Write-offs

During the financial year, Nil (2020: \$3,367) of bad debts were written off under the authority of the accountable authority.

(b) Losses through theft, defaults and other causes

There were no losses through theft, default or other causes during the year.

(c) Gifts of public property

There were no gifts of public property during the year.

8.9 Explanatory statement

All variances between estimates (original budget) and actual results for 2021, and between the actual results for 2021 and 2020 are shown below. For the Statement of Comprehensive Income and Statement of Cash Flows, narratives are provided for key major variances which are greater than 10% and 1% of Total Cost of Services for either the previous year or estimate (whichever is lower) ie 1% of \$51,694,000 being 2020 Actual (\$516,940). For the Statement of Financial Position, narratives are provided for key major variances that are greater than 10% and 1% of Total Assets for either the previous year or estimate (whichever is lower), ie 1% of \$303,603,000 being 2020 Actual (\$3,036,030).

Notes to the financial statements for the year ended 30 June 2021

8.9.1 Statement of Comprehensive Income Variances

	Variance Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	Variance between estimate and actual \$000	Variance between actual results for 2021 and 2020 \$000
Expenses						
Employee benefits expense		13,570	12,565	13,379	(1,005)	(814)
Supplies and services		32,009	31,593	28,663	(416)	2,930
Depreciation and amortisation expense		6,244	6,524	6,760	280	(236)
Cost of sales		474	618	607	144	11
Finance costs		11	9	15	(2)	(6)
Accommodation expenses		51	124	112	73	12
Other expenses		1,593	1,255	1,348	(338)	(93)
Non-current assets expensed	A	-	-	810	-	(810)
Loss on disposal of non-current assets	2, D	51	667	-	616	667
Total cost of services		54,003	53,355	51,694	(648)	1,661
Revenue and Income						
Sale of goods		673	839	890	166	(51)
User charges and fees	B	37,601	41,152	37,220	3,551	3,932
Commonwealth grants	1, C	9,730	3,438	1,252	(6,292)	2,186
Interest revenue		599	124	363	(475)	(239)
Other revenue		598	460	490	(138)	(30)
Total revenue		49,201	46,013	40,215	(3,188)	5,798
Gain on disposal of non-current assets		-	-	96	-	(96)
Total gain		-	-	96	-	(96)

Notes to the financial statements for the year ended 30 June 2021

8.9.1 Statement of Comprehensive Income Variances – continued

	Variance Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	Variance between estimate and actual \$000	Variance between actual results for 2021 and 2020 \$000
Total Income other than income from State Government		49,201	46,013	40,311	(3,188)	5,702
NET COST OF SERVICES		4,802	7,342	11,383	2,540	(4,041)
Income from State Government						
Income from other public sector entities	E	14,241	14,256	12,647	15	1,609
Services received free of charge		-	173	72	173	101
Assets received free of charge	3, F	-	4,773	-	4,773	4,773
Total income from State Government		14,241	19,202	12,719	4,961	6,483
SURPLUS / (DEFICIT) FOR THE PERIOD		9,439	11,860	1,336	2,421	10,524
OTHER COMPREHENSIVE INCOME						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		-	-	(1,335)	-	1,335
Total other comprehensive income		-	-	(1,335)	-	1,335
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		9,439	11,860	1	2,421	11,859

Notes to the financial statements for the year ended 30 June 2021

Major Estimate and Actual (2021) Variance Narratives

1. Commonwealth grant income is less than the Estimate by \$6.3m (65%) due to a delay in receiving the grant which is expected to be received in the first quarter of 2021-22. The delay is due variations to the project milestones required as result of higher costs requiring reallocation of funds across the originally planned projects.
2. Loss on disposal of non-current assets is higher than the Estimate by \$0.6m (1208%) due to the disposal of the fuel jetty which was replaced during the year.
3. Assets received free of charge relates to the road resurfacing works performed by Main Roads WA during the year at no cost to the Authority which was not included in the original budget.

Major Actual (2021) and Comparative (2020) Variance Narratives

- A. The decrease in non-current assets expensed of \$0.8m (100%) is due to a revision in accounting policy in the prior year regarding capitalisation of grouped assets under \$5k, which resulted in the expensing of \$0.8m of assets previously capitalised.
- B. The increase in user charges and fees of \$3.9m (11%) is principally due to higher accommodation occupancy over the prior year.
- C. The increase in Commonwealth grants of \$2.2m (175%) is due to higher revenue being recognised in the current year reflecting a higher level of capital expenditure spend in the current year. The grant is based of differing levels of expenditure over a three year period commencing in 2019-20.
- D. The loss on disposal of non-current assets is higher than prior year by \$0.7m (100%) due to disposal of the fuel jetty which was replaced during the year.
- E. The income from other public sector entities (being service appropriation received via DBCA) is higher than prior year by \$1.6m (13%) due to higher supplementary funding being received in 2020-21.
- F. The increase in assets received free of charge in 2020-21 is due to the road resurfacing works performed by Main Roads WA during the year at no cost to the Authority.

Notes to the financial statements for the year ended 30 June 2021

8.9.2 Statement of Financial Position Variances

	Variance Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	Variance between estimate and actual \$000	Variance between actual results for 2021 and 2020 \$000
ASSETS						
Current Assets						
Cash and cash equivalents		11,572	11,443	12,705	(129)	(1,262)
Inventories		359	314	359	(45)	(45)
Receivables		2,120	1,812	2,120	(308)	(308)
Other current financial assets	4, G	22,000	17,000	22,000	(5,000)	(5,000)
Other current assets		101	327	127	226	200
Total Current Assets		36,152	30,896	37,311	(5,256)	(6,415)
Non-Current Assets						
Infrastructure, property, plant and equipment		282,935	278,094	264,639	(4,841)	13,455
Intangible assets		710	1,118	1,033	408	85
Right-of-use assets		263	227	492	(36)	(265)
Receivables		128	124	128	(4)	(4)
Total Non-Current Assets		284,036	279,563	266,292	(4,473)	13,271
TOTAL ASSETS		320,188	310,459	303,603	(9,729)	6,856

Notes to the financial statements for the year ended 30 June 2021

	Variance Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	Variance between estimate and actual \$000	Variance between actual results for 2021 and 2020 \$000
LIABILITIES						
Current Liabilities						
Payables		7,306	7,869	7,687	563	182
Lease liabilities		256	182	301	(74)	(119)
Employee related provisions		2,527	2,107	2,147	(420)	(40)
Grant liability		-	-	2,438	-	(2,438)
Contract liabilities	5, H	14,351	4,768	13,501	(9,583)	(8,733)
Other current liabilities		351	1,423	865	1,072	558
Total Current Liabilities		24,791	16,349	26,939	(8,442)	(10,590)
Non-Current Liabilities						
Lease liabilities		10	50	193	40	(143)
Employee related provisions		581	822	606	241	216
Other non-current liabilities		3,876	3,563	3,850	(313)	(287)
Total Non-Current liabilities		4,467	4,435	4,649	(32)	(214)
TOTAL LIABILITIES		29,258	20,784	31,588	(8,474)	(10,804)
NET ASSETS		290,930	289,675	272,015	(1,255)	17,660
EQUITY						
Contributed equity		60,732	57,032	51,232	(3,700)	5,800
Reserves		205,875	205,873	205,873	(2)	-
Accumulated surplus		24,323	26,770	14,910	2,447	11,860
TOTAL EQUITY		290,930	289,675	272,015	(1,255)	17,660

Notes to the financial statements for the year ended 30 June 2021

8.9.2 Statement of Financial Position Variances – continued

Major Estimate and Actual (2021) Variance Narratives

4. Other current financial assets (being term deposits) are \$5.0m (23%) lower than the Estimate principally due to the reduction in the cash balance. The cash balance is less than the Estimate principally as result of the change in the accommodation deposit policy from 100% deposit to 25% deposit during 2020-21.
5. Contract liabilities (being accommodation deposits) are \$9.6m (67%) lower than the Estimate due to a change in the accommodation deposit policy from 100% deposit to 25% deposit during 2020-21.

Major Actual (2021) and Comparative (2020) Variance Narratives

- G. Other current financial assets (being term deposits) are \$5.0m (23%) lower than prior year principally due to the reduction in the cash balance. The cash balance is less than prior year as result of higher expenditure and the change in the accommodation deposit policy from 100% deposit to 25% deposit during 2020-21.
- H. Contract liabilities (being accommodation deposits) are \$8.7m (65%) lower than prior year due to the change in the accommodation deposit policy from 100% deposit to 25% deposit during 2020-21.

Notes to the financial statements for the year ended 30 June 2021

8.9.3 Statement of Cash Flow Variances

	Variance Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	Variance between estimate and actual \$000	Variance between actual results for 2021 and 2020 \$000
CASH FLOW FROM STATE GOVERNMENT						
Funds received from other public sector entities	I	14,241	14,256	12,647	15	1,609
Capital appropriation	6, J	9,500	5,800	1,200	(3,700)	4,600
Net cash provided by State Government		23,741	20,056	13,847	(3,685)	6,209
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits		(14,107)	(12,772)	(13,254)	1,335	482
Supplies and services	K	(33,065)	(30,895)	(27,930)	2,170	(2,965)
Finance costs		(11)	(9)	(15)	2	6
GST payments on purchases	7, L	(2,945)	(4,830)	(3,631)	(1,885)	(1,199)
GST payments to taxation authority	8	(559)	-	(456)	559	456
Other payments		(1,686)	(1,570)	(1,265)	116	(305)
Receipts						
Sale of goods		673	839	890	166	(51)
User charges and fees	9, M	38,183	33,434	38,197	(4,749)	(4,763)
Commonwealth grants	10, N	7,630	1,000	3,690	(6,630)	(2,690)
Interest received	11	835	174	488	(661)	(314)
GST receipts on sales	O	3,504	3,352	4,082	(152)	(730)
GST receipts from taxation authority	12, P	-	1,051	-	1,051	1,051
Other receipts		597	460	163	(137)	297
Net cash (used in) / provided by operating activities		(951)	(9,766)	959	(8,815)	(10,725)

Notes to the financial statements for the year ended 30 June 2021

8.9.3 Statement of Cash Flow Variances – continued

	Variance Note	Estimate 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	Variance between estimate and actual \$000	Variance between actual results for 2021 and 2020 \$000
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets	13, Q	(23,695)	(16,076)	(5,772)	7,619	(10,304)
Receipts						
Proceeds from sale of non-current assets		-	-	96	-	(96)
Net cash (used in) investing activities		(23,695)	(16,076)	(5,676)	7,619	(10,400)
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Principal element of lease payments		(228)	(328)	(325)	(100)	(3)
ARENA loan repayment		-	(148)	(162)	(148)	14
Net cash (used in) financing activities		(228)	(476)	(487)	(248)	11
Net (decrease) / increase in cash and cash equivalents	14, R	(1,133)	(6,262)	8,643	(5,129)	(14,905)
Cash and cash equivalents at the beginning of the period		34,705	34,705	26,062	-	8,643
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		33,572	28,443	34,705	(5,129)	(6,262)

Notes to the financial statements for the year ended 30 June 2021

8.9.3 Statement of Cash Flow Variances – continued

Major Estimate and Actual (2021) Variance Narratives

6. Capital appropriation is \$3.7m (39%) less than the Estimate due to the funds for the Main Jetty project not being received in 2020-21 as budgeted. The funds were not received due to a delay in Treasury approval of the business case relating the Main Jetty (which is required to release the funds). The funds are to be received in 2021-22.
7. GST payments on purchases are \$1.9m (64%) higher than the Estimate principally due to the Estimate being understated ie not reflecting the higher capital expenditure in 2020-21.
8. GST payments to taxation authority is \$0.6m (100%) less than the Estimate due to no actual GST payment being made to the ATO in 2021 (ie GST payments on purchases exceeding GST received on sales).
9. User charges and fees are \$4.8m (12%) lower than the Estimate principally due to the change in accommodation deposit policy from 100% deposit to 25% deposit during 2020-21 resulting in less deposits being received.
10. Commonwealth grants are \$6.6m (87%) lower than the Estimate due to a delay in receiving the grant which is expected to be received in the first quarter of 2021-22. The delay is due variations to the project milestones required as result of higher costs requiring reallocation of funds to the originally planned projects.
11. Interest received is \$0.7m (79%) lower than the Estimate due to lower cash balances (impact of the change in accommodation deposit policy) and lower interest rates in 2020-21.
12. GST receipts from taxation authority is \$1.1m (100%) higher than the Estimate due to GST payments on purchases exceeding GST received on sales.
13. Purchase of non-current assets are \$7.6m (32%) less than the Estimate due to delays in capital projects including Commonwealth projects and Main Jetty project.
14. The reduction in cash and cash equivalents is \$5.1m (453%) higher than the Estimate principally due to the change in the accommodation deposit policy from 100% deposit to 25% deposit during 2020-21 resulting in less accommodation deposits being received.

Major Actual (2021) and Comparative (2020) Variance Narratives

- I. Funds from other public sector entities (being service appropriation received via DBCA) are \$1.6m (13%) higher than prior year due to higher supplementary funding received in 2020-21.
- J. Capital appropriation is \$4.6m (383%) higher than prior year due to a new capital grant received from the State government for Water Projects under the State Recovery Plan.
- K. Supplies and services are \$3.0m (11%) higher than prior year due to higher spending on repairs and maintenance on RIA assets and facilities management costs (reflecting higher accommodation occupancy costs and CPI increases).
- L. GST payments on purchases is \$1.2m (33%) higher than prior year due to the increase in operating and capital expenditure.
- M. Decrease in user charges and fees of \$4.8m (12%) from prior year is principally due to the change in accommodation deposit policy from 100% deposit to 25% deposit during the year, resulting in less accommodation deposits received.
- N. Commonwealth grant is \$2.7m (73%) less than prior year due to the delay in receiving the grant which is expected to be received in the first quarter of 2021-22. The delay is due variations to the project milestones required as result of higher costs requiring reallocation of funds across the planned projects.
- O. GST receipts on sales is \$0.7m (18%) lower than prior year due to less accommodation deposits being received this current year (due to the change in accommodation deposit policy).
- P. GST receipts from taxation authority is \$1.1m (100%) higher than prior year due to GST payments on purchases exceeding the GST received on sales, due to higher capital and operating expenditure in the current year.
- Q. Purchase of non-current assets is higher than prior year by \$10.3m (178%) due to higher spending on capital projects including Commonwealth projects, Jetty Projects and Water Projects.
- R. The decrease in cash and cash equivalents of \$14.9m (172%) from prior year is due to higher spending on capital projects and the delay in receiving funding for the capital projects (in particular the Commonwealth grant, refer Q above), and the change in accommodation deposit policy from 100% deposit to 25% deposit during 2020-21.

Key performance indicators 2020-21 Statement


We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Rottnest Island Authority's performance, and fairly represent the performance of the Rottnest Island Authority for the financial year ended 30 June 2021.



Lyn Cassettai

Acting Chief Financial Officer

10 September 2021



John Langoulant AO

Chairman of Accountable Authority

10 September 2021



Hamish Beck

Member of Accountable Authority

10 September 2021

From 1 July 2017, the Rottnest Island Authority (RIA) became part of the Department of Biodiversity, Conservation and Attractions (DBCA). DBCA has a strong emphasis on improving the State's natural attractions as key tourism assets, creating opportunities for private sector investment and partnerships and consolidating conservation science under one department to build and share knowledge of the State's biodiversity.

As a result of this change a new outcome-based management structure for DBCA and each of its portfolio agencies was developed and approved.

DESIRED OUTCOMES

The overall agency outcomes of '*Community enjoyment, appreciation and understanding of attractions under the Department's care*' and '*Plants and animals are conserved, and habitat, ecosystems and landscape-scale conservation utilises evidence-based science*' have also been adopted by all portfolio agencies and link to the RIA profile, purpose and vision through:

- Achieving community enjoyment and appreciation through *increasing the number and diversity of visitors by providing products, services and experiences that reflect, sustain and preserve the Island's unique location, environment and cultural heritage.*
- Using evidence-based science to conserve and maintain the Island's natural and man-made environments within available resources for the protection of its flora and fauna.

AGENCY SERVICES

To achieve these desired outcomes RIA delivers the following services:

- Visitor services and public programs provided at Rottnest Island,
- Conserving habitats, species and ecological communities.

The relationship between RIA's KPIs, outcomes, services and Government outcomes is outlined in the table below.

Government goal	
Better places – A quality environment with liveable and affordable communities and vibrant regions.	
Agency desired outcomes	
1. Community enjoyment, appreciation and understanding of attractions under the Department's care.	2. Plants and animals are conserved, and habitat, ecosystem and landscape-scale conservation utilises evidence-based science.
Effectiveness KPIs	
1. Average level of visitor satisfaction at Rottnest Island.	2. Biodiversity health of Rottnest Island.
Agency services	
1. Visitor services and public programs provided at Rottnest Island.	2. Conserving habitats, species and ecological communities.
Efficiency KPIs	
1. Average cost per visitor to Rottnest Island.	2. Average cost per hectare of wildlife habitat.

RIA key performance indicators (KPIs) provide a guide to the organisation's performance against specified outcomes using both effectiveness and efficiency indicators. By their nature, these indicators are high level and encompass all RIA operations and costs.

RIA regularly reviews and amends its indicators to reflect changes in the variety of factors impacting the Island. These include visitor and community priorities for the Island, or changes in technology that enable more sophisticated measures to be implemented. RIA also has a suite of operational and commercial indicators that are used to manage and improve performance.

As well as comparing results to an annual target, comparisons to previous years' results are included (where available) to enable performance trends to be identified. Due to the organisational changes noted above, comparisons with previous years' results for efficiency KPIs have not been provided prior to 2017/18 due to changes in calculation methodologies.

DESIRED OUTCOMES AND EFFECTIVENESS INDICATORS

Agency Desired Outcome 1

Community enjoyment, appreciation and understanding of attractions under the Department's care.

Effectiveness KPI 1

Average level of visitor satisfaction at Rottnest Island



The provision of recreational and holiday facilities on the Island is the responsibility of the Authority under section 11 of the *Rottnest Island Authority Act 1987* (Act) and the growth of visitor numbers a focus of strategic planning. Along with the RIA vision for the Island to make it 'a visitor destination of national significance for its recreation, environmental and cultural heritage values' is the mission to 'increase the number and diversity of visitors by providing products, services and experiences that reflect, sustain and preserve the Island's unique location, environment and cultural heritage.'

This KPI is designed to provide information on how well the Authority is performing in relation to these requirements by gauging visitor satisfaction with the Island experience.

An independent research company is engaged to survey the Island's visitors throughout the year to ensure a valid representation of all visitors, including seasonal changes are captured in the responses.

A multi-modal approach to collecting data allows for various methods of obtaining participants to undertake the survey and reducing the level of response bias and include:

- Face to face recruitment to an online survey
- Business cards to encourage self-completes via an online survey distributed via the Rottnest Island Visitor Centre, businesses on the Island and the Rottnest Voluntary Association Guide information hub.
- Digital Sign on TV Screen at the Rottnest Island Visitor Centre to promote self-completes.

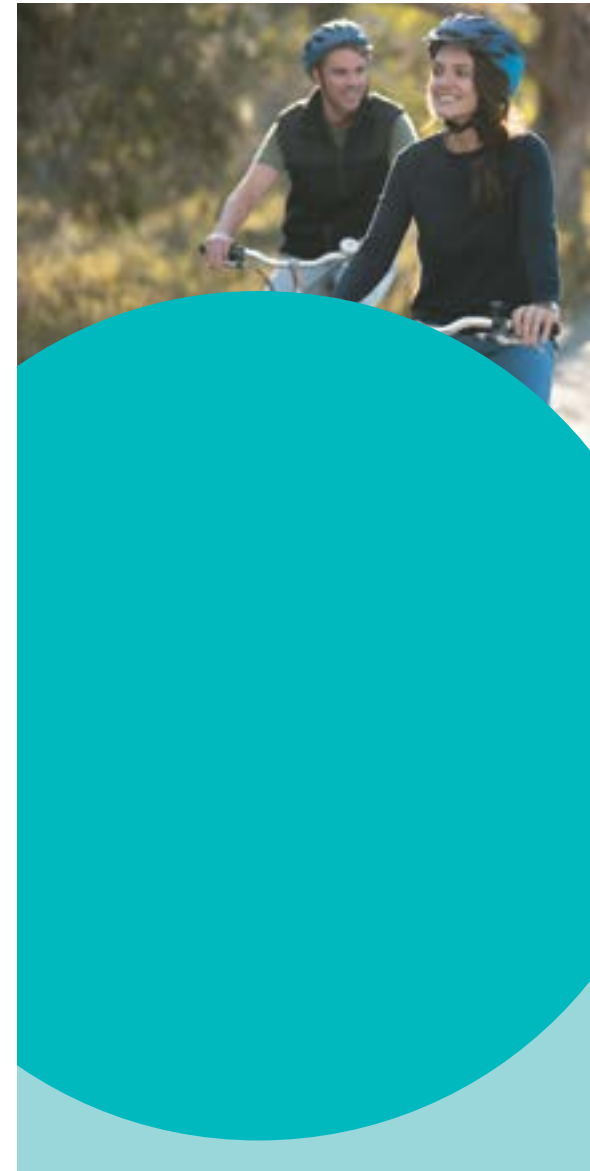
Respondents are asked to provide an overall satisfaction rating of their visit to Rottnest Island on a scale of 1-7. The responses to this question are used to inform the Average level of satisfaction with the Island KPI.

In 2020/21 there were 832 survey questionnaires completed providing a confidence level of 95% with an error rate of +/- 3.4%.

Visitor Rating	2020-21 Target	2020-21 Result
Average level of satisfaction with the Island	75%	84%

The prior year KPI comparisons are not available due to a change in methodology in the current year's visitor satisfaction survey. In 2020/2021, the survey was performed utilising a new multi-modal approach and the level of satisfaction response scale was amended from a 0-10 scale to the current 1-7 scale.

In addition, RIA did not complete a survey in 2019/2020 due to the closure of the Island in response to COVID19. RIA obtained an exemption from the Under Treasurer in 2019/2020 to not report this KPI.




DESIRED OUTCOMES AND EFFECTIVENESS INDICATORS

Agency desired outcome 2

Plants and animals are conserved, and habitat, ecosystem and landscape-scale conservation utilise evidence-based science.

Effectiveness KPI 2

Biodiversity health of Rotttnest Island.



Covering a land area of 1,859 hectares, and 3,800 hectares of associated waters, Rotttnest Island is a Class A Reserve protected for the purposes of conservation and recreation.

Maintenance and protection of the Island and its natural environment, including flora and fauna, is vested in the Authority under section 11 of the Act and preserving the unique environment is a Strategic Focus Area of the Rotttnest Island Management Plan.

This KPI demonstrates performance against the RIA Environment Policy and establishes the 'health' status of specified conservation targets, which in general terms indicates the ability of the target (plants and animals being conserved and habitat, ecosystem and landscape) to withstand or recover from most natural or anthropogenic (human caused) disturbances, and therefore to persist over time.

For this purpose, RIA has adopted the Nature Conservancy's Conservation Action Planning process which is applied internationally to thousands of conservation estates. This process, and its Five-S Framework for site conservation (see below), is used by RIA as its standard for planning, implementing and measuring the success of its conservation practices on the Island.

Along with the management of Island facilities and utilities in accordance with licence and approval obligations and EarthCheck Accreditation, Conservation Action Planning is a management tool used to protect and conserve the unique and diverse Island environment.

Five Focal Conservation Target areas have been identified with key indicators selected to measure their health over time. The ratings developed for each indicator define specific future goals, assess the current status of the system, and measure progress towards goals. This measure assists RIA to prioritise the allocation of resources to targets that are most in need of attention, and to measure success of biodiversity management over time.

Five Focal Conservation Targets were established as relevant measures of the biodiversity health of the Island. These are Woodland Heath, Limestone Heath, Coastal Habitat, Wetlands and Quokkas. To determine the viability of each Focal Conservation Target, specific indicators have been developed as listed below.

1. Woodland Heath

- Native flora species diversity,
- Bush bird diversity and presence,
- Woodland Seed Viability,
- Seeding Survival,
- Tree Health.

2. Limestone Heath

- Native flora species diversity.

3. Coastal Habitat

- Native flora species diversity,
- Spatial Distribution of Vegetated Area (ha).

4. Wetlands

- Presence of Tadpoles in Freshwater Seeps and Brackish Swamps,
- Groundwater Salinity: Average Electrical Conductivity of Wadjemup Aquifer,
- Average Nutrients: Total Nitrogen and Total Phosphorus of Rottnest Island Salt Lakes,
- Spatial Distribution of Endemic Littoral Vegetation (ha).

5. Quokkas

- Tail Circumference,
- Weight,
- Parasite Load,
- General Health,
- Weaning rates.

Assessment for each indicator is undertaken in accordance with monitoring programs at the required frequencies. While not all indicators are monitored annually, monitoring frequencies are staggered to ensure an overall understanding of performance is maintained.

The performance for each area is determined via a specific quantitative measure and compared to a pre-set upper limit to determine performance as a percentage. In 2019/2020 a change in methodology was introduced to account for the higher number of monitoring points used in the assessment of quokka health compared to the other focal areas. The prior year results have been amended to reflect the change in methodology.

The new methodology ensures all indicators are given equal weighting in their contribution to the health of the relevant Focal Conservation Target and averaged to determine a combined measure. The average of the final five measures is then calculated to determine one overall holistic value and rating.

A quantitative assessment is also provided based on the equal weighting of the overall percentages and the Five-S Framework rating scales of very good, good, fair or poor.

Results for each Focal Conservation Target are provided in the table below which are averaged to provide the overall rating of Biodiversity Health.

Focal Conservation Target	Percentage	Health Rating
Woodland Heath	72%	Fair
Limestone Heath	89%	Good
Wetlands	71%	Fair
Coastal Habitat	93%	Good
Quokkas	94%	Very Good
Overall Rating	84%	Good



The overall rating for the year is provided in the table below:

2020-21 Target	2020-21 Result	2019-20 Result	2018-19 Result	2017-18 Result	2016-17 Result
Rating Good (75%)	Rating Good (84%)	Rating Good (83%)	Rating Good (86%)	Rating Good (88%)	Rating Good (88%)

Biodiversity Health rating has been maintained in Good condition during the 2020/21 financial year. The overall rating (84%) exceeded the target rating (75%).

RIA has continually reduced extraction of shallow groundwater resources from the Wadjemup Aquifer, achieving a reduction of approximately 80% since 2013, which correlates with improved ground water quality results.

SERVICES AND EFFICIENCY INDICATORS

Agency service 1

Visitor Services and public programs provided at Rottnest Island.

Efficiency KPI 1

Average cost per visitor at Rottnest Island.



In accordance with the Act, RIA has responsibility to provide and operate recreational and holiday facilities on the Island.

This indicator reflects the cost of providing the Island's recreational and holiday services on a per visitor basis and links to Effectiveness KPI 1 (average level of visitor satisfaction at Rottnest Island).

RIA's vision for the Island is to make it 'a visitor destination of national significance for its recreation, environmental and cultural heritage values' and it's mission is to 'increase the number and diversity of visitors by providing products, services and experiences that reflect, sustain and preserve the Island's unique location, environment and cultural heritage'.

For the purposes of this indicator, visitors are defined as those people arriving by commercial ferry services. The indicator is intended to track the level of resources used to service Rottnest Island visitors.

This indicator demonstrates the average cost per visitor and is measured by dividing the total annual cost of providing all holiday and recreation related services to visitors, by the number of visitors for the year.

Title	2020-21 Target	2020-21 Result	2019-20 Result	2018-19 Result	2017-18 Result
Average cost per Visitor at Rottnest Island	\$174	\$125	\$99	\$80	\$85

The Authority's methodology for calculating the average cost per Island Visitor was amended during the 2018/19 reporting period to reflect only the visitors arriving by ferry. Previously, the visitor numbers used to calculate this KPI included an estimate of the private boating visitors, based on extrapolation of boating survey results, and the visitors arriving by plane.

The significant increase in the target and actual costs per visitor on Rottnest Island, compared to prior years, is due to the significant reduction in visitor numbers following the closure of the state and international borders due to the Corona Virus Pandemic.

SERVICES AND EFFICIENCY INDICATORS

Agency service 2

Conserving habitats, species and ecological communities.

Efficiency KPI 2

Average cost per hectare of wildlife habitat.



In accordance with the Act, RIA has responsibility to protect the flora and fauna of the Island, and maintain, protect and repair within allowable resources its natural environment.

Through its Environment, Heritage and Parks directorate RIA oversees the sustainability and conservation of Rottnest Island's flora, fauna and natural environments.

This indicator relates to the cost of conserving Rottnest Island's natural environment and its purpose is to track the level of resources applied to these functions.

The indicator is calculated by dividing the total cost of managing the natural environment by the Rottnest Island Reserve's total area of 5,659 hectares. The Reserve refers to the land and waters defined in Part 1 of the Act.

Title	2020-21 Target	2020-21 Result	2019-20 Result	2018-19 Result	2017-18 Result
Average cost per Hectare of Wildlife Habitat	\$345	\$312	\$357	\$267	\$264

The 2020/21 result of \$312 is a significant decrease from prior year. This decrease is predominantly due to the prior year's indicator including the costs associated with the Settlement Greening Plan.

Other financial disclosures

CAPITAL WORKS EXPENDITURE

Rottnest Island Authority's expenditure on Capital Works for 2020-21 is outlined below:

Type	2020-21 \$'000
ANNUAL PROGRAM	
Buildings	
Visitor accommodation	580
Other	324
Digital and Telecommunications	
IT systems	718
Infrastructure	
Fuel Jetty	359
Other	542
Transport	
Aerodrome	86
Roads	150
Other	
Plant and equipment	40

* Projects to be completed in subsequent years.

Type	2020-21 \$'000
Utilities	
Electricity	1,384
Water	42
Total Annual Program	4,225
STATE GRANTS*	
Jetty/Maritime – Fuel Jetty	2,709
WA Recovery Plan – Water Network and Production Projects	3,044
COMMONWEALTH GRANT*	
Enhancing National Tourism Icons	6,098
Total	16,076

EMPLOYMENT AND INDUSTRIAL RELATIONS

Staff profile

RIA employees are employed under the provisions of the Public Service Award 1992 and the Public Service and Government Officers CSA General Agreement 2019.

Employment Type	30 June 2020	30 June 2021
Permanent	71	86
Fixed-term contract	29	13
Casual	23	14
Total	123	113

Above figures are measured on a FTE basis.

Internal workers compensation claims

One approved internal workers compensation claim was made by a RIA staff member during the reporting period.

STAFF TRAINING AND WORKFORCE DEVELOPMENT

Training courses conducted in 2020-21 included:

- Aboriginal Cultural Awareness Training – October and November 2020 (48 participants),
- Mental Health First Aid – March and May – (13 participants),
- Getting Started in Project Management – (19 participants),
- Writing for Government – (12 participants),
- Resilience training – (16 participants),
- Excel training – (16 participants),
- Power BI – (17 participants).

Additional on-line courses were added to the induction program for new staff including Sexual Harassment Prevention, Disability Awareness and Mental Health Awareness.

TRAINEESHIPS AND PATHWAYS

In 2020-21, RIA established three graduate positions to assist with the development of an Island Enterprise Asset Management System. The graduates have an ongoing opportunity to work on the management of RIA's extensive asset portfolio, which includes desalination and wastewater treatment plants, electricity generation and distribution infrastructure, fuel storage, gas storage and distribution, buildings, roads, jetties, an aerodrome and a railway.

An Aboriginal trainee nominated by the Public Sector Commission commenced with RIA in February 2020. The trainee successfully completed a Certificate III in Government in February 2021 and has since been permanently appointed to the RIA Heritage team.

UNAUTHORISED USE OF CREDIT CARD

RIA had no instances of unauthorised credit card use in 2020-21.

GOVERNANCE DISCLOSURES

Board appointment and responsibilities

RIA Board members are appointed by the Minister in accordance with Part II, Section 6 of the Act. Except as otherwise provided by the Act, a member can hold the office for a term not exceeding three years and may be reappointed.

The Authority has a Delegation of Authority Register which governs the actions of the Board and appropriate delegations of authority to ensure statutory responsibilities are met. The Authority's corporate governance arrangements ensure transparency in decision making and operation, as well as accountability to stakeholders and the State Government by promoting strong leadership, sound management, and effective planning and review.

The Authority has the power to do all things necessary or convenient in connection with the management and control of the Island under the Act. The Board may in relation to the Island:

- carry out such developments and improvements that are consistent with the Act,
- enter into any arrangement with a State government department or instrumentality or any public utility for the performance by that body of any work or the supply of equipment or services,

- require payment of rent, fees or other charges for the use of the facilities of RIA or equipment or services supplied by it, and fix the amount of such rent, fees or charges with power to waive, reduce or refund the same in particular cases,
- in respect of its function of providing and operating recreational and holiday facilities on the Island:
 - establish or acquire, and operate; or
 - enter into an arrangement for any person to establish or acquire, and operate any business undertaking that is necessary or convenient for the performance of that function; and
- grant any lease or licence that is consistent with the purposes described in the relevant section of the Act on such terms and conditions as it thinks fit.

Board meeting attendance and remuneration

Eight meetings of RIA Board were held in accordance with Schedule 1, clause 5 of the Act during the reporting period.

In accordance with the Act, the Chairman and Board members are paid fees and allowances as may be fixed by the Minister for Tourism on the recommendation of the Minister for Public Sector Management. In accordance with government policy, Board members who are public servants are not entitled to payment.

Position	Name	First appointed	Period of membership (months)	No. of meetings eligible to attend	No. of meetings attended	Remuneration
Chair	John Langoulant	Oct 2017	12	8	8	\$32,467
Deputy Chair	Hamish Beck	Mar 2016	12	8	8	\$15,330
Member	Peter Lee	Jul 2019	12	8	7	\$15,330
Member	Ann Robinson	Jul 2019	12	8	8	\$15,330
Member	Louise Watson	Jul 2020	12	8	8	\$15,330
Member	Marina Hogan	Jan 2017	12	8	8	\$15,330

Board conflicts of interest

The Board has a disclosure of interest process outlined in the Act. Board members declare actual and potential conflicts of interest on appointment, and otherwise as matters arise. No Board members have reported an actual conflict of interest.

Directors and officer's liability insurance

An insurance policy has been taken out to indemnify Board members against any liability incurred under sections 13 or 14 of the *Statutory Corporations (Liability of Directors) Act 1996*. This policy is placed through the State Government insurer and is renewed annually.

Policy on Island accommodation and ferry travel for Board members

Visits to the Island by Board members are essential to:

- Maintain a current awareness and understanding of issues affecting visitor experience and management of the Island,
- Provide strategic direction, through the Management Plan required by Part IV of the Act,
- Guide the day-to-day management of the Island and the oversight of Island operations by RIA Executive and staff of the Authority,
- Advise the Minister for Tourism as required.

During the year, members of the Board undertook a total of 59 nights stay on the Island to undertake official duties including Board meetings, business community meetings, events, launches, functions, guest and visitor experiences, and tasks that directly support the functions of the Board.

All stays were approved in accordance with the Policy.

Board committees

Audit and Risk Committee

The Audit and Risk Committee (ARC) comprises the Chairman, Deputy Chairman, RIA Board members (2), Chief Executive Officer, Executive Director and Manager Audit and Risk, and met five times during the reporting period.

The ARC oversees all material aspects of the RIA's risk management and audit functions to ensure integrity of the organisation's governance framework.

Contracts and Infrastructure Committee

The Contracts Committee comprises the Chairman, Deputy Chairman, Board member, Chief Executive Officer, Executive Director and Director Contracts and Planning, and met six times during the reporting period.

The key responsibilities of the Contracts Committee include reviewing all major proposed EOI's, lease options and other contracts, as well as reviewing the performance of existing major contracts and any proposed variations.

Information, Communications & Technology Committee

The ICT Committee comprises the Chairman, Board member (1), Chief Executive Officer, Executive Director, Director Business Services/CFO, Director Visitor Services, and ICT Manager, and met seven times during the reporting period.

The key responsibilities of the ICT Committee include overseeing the implementation of RIA's Digital & IT Plan, considering individual ICT project proposals, monitoring the ICT project implementations including the achievement of project objectives, timing and budget, and resolving any OAG issues and MOU arrangements.

RISK MANAGEMENT

Risk Management is a critical component of the RIA's corporate governance due to the unique risk environment associated with balancing a Class A Reserve with delivering utility, infrastructure and tourism activities and products for Western Australia.

The Audit & Risk Committee provides a formal mechanism for risk management discussions and decision making with reporting of risks and risk treatment progress provided on a quarterly basis. The RIA Corporate Executive in its entirety attends the Risk Management Review Group, a subcommittee of the Corporate Executive.

The role of this committee is to oversee the risk management processes and provide ongoing assurance to the Corporate Executive that the RIA's significant risks are being addressed in a timely and appropriate manner.

The RIA Corporate Risk Management Framework was formally endorsed by the RIA Board in January 2018. The Corporate Risk Management Framework (Framework) enables RIA to identify, assess and treat risk in a systemic and consistent manner and in accordance with ANZ/NZS ISO 31000.

Under the Framework, risks and controls are analysed and evaluated against set criteria to ensure risks that exceed acceptable levels are treated accordingly. As at 30 June 2021, the RIA is monitoring 185 risks, which are being managed and reported on a continual basis.

BUSINESS CONTINUITY PLAN

RIA maintains a comprehensive Business Continuity Plan (BCP) which provides documented procedures for the agency to respond, recover, resume, and restore to a pre-defined level of operations following disruption.

During 2020-21 RIA commenced a major review of the BCP following activation to establish Rotttnest Island as a quarantine facility.

WADJEMUP ABORIGINAL REFERENCE GROUP

The Wadjemup Aboriginal Reference Group provides cultural guidance to RIA Executive Director and Board on cultural heritage management and reconciliation matters.

Four meetings of the Wadjemup Aboriginal Reference Group were held during the reporting period.

Name	First appointed	No. of meetings eligible to attend	No. of meetings attended	Gross remuneration
Walter McGuire	2017	4	3	1,265
Brendan Moore	2017	4	3	1,794
Pamela Thorley	2017	4	4	1,752
Lindsay Dean	2017	4	4	1,830

MINISTERIAL DIRECTIVES

No Ministerial directives were received during 2020-21.

Other legal requirements



EXPENDITURE ON ADVERTISING, MARKET RESEARCH, POLLING AND DIRECT MAIL

In accordance with section 175ZE of the *Electoral Act 1907*, RIA incurred expenditure on the items as listed in the table below.

Total expenditure for 2020-21 was \$508,922.

Type of expenditure	Organisation	Amount (\$)
Advertising agencies	Marketforce Pty Ltd	\$56,025
	303 Mullen Lowe Australia	\$22,110
Market research	Metrix Consulting Pty Ltd	\$90,354
Polling organisations		Nil
Direct Mail		Nil
Media advertising	Initiative Media Australia Pty Ltd	\$340,433
Total		\$508,922





DISABILITY ACCESS AND INCLUSION PLAN

RIA's Disability Access and Inclusion Plan (DAIP) for 2019-2024 was endorsed in March 2019 by the Department of Communities (Disability Services). The DAIP is structured around seven commitments and the following actions and initiatives have been put in place to address the needs of our visitors and our employees with disability.

Outcome 1:

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

RIA continues its commitment to the Companion Card program which can be used, for example, for bus travel around the Island to access services and events.

Outcome 2:

People with a disability have the same opportunity as other people to access the buildings and facilities of a public authority. Wheelchairs, mobility scooters and a beach wheelchair are available for hire on the Island. The purchase of three new multi-function strollers in the past year will also enhance visitor access, including by being connected behind a hire bike. These items are available through Pedal and Flipper (scooters, the beach wheelchair and multi-function strollers) or through the Visitor Centre (for the wheelchairs).

There are also accessible bike options available including tricycles and a special needs bike trailer. A buggy is available for hire that allows a carer to transport a visitor with disability from the ferry to their accommodation.

It is important for RIA visitors to have the same opportunity as other people to access the buildings and facilities of a public authority. RIA aims to continually improve building access and the current upgrade to disabled accommodation in South Thomson is complete. The refurbishment of the unit in South Thomson is one of our prime access friendly units and received a full upgrade to Ocean View level.

RIA has constructed a Changing Places disability ablution facility, located near the main bus stop in Thomson Bay.

Outcome 3:

People with a disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.

RIA has reviewed and updated promotional material and information for visitors with disability that is available in accommodation units.

Outcome 4:

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

RIA has updated its induction process for new starters with information about the DAIP.

Outcome 5:

People with a disability have the same opportunities as other people to make complaints to a public authority. Feedback, including complaints, is collected, reviewed and actioned.

Outcome 6:

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

Outcome 7:

People with a disability have the same opportunities as other people to obtain and maintain employment with the Authority. A substantive equality statement is included with all RIA job advertisements encouraging people with disability to apply.



COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

RIA has policies, procedures and processes in place to ensure it meets obligations under Public Sector Standards, the WA Public Sector Code of Ethics, and RIA Code of Conduct. On 23 June 2021 the Board of the Authority approved the Department of Biodiversity, Conservation and Attractions Code of Conduct, to replace the RIA Code.

These policies and supporting materials are available to staff on RIA's intranet.

In 2020-21:

- Public Sector Code of Ethics – Four allegations of breaches of discipline were initiated in 2020-21, with one being finalised and one discontinued,
- Public Sector Commissioner's Instruction Employment Standard – Nil breach claims were lodged,
- Grievance Resolution Standard – Nil breach claims were lodged.

RECORD KEEPING PLAN

Under the *State Records Act 2000*, every State government agency is required to have a Recordkeeping Plan (RKP). Agencies must also review the plan every five years or when there is a significant change to the organisation's functions.

RIA's RKP was first approved by the State Records Commission in December 2005. The first review was undertaken on schedule, with an updated RKP provided to the State Records Office (SRO) in June 2011.

A second review of RIA's RKP was provided to the SRO in December 2016, and the amended RKP was approved in August 2019.

RIA's recordkeeping compliance is achieved by:

- maintaining system infrastructure at latest release levels to ensure equivalence with required standards,
- regularly auditing the use of the HPE Content Manager recordkeeping system to ensure its effectiveness and efficiency in meeting compliance and operational requirements,

- ensuring RIA Induction Program provides new employees with information regarding their recordkeeping roles and responsibilities,
- ensuring all new staff successfully complete an online Recordkeeping Awareness Training course,
- providing ongoing assistance to HPE Content Manager users.

All facets were maintained during 2020-21.

FREEDOM OF INFORMATION

The *Freedom of Information Act 1992* provides a general right of access to documents held by State and local government agencies. In accordance with the legislation and to assist in Freedom of Information (FOI) requests, RIA's Information Statement is published on its website and intranet, outlining the Agency's FOI procedures.

RIA received one FOI request in 2020-21. The request was responded to in accordance with the legislation.

Government policy requirements

SUBSTANTIVE EQUALITY

RIA is committed to creating an inclusive and harmonious workplace, where all its staff members are treated equitably and fairly and are able to reach their full potential with dignity and respect.

In delivering on this commitment, RIA conducts appropriate biannual training for all managers and supervisors in order to create a discrimination-free workplace.

OCCUPATIONAL SAFETY AND HEALTH MANAGEMENT

In 2020-21, RIA maintained its commitment to provide a safe and healthy environment for its staff, contractors and volunteers working on the Island and at its Fremantle offices. In addition to maintaining a robust process for the identification and rectification of hazards, in 2020-21 RIA retained a focus on availability of first aid, and the provision of first aid, CPR and fire warden evacuation training.

The Occupational Safety and Health Committee required under provisions of the *Occupational Safety and Health Act 1984* met seven times during the 2020-21 year and completed 24 actions related to internal occupational health and safety matters. The Committee comprises nine RIA members and is also attended by one or more representatives of the Island's Facilities, Utilities and Support Services contractor.

RIA has commenced planning for the commencement of operation of the new *Work Health and Safety Act 2020*, which is expected to occur in the latter half of 2021.

OSH performance statistics 2020-21

OSH indicator	
Number of fatalities	nil
Lost time injury/disease incidence rate*	2 hours workers compensation recorded for 2020-21
% Injured workers returned to work within 13 weeks	0%
% Injured workers returned to work within 26 weeks	0%
% Managers trained in OSH and injury management responsibilities	65%

PRIORITY START POLICY

The Government Building Training Policy was replaced in 2019-20 by the Priority Start Policy, which is directed towards increasing the training commitment in the building and construction sector.

In 2020-21, all new construction and maintenance contracts entered into by RIA fell below the reporting threshold of the Priority Start Policy.

COMPLAINTS HANDLING

RIA views customer complaints as an opportunity to improve its service to Rottnest Island visitors. All complaints are recorded and form part of RIA's continuous improvement process.

RIA receives three forms of feedback:

- **Compliment** – An experience that exceeds expectation,
- **Comment** – A comment or suggestion for improvement,
- **Complaint** – An experience that does not match expectation.

RIA'S RESPONSE TO COMPLAINTS

The formal complaints handling process includes registration, acknowledgement, investigation, resolution (if possible), and recording the outcome in a Customer Feedback Register to ensure it is captured in the continuous improvement process.

A response is then provided within 30 days of receiving the initial feedback or within 60 days if an investigation is required.

Outcomes

During 2020-21, 12 compliments, 14 comments, and 247 formal complaints were received and dealt with via our formal complaints handling process.

Importantly, the number of complaints represented 0.06 percent of visitation numbers.



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