



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

# Combat Sports Commission

## 2019/20 Annual Report

For the safety and organisation of combat sports in Western Australia



PREPARE WELL  
PERFORM BETTER

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## Minister for Sport and Recreation

**Hon. Mick Murray MLA**

Minister for Sport and Recreation

In accordance with Section 66 of the Financial Administration and Audit Act 1985, I hereby submit for your information and presentation to Parliament the Annual Report for the Combat Sports Commission (the Commission) for the period 1 July 2019 to 30 June 2020.

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



**Hon. Bob Kucera APM JP**

Commission Chair



**Jacqui Jashari**

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

## Vision

The Combat Sports Commission is the peak body regulating boxing, mixed martial arts, kickboxing and Muay Thai competitors and competitions in Western Australia.

The Commission's vision is: "To create a healthier and safer combat sports community." This vision is discussed regularly by Commission members and used to guide the decision-making process.

## Mission statement and priorities

The mission of the Combat Sports Commission (the Commission) is to improve all aspects of safety, integrity and organisation of combat sports contests in Western Australia. This is achieved with a focus on the following key areas:

1. **Industry leadership** – the Commission consists of individuals with knowledge appropriate to combat sports. The appointment of these representatives ensures the Commission remains at the forefront of all issues and trends relating to combat sports events.
2. **Support** – meeting with industry participants regularly and attending all combat sports contests, provides promoters and other industry participants with a visible level of support.
3. **Education** – the Commission provides facts sheets, guidelines and brochures to the industry. In addition, the Commission provides industry participants with access to courses run in conjunction with the Department of Local Government, Sport and Cultural Industries as well as training initiatives specific to combat sports.

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

## Minister responsible

The Combat Sports Commission reports to the Hon. Mick Murray, in his capacity as Minister for Sport and Recreation.

## Objectives

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

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

## Message from the Commission Chair

As the Chair of the Combat Sports Commission, I commend this 2019/20 Annual Report to you.

Combat sports in Western Australia has reaped the benefits as part of the ever-growing international trend and continued to grow in popularity, both from a competitor and a spectator perspective over the last year. Before COVID-19, registrations had been consistent and, behind the scenes, we've worked hard to support promotions and projects which contribute to industry improvements.

The Commission had a positive first half of the year but like the rest of the community was significantly affected by COVID-19. Not only were 15 events cancelled, but gyms and training venues were closed. Naturally, this has caused huge concern amongst the industry over their livelihood.

Throughout this period we tracked government updates closely and awaited news about restrictions being lifted in order for promotions to start again. Together we look forward to discovering the new normal. In the meantime, I encourage everyone to abide by the health and safety guidelines that have been issued.

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We've worked hard to support promotions and projects which contribute to industry improvements.

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As the new Commission Chair, I'd like to thank everyone who has welcomed me and generously offered help and advice. I've worked on numerous sports boards and am enjoying this latest challenge.

In the Commission offices Antoni Grover celebrated his 18 months as Executive Officer. He has proven highly effective and adept and I thank him for his guidance. He is ably supported by a team who continue to be enthusiastic, efficient and act with professionalism. Thanks to Tracey Roper, Erin Guthrie, Melissa Baker and James Harmer for their work over the last 12 months. Our team is a small one but diligently ensures the Commission complies with and enforces the Act's requirements.

I've taken over from Cassandra Wright, who for the previous four years as Chair successfully led the Commission through some trying times. I commend her for her diligence, hard work and for leaving the Commission in a better position than it was on her arrival. We wish Cass the best and thank her.

This year, two of our long-standing commission members have departed. I'd like to acknowledge Derrick Chan and Dean Woodhams not only for their years of service but also for their tireless work, for sharing their knowledge of the industry and championing the work of the Commission. On behalf of the Commission, I wish them all the best. We welcome Ben Cant and Karim Girgis as members and look forward to their input and contribution.

Thank you to all external stakeholders, consultants and support functions within the Department of Local Government, Sport and Cultural Industries and the combat sports industry for the ongoing support and contribution.

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Together we look forward to discovering the new normal. In the meantime, I encourage everyone to abide by the health and safety guidelines that have been issued.

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To the Hon. Mick Murray and his staff; thank you for your help, advocacy and gracious assistance.

To those involved in the combat sports industry at every level, we have a challenging year ahead, but we are strong. When it counts, our training supports us and we know how to pivot, adapt and change direction. I believe we stand strong together and can work towards getting back to participating in the sports our members are so passionate about.



**Hon. Bob Kucera APM JP**  
Commission Chair

## Combat Sports Commission Structure

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

Commission Member	Role within the Commission	Term
Hon. Bob Kucera APM JP	Chair	Ends January 2022
Dr Brian Galton-Fenzi	A medical practitioner who, in the opinion of the Minister, has knowledge of injuries suffered by contestants.	Ends January 2022
A/Inspector Marcus Murray	A police officer nominated in writing by the Commissioner of Police.	Commenced January 2019*
Ms Pearl Lim	A person who in the opinion of the Minister has knowledge of the boxing industry.	Ends January 2021
Mr Ben Cant	A person who in the opinion of the Minister has knowledge of the industry relating to combat sports other than boxing.	Ends August 2021
Mr Glen Austin	A person who in the opinion of the Minister represents persons who are or have been registered as contestants in a class relevant to boxing.	Ends January 2021
Ms Renée Felton	A person who in the opinion of the Minister represents persons who are or have been registered as contestants in a class other than a class relevant to boxing.	Ends January 2022
Mr Karim Girgis	A person who in the opinion of the Minister has knowledge of the industry relating to combat sports known as mixed martial arts.	Ends January 2022
Ms Jacqui Jashari	An officer of the Department of Local Government, Sport and Cultural Industries nominated by the Director General.	Commenced February 2018*

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



## Commission member profiles

### Hon. Bob Kucera APM JP

Chair of the Commission

Bob has had a life-long involvement with sport and served on numerous sporting administration boards and committees. He most recently completed terms as the Chair and a director of Football West, a six-year term as Director and Commodore of Fremantle Sailing Club and Deputy Chair of Basketball WA for 10 years.

As a former Minister for Sport and Recreation in Western Australia (among a number of ministerial portfolios he held) and chair of the Australian Sports Ministerial Council, Bob brings a unique perspective on the relationship between the sport and all levels of government. He has a contemporary knowledge of the challenges facing sporting bodies having completed the Australian Institute of Company Directors Course in Sports Administration, with particular emphasis on issues such as gambling in sport, governance and the integrity of officials, administrators and contestants.

As a high-ranking police officer before entering politics, he received the Australian Police Medal (APM), the National Police Service Medal, the National Medal and the Western Australian Police Medal.

### Dr Brian Galton-Fenzi

Brian was appointed to the Commission in June 2018. He's an occupational and environmental physician and a public health physician with an interest in safety and risk management. He gained his Fellowships with the Australasian Faculties of Occupational and Environmental Medicine and the Faculty of Public Health Medicine, is a Certified Professional of the Safety Institute of Australia and also an Adjunct Clinical Associate Professor, Faculty of Health Sciences at Curtin University.

Brian has extensive experience in health and wellbeing in the workplace, injury management and musculoskeletal medicine, pain medicine, health surveillance programs and their effectiveness, fitness for work with appropriate risk reviews and workplace risk and safety assessments.

Brian continues his role as a clinical consultant both privately and in the public system as well as on a medical board.

## Commission member profiles continued

### A/Inspector Marcus Murray

Marcus is a career police officer having served for more than 32 years in metropolitan and regional areas, predominantly on the frontline. He was appointed Officer in Charge of the WA Police Liquor Enforcement Unit in 2017 where one of his roles is to ensure the integrity of relevant industries through a stringent and ongoing probity process.

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

### Ms Pearl Lim

Appointed to the Commission in December 2018, Pearl has been trained in martial arts since a young age and has extensive knowledge of all disciplines of combat sports. She has a legal background and brings extensive board experience to assist the Commission in discharging its operations effectively.

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

### Mr Ben Cant

New to the Commission in the last year, Ben has been a professional Muay Thai competitor since 2006. For a decade Ben has trained out of MMA and Muay Thai gyms gaining experience as a boxing and kickboxing coach, which has enabled him to fulfill the role as a second at promotions. He is registered with Muay Thai Australia as a judge, timekeeper and referee.

### Mr Glen Austin

Glen was appointed to the Commission in December 2018 and has had extensive experience as a contestant, trainer and promoter within amateur and professional boxing ranks. He brings relevant and extensive industry knowledge to the Commission that is invaluable to deliberations.

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

### Ms Renée Felton

With an extensive career and experience as a competitor, promoter and contestant manager, Renée was appointed to the Commission in January 2017. She continues to develop her knowledge and skills in order to build ongoing relationships between contestants, industry participants and the Commission.

As the combat sports industry grows, Renée utilises her passion and knowledge of more than a decade to ensure all competitors have a healthy and safe environment to perform in.

### Mr Karim Girgis

Starting with the Commission in early 2020, Karim is an owner and director of a UFC gym which uses training but not heavy sparring or competing to embody a healthy respect for martial arts.

His range of professional experience includes sales, property development, local government processes and procedures and extensive background in business development and operations.

Karim has been training in mixed martial arts for almost 10 years and hopes to use his experience and long-standing passion to enhance the image of the sport, while at the same time facilitating industry expansion through education and professional development.

### Ms Jacqui Jashari

Jacqui was appointed to the Commission in February 2018 and is currently Manager, Governance and Industry Development at the department, having previously worked across many other areas including Organisational Development, Community Participation and High Performance.

In this role, Jacqui works with many State Sporting Associations and Industry Representative Organisations, their chief executive officers and boards, to support implementation of strong governance, leadership and management practices. She has a strong governance background through the Australian Institute of Company Directors course and the Governance Institute of Australia – Governance and Risk Management Certificate as well as sitting on various boards and nominations committees.

Through work in and out of government Jacqui contributes a strong working knowledge of community and elite level sport.

## Highlights

### Contestant safety project

As part of its ongoing work to address rapid weight loss through dehydration by contestants, the Commission released a guide around the issue and in February 2020 released a Contestant Safety Strategy to Address Rapid Weight Loss (Weight Cutting) by Dehydration.

The Commission has put a focus on education and building awareness around the dangers of weight cutting as highlighted by the strategy as a way to contribute to a healthier and safer combat sports community in WA. Other aspects of the strategy were scheduled for a launch in June 2020 but due to the restriction on the number of people attending public gatherings, implementation has been delayed until contests recommence.

The Commission also provided information to West Australian Coroner's Court in the inquest into the 2017 death of Jessica Jackson (Lindsay).

Access to the strategy and other important health and safety information can be found on the Commission's web page.

### Online education unit

The Commission launched an online education unit for combat sport registrants in WA. It provides contestants and industry participants with essential information for Commission registration and participating in combat sports.

From 1 January 2020, all new and renewing registrants are required to complete the online education unit as a condition of registration.

The Commission also encourages existing registrants to complete the unit as a matter of best practice, to mentor and assist new registrants and continue to promote health and safety in the community. Existing registrants who complete the unit won't be required to complete it again when next renewing their registration.

We encourage you to prepare well, perform better! Access the online education unit:  
[dlgsc.wa.gov.au/csc-education](http://dlgsc.wa.gov.au/csc-education)

### Industry Development Series

The Industry Development Series is part of the Commission's commitment to ongoing training and development. To complement other work, the 2020 event focussed on healthier and safer contestant preparation and featured presentations by The Fight Dietician Jordan Sullivan and Edith Cowan University lecturer on exercise physiology Dr Oliver Barley. They discussed using nutrition and training to make weight rather than weight cutting by dehydration and the decreased aerobic and anaerobic performance from weight cutting by dehydration. The event was well attended and the feedback strong about the information being useful and usable.

## Seconds

From 1 July 2019, Seconds were required to be registered. The role of the second is to support the trainer in the contestant's corner and their registration further ensures the integrity of contests.

## MMA weight class table changes

Under Combat Sports Regulations 2004 the Commission proposed an expansion to the MMA weight class table, taking it from eight to 14 classes in order to provide greater choices for athletes looking to find a safe weight class. The proposed changes would reflect the MMA weight classes of the Association of Boxing Commissions and Combative Sports Unified Rules of MMA (ABC Unified Rules). Local feedback was sought and changes will come into play in the second half of 2020.

## Wraps and gloves

In November the Commission released a position statement to clearly delineate the responsibility of the signing of contestant wraps and gloves at Commission-sanctioned events. It explained the responsibilities of the permit holder, contestant, head referee and Commission representative in the bandaging, taping and signing of contestant's wraps and gloves.

## Padding requirement change

From September 2019 there were changes to the padding requirements for Muay Thai, kickboxing and MMA. The changes were in Muay Thai with the removal of chest padding for those 18 and over and in MMA, increased padding was introduced for the first six contests. Padding for junior contestants in Muay Thai and kickboxing remains the same.

## Contests

The Commission approved 23 contests in 2019/20 across all disciplines including boxing, mixed martial arts and Muay Thai. Between 21 March and 30 June 2020, 15 contests were cancelled due to COVID-19.

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

## Highlights continued

### Injury Statistics

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

Of the 600 contestants participating in the 23 contests directly overseen by the Commission in 2019/20, there were 85 reportable injuries. This equates to 14.16% of contestants suffering an injury during a contest and is a 5.91% increase from 2018/19.

Further analysis of those 85 reportable injuries shows 17 mandatory medical suspensions were issued, nine concussions, 30 lacerations requiring steri-strips, glue or sutures, six dislocations, breaks or referrals for x-rays and 40 miscellaneous injuries ranging from bruises and sprains to strains.

### Communications and industry contact

The Commission provided the industry with a variety of information over the last year, including information on proposed contest dates, current projects, opportunities for engagement and policies.

We have continued to use Facebook as a key stakeholder engagement tool. It's used to share important information, messages and policies with the industry and community. Like our page to connect with the Commission and the combat sports community: @combatsportscommissionwa

The commission actively utilises MailChimp for global emails and the website as platforms to communicate regularly with the industry.

Our recently introduced tagline "prepare well, perform better" has been well received and can be seen on new branded documents. This tagline talks to the Commission's view on the dangerous practice of weight cutting.

### New online portal

The Commission worked on the development of a new online registration and promotion application portal and generally increasing its online presence. The new online portal provides a new streamlined process for all registrations, permit applications and submission of key documents such as certificates of fitness and serology reports. Registrants will be able to view and update personal details, view their fight records and the expiry dates of their registration, certificate of fitness and serology. Promoters will be able to lodge part 1 and part 2 promotion permits and update fight cards as changes occur. Training opportunities for all users are being planned.

## Supporters and partners

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

- Department of Local Government, Sport and Cultural Industries
- Western Australian Police
- New South Wales Combat Sports Authority
- Professional Boxing and Combat Sports Board of Victoria
- South Australian Boxing and Martial Arts Advisory Committee
- Controlled Sports – ACT.

## Business Management

### Financial Management

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

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

The Commission thanks the Department for the ongoing support it provides.

## Statutory Reporting

### Freedom of Information (FOI) Act 1992

The Commission abides by the Department of Local Government, Sport and Cultural Industries Freedom of Information Policy. The Department provides all FOI services to the Commission and liaises with the community, public and media regarding FOI requests. The policy is available at [www.dlgsc.wa.gov.au](http://www.dlgsc.wa.gov.au)

There were no FOI requests received during 2019/20.

### Public sector standards and ethical codes

No compliance issues arose during the 2019/20 year in relation to the Public Sector Standards. The Commission monitors all complaints made to the Commission Chair.

### Equity, access, inclusion and substantive equality

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

### Advertising and marketing expenditure

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

#### Advertising spending:

Government Gazette	\$0.00
Initiative Media	\$4,515.05
Market research agencies	\$0.00
Direct mail agencies	\$0.00
Media advertising agencies	\$0.00

**Total** **\$4,515.05**



**Combat Sports Commission member remuneration**

<b>Members</b>	<b>Remuneration</b>
Derrick Chan	\$1,401.60
Benjamin Cant	\$7,500.75
Brian Galton-Fenzi	\$8,135.85
Renee Felton	\$15,888.45
Glen Austin	\$9,548.40
Dean Woodhams	\$8,650.50
Karim Girgis	\$4,949.40
Pearl Lim	\$13,610.85
<b>Chairs</b>	
Cassandra Wright	\$17,536.83
Bob Kucera	\$8,350.74
<b>Total</b>	<b>\$95,573.37</b>

Note - Members' remuneration above is comprised of board sitting fees and superannuation only and does not include other miscellaneous allowances paid of \$1,460.

## Enabling legislation

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

## Legislation impacting activities of the Commission

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

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

# Financial Statements



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

### COMBAT SPORTS COMMISSION

#### Report on the financial statements

#### **Opinion**

I have audited the financial statements of the Combat Sports Commission which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Combat Sports Commission for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

#### **Basis for opinion**

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

#### **Responsibility of the Commission for the financial statements**

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

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

#### **Auditor's responsibility for the audit of the financial statements**

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

# Independent Auditor's Report

For the year ended 30 June 2020

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of my auditor's report.

## Report on controls

### Opinion

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

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

In my opinion, in all material respects, the controls exercised by the Combat Sports Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2020.

### The Commission's responsibilities

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

### Auditor General's responsibilities

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

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

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

### Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or 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.



# Independent Auditor's Report

For the year ended 30 June 2020

## Report on the key performance indicators

### **Opinion**

I have undertaken a reasonable assurance engagement on the key performance indicators of the Combat Sports Commission for the year ended 30 June 2020. 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 Combat Sports Commission are relevant and appropriate to assist users to assess the agency's performance and fairly represent indicated performance for the year ended 30 June 2020.

### **The Commission's responsibility for the key performance indicators**

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

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

### **Auditor General's responsibility**

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the 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**

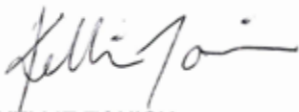
I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and 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

## Independent Auditor's Report

For the year ended 30 June 2020

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

This auditor's report relates to the financial statements and key performance indicators of the Combat Sports Commission for the year ended 30 June 2020 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements and key performance indicators.



KELLIE TONICH  
SENIOR DIRECTOR FINANCIAL AUDIT  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
3 September 2020

# Certification of Key Performance Indicators

For the year ended 30 June 2020

## CERTIFICATION OF KEY PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2020

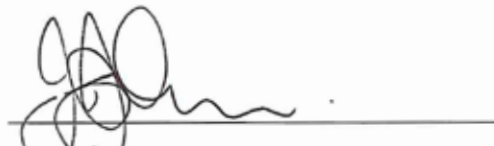
We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Combat Sports Commission's performance, and fairly represent the performance of the Combat Sports Commission for the financial year ended 30 June 2020.



Chairperson

Hon. Bob Kucera

Date: 1-9-2020



Member

Jacqui Jashari

Date: 01/09/2020

# Performance Indicators

For the year ended 30 June 2020

**Government Goals**

Sustainable Finances: Responsible financial management and better service delivery;

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

**Service**

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

**Desired Outcome**

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

**Effectiveness Indicators**

**Indicator 1**

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

The target for this KPI is 0%.

Period	Percentage of Registered Contestants with a Positive Serology Test
2019/20	0.00%
2018/19	0.00%
2017/18	0.00%
2016/17	0.00%
2015/16	0.00%

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

**Indicator 2**

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

The target for this KPI is 0%.

Period	Percentage of Non-compliance
2019/20	2.07%
2018/19	1.54%
2017/18	1.71%
2016/17	0.99%
2015/16	1.13%

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

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

Despite the Commission’s best efforts there were breaches of the *Act* and the *Regulations* this financial year. However, the Commission is pleased to see that the number of breaches remained relatively low (2020: 31 breaches, 2019: 33 breaches) this year and attributes this to the Commission’s contest feedback system, further, the number of events has decreased this year (2020: 23 events, 2019: 33 events) due to the impact of the COVID-19 pandemic. As with previous years, major breaches of the *Act/Regulations* that impact on contestant health and safety are not tolerated by the Commission and in these situations the breach is either addressed or the contest permit is cancelled. Low level breaches of the *Act/Regulations* that do not impact on contestant health and safety are generally raised with the relevant people at the time and if not addressed, the Commission takes action after the contest through the promotion feedback process.



## Efficiency Indicators

For the year ended 30 June 2020

### Efficiency Indicator

#### Indicator 3

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

This measure is calculated by:

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

Costs	2019/20 \$	2018/19 \$	2017/18 \$	2016/17 \$	2015/16 \$
Chairman's fee	23,674	21,040	13,250	8,289	13,250
Commissioner fees and allowances	65,067	85,682	99,890	51,380	43,899
Commissioner superannuation	8,292	10,108	10,748	5,669	4,945
Operating costs	621,127	682,030	728,582	655,320	633,599
<b>Total</b>	<b>718,160</b>	<b>798,860</b>	<b>852,470</b>	<b>720,658</b>	<b>695,692</b>
Number of Promotions	23	33	35	39	34
Cost of issuing a permit *	31,224	24,208	24,356	18,478	20,462

NB: The target cost of issuing a permit in 2019-20 was \$25,500. This is based on estimated total cost of \$1.02m and the number of contests 40 for the 2019-20 financial year.

The Commission did not meet its efficiency indicator in 2019-20 due to the COVID-19 pandemic significantly reducing the amount of promotions being held. There was 17 less promotions than the target of 40.

## Certification of Financial Statements

For the year ended 30 June 2020

The accompanying financial statements of the Combat Sports Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2020 and the financial position as at 30 June 2020.

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



**Shanaeya Sherdiwala**  
Chief Finance Officer  
Date: 01/09/2020



**Hon. Bob Kucera**  
Chairperson  
Date: 1.9.2020



**Jacqui Jashari**  
Member  
Date: 1.9.2020



# Statement of Comprehensive Income

For the year ended 30 June 2020

	Notes	2020	2019
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Members' remuneration	2.1	97,033	116,830
Supplies and services	2.2	621,127	682,030
<b>Total cost of services</b>		<b>718,160</b>	<b>798,860</b>
<b>Income</b>			
<b>Revenue</b>			
User charges and fees	3.2	45,596	54,959
<b>Total revenue</b>		<b>45,596</b>	<b>54,959</b>
<b>Total income other than income from State Government</b>		<b>45,596</b>	<b>54,959</b>
<b>NET COST OF SERVICES</b>		<b>672,564</b>	<b>743,901</b>
<b>Income from State Government</b>			
Grants and subsidies from State Government	3.1	853,000	937,000
Services received free of charge	3.1	37,794	14,061
<b>Total income from State Government</b>		<b>890,794</b>	<b>951,061</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>218,230</b>	<b>207,160</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>218,230</b>	<b>207,160</b>

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



# Certification of Financial Position

As at 30 June 2020

	Notes	2020	2019
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.1	918,364	891,563
Receivables	5.1	25,213	36,086
Other current assets	5.2	0	105
<b>Total Current Assets</b>		<b>943,577</b>	<b>927,754</b>
<b>Non-Current Assets</b>			
Intangible assets (Works in Progress)	4.1	198,679	174,129
<b>Total Non-Current Assets</b>		<b>198,679</b>	<b>174,129</b>
<b>TOTAL ASSETS</b>		<b>1,142,256</b>	<b>1,101,883</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.3	37,459	212,192
Other current liabilities	5.4	19,805	22,929
<b>Total Current Liabilities</b>		<b>57,264</b>	<b>235,121</b>
<b>TOTAL LIABILITIES</b>		<b>57,264</b>	<b>235,121</b>
<b>NET ASSETS</b>		<b>1,084,992</b>	<b>866,762</b>
<b>EQUITY</b>			
Accumulated surplus/(deficit)	8.8	1,084,992	866,762
<b>TOTAL EQUITY</b>		<b>1,084,992</b>	<b>866,762</b>

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



PREPARE WELL  
PERFORM BETTER

## Statement of Changes in Equity

For the year ended 30 June 2020

	Note	Accumulated Surplus/(Deficit)	Total Equity
Balance at 1 July 2018	8.8	659,602	659,602
Surplus/(Deficit)		207,160	207,160
<b>Balance at 30 June 2019</b>		<u>866,762</u>	<u>866,762</u>
Balance at 1 July 2019	8.8	866,762	866,762
Surplus/(Deficit)		218,230	218,230
<b>Balance at 30 June 2020</b>		<u>1,084,992</u>	<u>1,084,992</u>

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

# Statement of Cash Flow

For the year ended 30 June 2020

Notes	2020	2019
<b>CASH FLOWS FROM STATE GOVERNMENT</b>		
Receipts from general government agencies	853,000	937,000
<b>Net cash provided by State Government</b>	<u>853,000</u>	<u>937,000</u>
Utilised as follows:		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Payments</b>		
Members' sitting fees	(108,849)	(139,694)
Supplies and services	(733,377)	(576,582)
GST payments on purchases	(86,606)	(70,098)
GST payments to taxation authority	(5,686)	(4,969)
Other payments	-	(966)
<b>Receipts</b>		
User charges and fees	45,650	54,959
GST receipts on sales	4,435	5,408
GST receipts from taxation authority	82,764	78,962
<b>Net cash provided by/(used in) operating activities</b>	<u>(801,649)</u>	<u>(652,980)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Payments</b>		
Purchase of non-current assets	(24,550)	(58,155)
<b>Net cash provided by/(used in) investing activities</b>	<u>(24,550)</u>	<u>(58,155)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Payments</b>		
Other payments	-	-
<b>Net cash provided by/(used in) financing activities</b>	<u>-</u>	<u>-</u>
Cash and cash equivalents at the beginning of the period	891,563	665,698
Net increase/(decrease) in cash and cash equivalents	<u>26,801</u>	<u>225,865</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>6.1 918,364</u>	<u>891,563</u>

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 2020

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

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements. These annual financial statements were authorised for issue by the Accountable Authority of the Commission on 1 September 2020.

## Statement of Compliance

These general purpose financial statements are 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 *Financial Management Act 2006* and the Treasurer's Instructions 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.

## Judgements and estimates

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

## 2. Use of our funding

### Expenses incurred in the delivery of services

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

	Notes	2020	2019
Members' remuneration	2.1	97,033	116,830
Supplies and services	2.2	621,127	682,030

### 2.1 Members' remuneration

	2020	2019
Chairperson's fee	23,674	21,040
Other member's fees	65,067	85,682
Superannuation – defined contribution plans <sup>(a)</sup>	8,292	10,108
<b>Total members' remuneration</b>	<b>97,033</b>	<b>116,830</b>

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

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

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

# Notes to the Financial Statements

For the year ended 30 June 2020

## 2.2 Supplies and services

	2020	2019
<b>Supplies and services</b>		
Audit Fees	16,222	16,022
Services and Contracts	591,512	657,679
Advertising for Vacancies	4,515	1,480
Travel	5,150	5,465
Materials	3,728	1,184
<b>Total supplies and services expenses</b>	<b>621,127</b>	<b>682,030</b>

### Supplies and services:

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

## 3. Our funding sources

### How we obtain our funding

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

	Notes	2020	2019
Income from State Government	3.1	890,794	951,061
User charges and fees	3.2	45,596	54,959

### 3.1 Income from State Government

	2020	2019
Grants <sup>(a)</sup>	853,000	937,000
Services received free of charge - Legal services provided by State Solicitor's Office	37,794	14,061
<b>Total income from State Government</b>	<b>890,794</b>	<b>951,061</b>

(a) Grants from Department of Local Government, Sport and Cultural Industries are paid periodically as appropriations. Service Appropriations are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account by the Department of Local Government, Sport and Cultural Industries.

### 3.2 User charges and fees

	2020	2019
Industry participants' registration fees	37,838	44,994
Contest permits	7,454	4,565
Promoters' registration fees	304	5,400
	<b>45,596</b>	<b>54,959</b>

### Revenue recognition

Revenue is recognised at fair value when the Commission obtains control over the assets comprising the contributions, or when the grant has been approved by the Department of Local Government, Sport and Cultural Industries.

### Registrations and Permits

Until 30 June 2019, revenue from registrations and permits was recognised when the Commission received the appropriate fee.

From 1 July 2019, revenue is recognised at the transaction price when the Commission transfers control of the services to customers. Revenue is recognised for the major activities as follows: Revenue is recognised at a point-in-time for registrations and permit fees. The performance obligations for these user fees and charges are satisfied when the Certificate of Registration and contest permits are issued.



# Notes to the Financial Statements

For the year ended 30 June 2020

## 4. Key assets

Assets the Commission utilises for economic benefit or service potential

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

	Notes	2020	2019
Intangibles (Works in Progress)	4.1	198,679	174,129
<b>Total key assets</b>		<b>198,679</b>	<b>174,129</b>

### 4.1 Intangible assets (Works in Progress)

Year ended 30 June 2019

1 July 2018

Carrying amount at start of period

Additions

Carrying amount at 30 June 2019

	Computer Software (WIP)	Total
Carrying amount at start of period	115,974	115,974
Additions	58,155	58,155
<b>Carrying amount at 30 June 2019</b>	<b>174,129</b>	<b>174,129</b>

Year ended 30 June 2020

1 July 2019

Carrying amount at start of period

Additions

Carrying amount at 30 June 2020

	Computer Software (WIP)	Total
Carrying amount at start of period	174,129	174,129
Additions	24,550	24,550
<b>Carrying amount at 30 June 2020</b>	<b>198,679</b>	<b>198,679</b>

#### 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.

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

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

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

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

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

#### Subsequent measurement

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

#### Impairment

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

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

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

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

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

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

# Notes to the Financial Statements

For the year ended 30 June 2020

## 5. Other assets and liabilities

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

	Notes	2020	2019
Receivables	5.1	25,213	36,086
Other Assets	5.2	0	105
Payables	5.3	37,459	212,192
Other Liabilities	5.4	19,805	22,929

### 5.1 Receivables

	2020	2019
<b>Current</b>		
GST receivable	24,004	34,877
Other receivables	1,209	1,209
<b>Total receivables</b>	<b>25,213</b>	<b>36,086</b>

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

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

### 5.2 Other assets

	2020	2019
<b>Current</b>		
Prepayments	0	105
<b>Total other assets</b>	<b>0</b>	<b>105</b>

Other non-financial 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

	2020	2019
<b>Current</b>		
Trade payables	37,459	212,192
<b>Total payables</b>	<b>37,459</b>	<b>212,192</b>

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

### 5.4 Other liabilities

	2020	2019
<b>Current</b>		
Accrued Sitting Fees	5,481	8,604
Accrued Audit Fees	14,324	14,325
<b>Total other liabilities</b>	<b>19,805</b>	<b>22,929</b>

## 6. Financing

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

	Notes
Cash and cash equivalents	6.1

### 6.1 Cash and cash equivalents

	Notes	2020	2019
Cash and cash equivalents	6.1	918,364	891,563

# Notes to the Financial Statements

For the year ended 30 June 2020

## 7. Financial Instruments and Contingencies

Financial instruments	Notes
Contingent assets and liabilities	7.1 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:

	2020	2019
<b>Financial assets</b>		
Cash and cash equivalents	918,364	891,563
Other receivables (a)	1,209	1,209
Other current assets	0	105
<b>Total financial assets</b>	<b>919,573</b>	<b>892,877</b>
<b>Financial liabilities</b>		
Payables	37,459	212,192
Other liabilities	19,805	22,929
<b>Total financial liability</b>	<b>57,264</b>	<b>235,121</b>

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

### 7.2 Contingent assets and liabilities

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

#### 7.2.1 Contingent assets

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

#### 7.2.2 Contingent liabilities

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

## 8. Other disclosures

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

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

### 8.1 Events occurring after the end of the reporting period

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

# Notes to the Financial Statements

For the year ended 30 June 2020

## 8.2 Initial application of Australian Accounting Standards

### (a) AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue and AASB 111 Construction Contracts for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue when or as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 Income of Not-for-Profit Entities. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners related to an asset (such as cash or another asset) recognised by the Commission.

The Commission adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information is restated under this approach, and the Commission recognises the cumulative effect of initially applying the Standards as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Under this transition method, the Commission elects to not to apply the standards retrospectively to non-completed contracts at the date of initial application.

Refer to Note 3.1, 3.2 and 3.3 for the revenue and income accounting policies adopted from 1 July 2019.

The effect of adopting AASB 15 and AASB 1058 are as follows:

	30 June 2020	Adjustments	30 June 2020 under AASB 118 and 1004
Income from State Government	890,794	0	890,794
User charges and fees	45,596	0	45,596
Net result	936,390	0	936,390

### (b) AASB 16 Leases

There is no impact of AASB 16 as the Commission does not have any operating lease commitments.

## 8.3 Key management personnel

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

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

Compensation band (\$)	2020	2019
\$20,001 to \$30,000	0	3
\$10,001 to \$20,000	3	1
\$0 to \$10,000	9	8
	12	12
<b>Total compensation of members of the accountable authority</b>	<b>97,033</b>	<b>116,830</b>

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

Compensation band (\$)	2020	2019
\$0 to \$10,000	1	1
<b>Total compensation of senior officer</b>	<b>0</b>	<b>0</b>

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

# Notes to the Financial Statements

For the year ended 30 June 2020

## 8.4 Related party transactions

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

Related parties of the Commission include:

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

### Significant transactions with Government-related entities

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

- operating expenses recoup paid to Department of Local Government, Sport and Cultural Industries for supplies and services received (Note 2.2);
- services received free of charge from State Solicitor's Office (Note 3.1);
- grants received from Department of Local Government, Sport and Cultural Industries (Note 3.1); and
- remuneration for services provided by the Auditor General (Note 8.7).

### Material transactions with other related parties

- superannuation payments to GESB (Note 2.1).

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

## 8.5 Related bodies

The Combat Sports Commission has no related bodies.

## 8.6 Affiliated bodies

The Combat Sports Commission has no affiliated bodies.

## 8.7 Remuneration of auditors

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

	2020	2019
Auditing the accounts, financial statements controls, and key performance indicators	13,022	16,022

## 8.8 Equity

	2020	2019
<u>Accumulated Surplus</u>		
Balance at start of period	866,762	659,602
Result for the period	218,230	207,160
Balance at end of period	<u>1,084,992</u>	<u>866,762</u>
Total Equity at end of period	<u>1,084,992</u>	<u>866,762</u>

## Budget Estimates

### Statement of Comprehensive Income for year ended 30 June 2021

<b>COST OF SERVICES</b>	
<b>Expenses</b>	
Members' remuneration	47,000
Supplies and services	1,006,000
<b>Total cost of services</b>	<u>1,053,000</u>
<b>Income</b>	
<i>Revenue</i>	
User charges and fees	93,000
<b>Total revenue</b>	<u>93,000</u>
<b>Total income other than income from State Government</b>	<u>93,000</u>
<b>NET COST OF SERVICES</b>	<u>960,000</u>
<b>Income from State Government</b>	
Grants	945,000
Services received free of charge	15,000
<b>Total income from State Government</b>	<u>960,000</u>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	<u>0</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>0</u>

### Statement of Financial Position for year ended 30 June 2021

<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	892,000
Receivables	35,000
Other current assets	1,000
<b>Total Current Assets</b>	<u>928,000</u>
<b>Non-Current Assets</b>	
Property, plant and equipment	0
Intangible assets (Works in Progress)	174,000
<b>Total Non-Current Assets</b>	<u>174,000</u>
<b>TOTAL ASSETS</b>	<u>1,102,000</u>

## Budget Estimates

<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Payables	221,000
Other current liabilities	14,000
<b>Total Current Liabilities</b>	<b>235,000</b>
<b>Non-Current Liabilities</b>	
Other non-current liabilities	0
<b>Total Non-Current Liabilities</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>235,000</b>
<b>NET ASSETS</b>	<b>867,000</b>
<b>EQUITY</b>	
Accumulated surplus/(deficit)	867,000
<b>TOTAL EQUITY</b>	<b>867,000</b>

## Statement of Cash Flows for year ended 30 June 2021

<b>CASH FLOWS FROM STATE GOVERNMENT</b>	
Grants	945,000
<b>Net cash provided by State Government</b>	<b>945,000</b>
<b>Utilised as follows:</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
<b>Payments</b>	
Members' sitting fees	(47,000)
Supplies and services	(991,000)
<b>Receipts</b>	
User charges and fees	93,000
<b>Net cash provided by/(used in) operating activities</b>	<b>(945,000)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of non-current physical assets	0
<b>Net cash provided by/(used in) investing activities</b>	<b>0</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>0</b>
Cash and cash equivalents at the beginning of the period	892,000
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>892,000</b>



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

### **Combat Sports Commission**

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