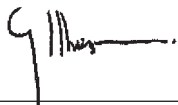


FINANCIAL STATEMENTS

CERTIFICATION OF FINANCIAL STATEMENTS

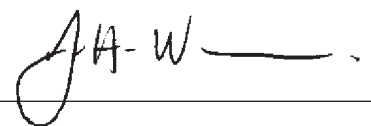
The accompanying financial statements of the Fire and Emergency Services Authority of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2010 and the financial position as at 30 June 2010.

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.



G. Thompson
Chief Finance Officer

23 August 2010



J. Harrison-Ward
Member of Accountable Authority

23 August 2010



A. Skinner
Chairman of Accountable Authority

23 August 2010

Statement of Comprehensive Income For the year ended 30 June 2010

	Note	2010 \$000	2009 \$000
COST OF SERVICES			
Expenses			
Employee benefits expense	4	131,558	119,710
Supplies and services	5	71,176	55,542
Depreciation and amortisation expense	6	9,589	8,823
Finance costs	7	118	2,980
Accommodation expenses	8	6,725	5,984
Grants and subsidies	9	36,230	28,550
Loss on disposal of non-current assets	10	73	36
Other expenses	11	2,865	2,779
Total cost of services		258,334	224,405
Income			
Revenue			
User charges and fees	12	184,049	172,617
Commonwealth grants and contributions	13	10,251	5,207
Interest revenue	14	2,508	4,556
Other revenue	15	4,570	4,689
Total Revenue		201,378	187,069
Gains			
Gain on disposal of non-current assets	10	191	162
Total Gains		191	162
Total income other than income from State Government		201,569	187,231
NET COST OF SERVICES		56,765	37,174
INCOME FROM STATE GOVERNMENT			
Service appropriation	16	45,909	43,942
Resources received free of charge		1,008	567
Total income from State Government		46,917	44,509
(DEFICIT) / SURPLUS FOR THE PERIOD		(9,848)	7,335
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus	29	(5,745)	(403)
Total other comprehensive income		(5,745)	(403)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(15,593)	6,932

Refer also to note 42 'Schedule of income and expenses by service'.
The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position As at 30 June 2010

	Note	2010 \$000	2009 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	17	56,381	79,817
Restricted cash and cash equivalents	18	324	83
Inventories	19	8,539	8,702
Receivables	20	5,858	7,224
Total Current Assets		71,102	95,826
Non-Current Assets			
Amounts receivable for services	21	9,985	6,170
Property, plant and equipment	22	248,376	239,229
Intangible assets	23	541	72
Other financial assets	24	500	500
Total Non-Current Assets		259,402	245,971
TOTAL ASSETS		330,504	341,797
LIABILITIES			
Current Liabilities			
Payables	26	13,153	10,832
Borrowings	27	-	27,729
Provisions	28	13,997	12,644
Total Current Liabilities		27,150	51,205
Non-Current Liabilities			
Provisions	28	10,336	9,902
Total Non-Current Liabilities		10,336	9,902
TOTAL LIABILITIES		37,486	61,107
NET ASSETS		293,018	280,690
EQUITY			
Contributed equity	29	120,784	92,863
Reserves		71,006	76,751
Accumulated surplus		101,228	111,076
TOTAL EQUITY		293,018	280,690

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 2010

	Note	Contributed equity \$000	Reserves \$000	Accumulated surplus \$000	Total equity \$000
Balance at 1 July 2008	29	59,319	77,154	103,741	240,214
Total comprehensive income for the year		-	(403)	7,335	6,932
Transactions with owners in their capacity as owners:					
Capital appropriations		32,910	-	-	32,910
Other contributions by owners		851	-	-	851
Distribution to owners		(217)	-	-	(217)
Total		33,544	-	-	33,544
Balance at 30 June 2009		92,863	76,751	111,076	280,690
Balance at 1 July 2009		92,863	76,751	111,076	280,690
Total comprehensive income for the year		-	(5,745)	(9,848)	(15,593)
Transactions with owners in their capacity as owners:					
Capital appropriations		27,761	-	-	27,761
Other contributions by owners		160	-	-	160
Distributions to owners		-	-	-	-
Total		27,921	-	-	27,921
Balance at 30 June 2010		120,784	71,006	101,228	293,018

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 2010

	Note	2010 \$000	2009 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		42,094	40,127
Capital appropriation		27,761	32,910
Net cash provided by State Government		69,855	73,037
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(129,851)	(115,378)
Supplies and services		(67,847)	(54,499)
Finance costs		(118)	(2,200)
Accommodation		(6,725)	(5,984)
Grants and subsidies		(36,230)	(28,551)
GST payments on purchases		(11,739)	(10,120)
Other payments		(2,785)	(2,750)
Receipts			
User charges and fees		185,414	174,886
Commonwealth grants and contributions		10,251	5,207
Interest received		2,508	4,632
GST receipts on sales		1,184	914
GST receipts from taxation authority		10,555	9,206
Other receipts		4,570	4,689
Net cash used in operating activities	30	(40,813)	(19,948)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets		275	263
Purchase of non-current physical assets		(24,783)	(22,396)
Net cash used in investing activities		(24,508)	(22,133)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	23,400
Repayment of borrowings		(27,729)	(34,051)
Net cash used in financing activities		(27,729)	(10,651)
Net (decrease) / increase in cash and cash equivalents		(23,195)	20,305
Cash and cash equivalents at the beginning of the period		79,900	59,595
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	30	56,705	79,900

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 2010

1 Australian Accounting Standards

General

The Authority's financial statements for the year ended 30 June 2010 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

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

Early adoption of standards

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's instruction 1101 *Application of Australian Accounting Standards and Other Pronouncements*. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the Authority for the annual reporting period ended 30 June 2010.

2 Summary of significant accounting policies

(a) General statement

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act 2006* and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

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

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land and buildings which have been measured at fair value.

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

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

(c) Reporting entity

The reporting entity comprises the Fire and Emergency Services Authority of Western Australia.

(d) 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 Treasurer's Instruction 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed equity.

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See note 29 'Equity'.

Notes to the Financial Statements For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(e) Income

Revenue recognition

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

Provision of services

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

Emergency Services Levy

The Emergency Services Levy (ESL) funds Western Australia's fire and emergency services. The majority of the ESL is raised and collected by local government agencies (LGA) on behalf of the Authority by including it on their council rates notices. The ESL is calculated on the Gross Rental Value (GRV) of most urban properties, with a fixed rate charge per property in rural and remote areas. The Authority raises assessment notices for the ESL directly for properties owned by the State Government (General Sector) in the first quarter, State Government instrumentalities (corporations) for large corporations in the third quarter and Local Governments in the second quarter.

LGAs either remit ESL to the Authority on a monthly basis as they collect it (Option A), or enter into a memorandum of understanding (Option B) authorised by the Minister and pay the ESL they assess to FESA in four quarterly (30%, 30%, 30% and 10%) or one annual instalment. The annual payment option is generally taken up by local governments that raise only a small amount of ESL and wish to further simplify the ESL administrative arrangements.

All LGAs submit a Declaration of Annual Emergency Services Levy Billing Assessment Profile Return (Form A) within 14 days of issue of rates notice. Revenue is recognised upon the issue of an invoice to the LGAs.

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Interest

Revenue is recognised as the interest accrues.

Service Appropriations

Service Appropriations are recognised as revenues at nominal value in the period in which the Authority gains control of the appropriated funds. The Authority gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury. See note 16 'Income from State Government'.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Authority obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Gains

Gains may be realised or unrealised and 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.

(f) Borrowing costs

Borrowing costs are expensed when incurred.

(g) Property, plant and equipment

Capitalisation / expensing of assets

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

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

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

Notes to the Financial Statements For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(g) Property, plant and equipment (continued)

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings and the cost model for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation on buildings and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, ie. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful 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. See note 22 'Property, plant and equipment' for further information.

Derecognition

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

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 22 'Property, plant and equipment' and note 29 'Equity'.

Depreciation

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

Land and artwork are not depreciated. Depreciation on other assets is calculated using the straightline method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Building	20 - 40 years
Vehicles	2 - 20 years
Plant and equipment	5 - 10 years

Works of art controlled by the Authority are classified as property, plant and equipment, which are anticipated to have indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

(h) Intangible assets

Capitalisation / Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Notes to the Financial Statements For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(h) Intangible assets (continued)

Capitalisation / Expensing of assets (continued)

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

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straightline basis using rates which are reviewed annually. All intangible assets controlled by the Authority have a finite useful life and zero residual value.

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

Licences	up to 10 years
Software ^(a)	3 to 5 years

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

Computer software

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

Website costs

Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

(i) Impairment of assets

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

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 asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

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

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period. See note 25 'Impairment of assets' for the outcome of impairment reviews and testing.

(j) Leases

The Authority holds operating leases for buildings, office equipment, aerial equipment and motor vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased items and services. See note 5 'Supplies and services' and note 31 'Commitments'.

(k) Resources received free of charge or for nominal cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income and as assets or expenses as appropriate, at fair value. See note 16 'Income from State Government'.

Where assets or services are received from another State Government agency, these are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

Notes to the Financial Statements For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(l) Financial instruments

In addition to cash, the Authority has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services
- Other financial assets

Financial Liabilities

- Payables
- WATC borrowings

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

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

See note 2(r) for 'Other financial assets', note 35 'Financial instruments' and note 27 'Borrowings'.

(m) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted 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. See note 17 'Cash and cash equivalents'.

(n) Accrued salaries

Accrued salaries (see note 26 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for the financial year does not coincide with the end of the financial year. Accrued salaries are settled within a week of the financial year end. The Authority considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(o) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Authority will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(l) 'Financial instruments' and note 20 'Receivables'.

(p) Amounts receivable for services (Holding account)

The Authority receives funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (holding account receivable) that is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

See note 16 'Income from State Government' and note 21 'Amounts receivable for services'.

(q) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a weighted average cost basis.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value. See note 19 'Inventories'.

(r) Other financial assets

The Authority has classified its investment as a held-to-maturity investment.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at the end of each reporting period. Investments not at fair value are initially recognised at cost being the fair value of consideration given, including directly attributable transaction costs.

The Authority assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. See note 24 'Other financial assets'.

Notes to the Financial Statements For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(s) Payables

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 they are generally settled within 30 days. See note 2(l) 'Financial instruments' and note 26 'Payables'.

(t) Borrowings

All loans payable are initially recognised at cost, being the fair value of the net proceeds received. Subsequent measurement is at amortised cost using the effective interest rate method. See note 2(l) 'Financial instruments' and note 27 'Borrowings'.

(u) Provisions

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period. See note 28 'Provisions'.

Provisions - Employee benefits

Annual leave and long service leave

The liability for annual and long service leave expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the reporting period is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the end of the reporting period.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are 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.

All annual leave and 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 reporting period.

Purchased Leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional ten weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liabilities are settled. This liability is measured on the same basis as annual leave.

Deferred Leave

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional twelve months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a non-current provision until the fifth year.

Superannuation

Contributions are made to the Fire and Emergency Services Superannuation Fund (FESSF) and to the Government Employees Superannuation Board (GESB) to provide benefits for employees and their dependants on retirement, disability or death.

The Fire and Emergency Services Superannuation Fund is a superannuation fund available to employees of the Fire and Emergency Services Authority of Western Australia. Membership is also available for employees of the United Firefighters Union of Western Australia, Western Australian Volunteer Fire Brigades Association (Inc), and the Fire and Emergency Services Superannuation Board (FESSB). The FESSB is a trustee of the fund and is responsible for managing the fund in the best interest of all members and for ensuring that the fund is managed in accordance with its governing legislation; *Fire and Emergency Services Superannuation Act 1985* and the *Fire and Emergency Services (Superannuation Fund) Regulations 1986*. The liability for superannuation charges is extinguished by payments of employer contributions to the FESSF.

Notes to the Financial Statements For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(u) Provisions (continued)

Provisions - Employee benefits (continued)

Superannuation (continued)

Members can make additional voluntary contributions to an accumulation account and are payable in addition to any defined benefit entitlement. Contributing members who have reached the age of 55 or completed 30 years of contributing membership can also elect to transfer their defined benefit into their accumulation account.

The Government Employees Superannuation Board (GESB) in accordance with legislative requirements administers public sector superannuation arrangements in Western Australia.

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members.

The Authority has no liabilities under the Pension or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Authority to the GESB. The concurrently funded part of the GSS is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS obligations.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Authority makes concurrent contributions to GESB on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped by the Treasurer for the employer's share. See note 2(v) 'Superannuation expense'.

Provisions - Other

Employment on-costs

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 expenses' and are not included as part of the Authority's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. See note 11 'Other expenses' and note 28 'Provisions'.

(v) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the West State Superannuation (WSS), and the GESB Super (GESBS).

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Authority to GESB extinguishes the Authority's obligations to the related superannuation liability.

The Authority also paid employer contributions to the FESSF during the year. The FESSF is a defined benefit scheme for the purpose of employees and is a defined contribution plan for the Authority. The concurrent contributions (defined contributions) made by the Authority to the FESSF extinguishes the Authority's obligations to the related superannuation liability.

Notes to the Financial Statements For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(w) Establishment of volunteer entities

(i) Volunteer Emergency Service Units

Volunteer Emergency Service Units are formed in accordance with Part 3C of the *Fire and Emergency Services Authority of Western Australia Act 1998*.

(ii) Volunteer State Emergency Service Units

Volunteer State Emergency Service Units are formed in accordance with Part 3A of the *Fire and Emergency Services Authority of Western Australia Act 1998*.

(iii) Volunteer Fire and Rescue Service Brigades

Volunteer Fire and Rescue Service Brigades are formed in accordance with the *Fire Brigades Act 1942*.

(iv) Volunteer Fire Service Brigades

Volunteer Fire Service Brigades are formed in accordance with Part 3C of the *Fire and Emergency Services Authority of Western Australia Act 1998*.

(v) Volunteer Marine Rescue Service Groups

Volunteer Marine Rescue Service Groups are formed in accordance with Part 3B of the *Fire and Emergency Services Authority of Western Australia Act 1998*.

(vi) Indian Ocean Territories Services

In accordance with the Indian Ocean Territories Law Reform Ordinance, the Authority provides capital and operating support for the Volunteer Fire and Emergency Service Brigades and Volunteer Marine Rescue Service Groups operating on Christmas Island and Cocos (Keeling) Islands. The cost associated with this support are recouped from the Commonwealth Government.

(x) Comparative figures

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

3 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Authority has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2009 that impacted on the Authority:

AASB 101	<i>Presentation of Financial Statements (September 2007)</i> . This Standard has been revised and introduces a number of terminology changes as well as changes to the structure of the Statement of Changes in Equity and the Statement of Comprehensive Income. It is now a requirement that owner changes in equity be presented separately from non-owner changes in equity. There is no financial impact resulting from the application of this revised Standard.
AASB 2007-10	<i>Further Amendments to Australian Accounting Standards arising from AASB 101</i> . This Standard changes the term 'general purpose financial report' to 'general purpose financial statements', where appropriate in Australian Accounting Standards and the <i>Framework</i> to better align with IFRS terminology. There is no financial impact resulting from the application of this Standard.
AASB 2009-2	<i>Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038]</i> . This Standard amends AASB 7 <i>Financial Instruments: Disclosures</i> and will require enhanced disclosures about fair value measurements and liquidity risk with respect to financial instruments. There is no financial impact resulting from the application of this Standard.

Notes to the Financial Statements For the year ended 30 June 2010

3 Disclosure of changes in accounting policy and estimates (continued)

Initial application of an Australian Accounting Standard (continued)

AASB 123	<i>Borrowing Costs</i> - This Standard has been revised to mandate the capitalisation of all borrowing costs attributable to the acquisition, construction or production of qualifying assets. However, AASB 2009-1 <i>Amendments to Australian Accounting Standards – Borrowing Costs of Not-for-Profit Public Sector Entities</i> [AASB 1, AASB 111 & AASB 123] issued in April 2009 and applicable to annual reporting periods beginning on or after 1 January 2009, amends revised AASB 123, which will allow not-for-profit public sector entities to continue to choose whether to expense or capitalise borrowing costs relating to qualifying assets. The Authority already expenses borrowing costs directly attributable to buildings and motor vehicles under construction, therefore this will not impact on the financial statements when these standards are first applied.
AASB 2007-6	<i>Amendments to Australian Accounting Standards arising from AASB 123</i> [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]
AASB 2007-8	<i>Amendments to Australian Accounting Standards arising from AASB 101</i>
AASB 2008-3	<i>Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127</i> [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138, 139 and Interpretations 9 & 107]
AASB 2008-5	<i>Amendments to Australian Accounting Standards arising from the Annual Improvements Project</i> [AASBs 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 140, 141, 1023 & 1038]
AASB 2008-6	<i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project</i> [AASB 1 & AASB 5]

AASB 2009-1	<i>Amendments to Australian Accounting Standards - Borrowing Costs of Not-for-Profit Public Sector Entities</i> [AASB 1, AASB 111 & AASB 123]
AASB 2009-4	<i>Amendments to Australian Accounting Standards arising from the Annual Improvements Project</i> [AASB 2 and AASB 138 and Interpretations 9 & 16]
AASB 2009-6	<i>Amendments to Australian Accounting Standards</i>
AASB 2009-7	<i>Amendments to Australian Accounting Standards</i> [AASBs 5, 7, 107, 112, 136 & 139 and Interpretation 17]
Interpretation 17	<i>Distributions of Non-cash Assets to Owners</i>

Notes to the Financial Statements For the year ended 30 June 2010

3 Disclosure of changes in accounting policy and estimates (continued)

Future impact of Australian Accounting Standards not yet operative

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

Title	Operative for reporting periods beginning on/after
AASB 2009-11 <i>Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12 Financial Instruments: Disclosures.]</i> The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The Authority does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.	1 January 2013
AASB 9 <i>Financial Instruments</i>	1 January 2013

Changes in Accounting Estimates

There were no changes in accounting estimates that will have an effect on the current reporting period.

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
4 Employee benefits expense		
Wages and salaries ^(a)	98,985	88,788
Protective clothing and uniforms	3,729	2,725
Superannuation - defined contribution plans: ^(b)		
Fire and Emergency Services Superannuation Board	11,192	10,221
Government Employees Superannuation Board	1,221	985
Long service leave ^(c)	2,671	4,679
Annual leave ^(c)	13,285	11,803
Other related expenses	475	509
	131,558	119,710

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.

(b) Defined contribution plans include West State, Gold State, GESB Super Scheme (contributions paid) and FESSB Fund (contributions paid).

(c) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at note 11 'Other expenses'.

The employment on-costs liability is included at note 28 'Provisions'

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
5 Supplies and services		
Administration	3,814	3,507
Advertising and promotion expense	624	498
Communications	3,065	2,773
Consultants and contractors	20,161	12,839
Electricity and water expense	1,476	1,111
Insurance premiums and claims	4,836	3,119
Leases	17,417	14,046
Maintenance	16,633	14,809
Travel	3,150	2,840
	71,176	55,542
6 Depreciation and amortisation expense		
<u>Depreciation</u>		
Buildings	3,275	3,243
Vehicles	5,235	4,658
Plant and equipment	897	850
Total depreciation	9,407	8,751
<u>Amortisation</u>		
Intangible assets	182	72
Total amortisation	182	72
Total depreciation and amortisation	9,589	8,823
7 Finance costs		
Interest paid	118	2,980
	118	2,980
8 Accommodation expenses		
Lease rentals	1,726	1,567
Repairs and maintenance	4,999	4,417
	6,725	5,984

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
9 Grants and subsidies		
<u>Recurrent</u>		
Local Governments	7,316	7,216
Private Fire Brigades	81	124
Natural Disaster grants are paid in accordance with the Western Australian Natural Disaster Relief and Recovery Arrangements; Natural Disaster Resilience Program; and All West Australians Reducing Emergencies grant (AWARE).	14,049	6,861
Grants and subsidies paid to volunteer entities and external bodies in line with approved schemes, agreements and statutes.		
- Various Volunteer entities ^(a)	628	565
- Volunteer Marine Rescue Service Group	982	975
- Affiliated bodies ^(b)	959	942
- Local Government - Community Emergency Services Manager	349	174
- Other grants and subsidies	183	204
<u>Capital</u>		
Local Governments	10,330	10,756
Volunteer Marine Rescue Service Groups	1,353	733
	36,230	28,550
(a) See note 2(w) 'Establishment of volunteer entities'.		
(b) See note 39 'Affiliated bodies'.		
10 Net gain / (loss) on disposal of non-current assets		
<u>Costs of disposal of non-current assets</u>		
Vehicles	157	137
<u>Proceeds from disposal of non-current assets</u>		
Vehicles	275	263
Loss on disposal of non-current assets	(73)	(36)
Gain on disposal of non-current assets	191	162
Net gain on disposal of non-current assets	118	126

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
11 Other expenses		
Doubtful debts expense	23	22
Employment on-costs ^(a)	2,713	2,633
Ex-gratia payments	-	12
Bad debt write-off	12	-
Other ^(b)	117	112
	2,865	2,779

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 28 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employment benefits and are not included in employment on-costs. (See also note 4 'Employee benefits expense')

(b) Audit fees, see also note 37 'Remuneration of auditor'.

12 User charges and fees		
User charges	3,911	3,739
Emergency services levy	180,138	168,878
	184,049	172,617

See note 2(e) 'Income'.

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
13 Commonwealth grants and contributions		
Recurrent	10,208	4,906
Other	43	301
	10,251	5,207

Commonwealth grants are received for various purposes including non repayable grants that contribute towards FESA operations such as the State Support Package, Aerial Firefighting and the Indian Ocean Territories.

Contributions are also received for specific purpose grants such as the Natural Disaster Resilience Program (NDRP) and research/employment projects. In 2009/10 the Australian Government introduced the NDRP which replaced the existing disaster mitigation funding programs; Natural Disaster Mitigation Program (NDMP), Bushfire Mitigation Program (BMP) and from 2010/11 the National Emergency Volunteer Support Fund (NEVSF).

The NDRP is governed by a National Partnership Agreement (NPA) on Natural Disaster Resilience which is a fixed term agreement between the States and the Commonwealth for four years. The Authority in conjunction with the Commonwealth developed and jointly agreed an annual implementation plan. The NDRP is part of an ongoing single funding program to achieve safer sustainable communities better able to withstand the effects of natural disasters and reduce the risk, damage and losses caused by such events.

Amounts totalling \$5,304,165 were received during the financial year for the NDRP and NDMP. The 2009/10 NDRP was not released due to the transition of the existing disaster mitigation funding programs to the new Australian Government NDRP. The funding from the 2009/10 program will be rolled over into 2010/11 allowing for more strategically aligned projects to address the program's focus on building community resilience. Amounts unspent/carryover total \$4,863,777.

14 Interest revenue

Short term deposits	2,437	4,434
Emergency Services Levy	71	122
	2,508	4,556

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
15 Other revenue		
Employee cost recovery	2,409	1,807
Sponsorship and donations	578	517
Non reciprocal contributed assets	854	770
Grants	68	204
General	661	1,391
	4,570	4,689
16 Income from State Government		
Appropriation received during the year:		
Service appropriation ^(a)	45,909	43,942
Resources received free of charge ^(b)		
Determined on the basis of the following estimates provided by agencies:		
Western Australian Land Information Authority (Landgate)	1,000	559
Department of Transport	8	8
	46,917	44,509

(a) Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(b) Where assets or services have been received free of charge or for nominal cost, the Authority recognises revenue equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if there were not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contribution of assets or services are in the nature of contributions by owners, the Authority makes an adjustment direct to equity.

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
17 Cash and cash equivalents		
Current		
Cash at bank	2,838	19,747
Short term deposits	53,500	60,000
Cash on hand and advances	43	70
	56,381	79,817

See note 2(m) 'Cash and cash equivalents'

18 Restricted cash and cash equivalents

Current		
Gift fund ^(a)	48	45
Rental property bonds ^(b)	34	38
Restricted deposits - held in trust ^(c)	242	-
	324	83

(a) Employees make a gold coin donation for a dress down day. The Gift fund makes an annual donation to a nominated charity.

(b) Bonds held as part of residential tenancy agreements.

(c) Monies held in trust by the Authority on behalf of the beneficiary, Coolgardie Volunteer Fire and Rescue Service Brigade. The Fund is made available to facilitate and enhance the fire services and activities of the brigade.

19 Inventories

Current		
Inventories held for consumption ^(a)	1,883	1,540
Inventories held for distribution ^(b)	6,656	7,162
	8,539	8,702

(a) Inventories held for consumption are measured at cost using the average cost method.

(b) Inventories held for distribution represent fire appliances under construction as part of the Emergency Services Levy capital grants process. These inventories are measured at cost. See note 2(q) 'Inventories'.

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
20 Receivables		
Current		
Receivables	3,860	5,224
Allowance for impairment of receivables	(50)	(26)
Prepayments	605	612
Accrued revenue	28	-
Interest receivable	83	157
GST receivable	1,332	1,257
Total Current	5,858	7,224
Reconciliation of changes in the allowance for impairment of receivables:		
Balance at start of year	26	4
Doubtful debts expense recognised in the statement of comprehensive income	36	22
Amounts written off during the year	(12)	-
Balance at end of year	50	26
The Authority does not hold any collateral as security or other credit enhancements relating to receivables. See note 2(o) 'Receivables' and note 35 'Financial instruments'.		
21 Amounts receivable for services		
Non-current		
Total amounts receivable for services	9,985	6,170

Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. See note 2(p) 'Amounts receivable for services (holding account)'.

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
22 Property, plant and equipment		
Land		
At fair value ^(a)	70,930	70,019
Buildings		
At fair value ^{(a) (b)}	94,448	87,071
Buildings under construction		
Construction costs	13,790	18,110
Vehicles		
At cost	76,480	71,640
Accumulated depreciation	(36,487)	(33,576)
	39,993	38,064
Vehicles under construction		
Construction costs	8,821	10,197
Plant and equipment		
At cost	11,916	10,649
Accumulated depreciation	(6,643)	(5,749)
	5,273	4,900
Plant and equipment under construction		
Construction costs	14,963	10,710
Works of Art		
At cost	158	158
Total	248,376	239,229

(a) Land and buildings were revalued as at 1 July 2009 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2010 and recognised at 30 June 2010. In undertaking the revaluation, fair value was determined by reference to market values for land: \$9,268,900 and buildings: \$3,117,600. Where there is no market based evidence of fair value because of the specialised nature of the asset (fire stations), fair value of land: \$60,853,150 and buildings: \$91,330,313 was determined on the basis of current use and depreciated replacement cost.

(b) Accumulated depreciation is credited to the asset account prior to revaluation and restate the net amount to the revaluation amount. See note 2(g) 'Property, plant and equipment'.

Notes to the Financial Statements For the year ended 30 June 2010

22 Property, plant and equipment (continued)

Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the reporting period are set out in the table below.

	Land \$000	Buildings \$000	Buildings under construction \$000	Vehicles \$000	Vehicles under construction \$000	Plant and equipment \$000	Plant and equipment under construction \$000	Works of Art \$000	Total \$000
2010									
Carrying amount at start of year	70,019	87,071	18,110	38,064	10,197	4,900	10,710	158	239,229
Additions	174	132	12,358	62	6,064	1,407	5,392	-	25,589
Transfers	658	16,627	(16,678)	7,465	(7,440)	(92)	(1,139)	-	(599)
Disposals	-	-	-	(363)	-	(45)	-	-	(408)
Write down	-	-	-	-	-	-	-	-	-
Revaluation increments/decrements	79	(6,106)	-	-	-	-	-	-	(6,027)
Depreciation	-	(3,276)	-	(5,235)	-	(897)	-	-	(9,408)
Carrying amount at end of year	70,930	94,448	13,790	39,993	8,821	5,273	14,963	158	248,376
2009									
Carrying amount at start of year	67,204	87,186	14,019	33,723	10,827	5,049	7,324	158	225,490
Additions	814	1,375	8,845	379	8,625	317	3,389	-	23,744
Transfers	16	4,357	(4,754)	9,255	(9,255)	384	(3)	-	-
Disposals	(217)	-	-	(635)	-	-	-	-	(852)
Revaluation increments/decrements	2,202	(2,604)	-	-	-	-	-	-	(402)
Depreciation	-	(3,243)	-	(4,658)	-	(850)	-	-	(8,751)
Carrying amount at end of year	70,019	87,071	18,110	38,064	10,197	4,900	10,710	158	239,229

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
23 Intangible assets		
Computer software		
At cost	2,173	1,522
Accumulated amortisation	(1,632)	(1,450)
	541	72
Reconciliations:		
<i>Computer software</i>		
Carrying amount at start of year	72	143
Additions	651	-
Amortisation expense	(182)	(71)
Carrying amount at end of year	541	72
24 Other financial assets		
Non-current		
Held-to-maturity investments (see note 2(r) 'Other financial assets')	500	500
25 Impairment of assets		
There were no indications of impairment to property, plant and equipment and intangible assets at 30 June 2010. See note 2(i) 'Impairment of assets'.		
26 Payables		
<u>Current</u>		
Trade payables	10,470	7,694
Accrued interest	-	1,390
Accrued salaries	2,188	1,659
Client account - trust	241	-
GST payable	254	89
	13,153	10,832
See note 2(s) 'Payables', note 2(n) 'Accrued salaries' and note 35 'Financial instruments'.		
27 Borrowings		
<u>Current</u>		
Western Australian Treasury Corporation Loans	-	27,729

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
28 Provisions		
<i>Current</i>		
<i>Employee benefits provision</i>		
Annual leave ^(a)	6,538	6,165
Long service leave ^(b)	5,673	4,814
Deferred salary scheme (Note 2(u) 'Provisions-Employee benefits')	45	9
	12,256	10,988
<i>Other provisions</i>		
Employment on-costs ^(c)	1,741	1,656
	13,997	12,644
<i>Non - current</i>		
<i>Employee benefits provision</i>		
Long service leave ^(b)	9,288	8,857
Deferred salary scheme (Note 2(u) 'Provisions-Employee benefits')	76	68
<i>Other provisions</i>		
Employment on-costs ^(c)	972	977
	10,336	9,902
(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of the end of the reporting period	4,981	4,542
More than 12 months after the reporting period	1,557	1,623
	6,538	6,165
(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of the end of the reporting period	2,025	2,142
More than 12 months after the reporting period	12,936	11,529
	14,961	13,671

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
28 Provisions (continued)		
<u>Non - current (continued)</u>		
(c) 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. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in note 11 'Other expenses'.		
<u>Movements in other provisions</u>		
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.		
<u>Employment on-cost provision</u>		
Carrying amount at start of year	2,633	1,904
Additional provisions recognised	79	729
Carrying amount at end of year	2,712	2,633

See note 2(u) 'Provisions-Employee benefits'.

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
29 Equity		
Equity represents the residual interest in the net assets of the Authority. The Government holds the equity interest in the Authority on behalf of the community. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.		
Contributed equity		
Balance at the start of period	92,863	59,319
<u>Contributions by owners</u>		
Capital appropriation	27,761	32,910
Transfer of net assets from other agencies	160	851
Lot 550 Sutherland St, Derby transferred to the Authority under Management Order		
Total contributions by owners	27,921	33,761
<u>Distributions to owners</u>		
Transfer of net assets to other agencies	-	(217)
Balance at end of period	120,784	92,863
Reserves		
<u>Asset revaluation surplus</u>		
Balance at start of year	76,751	77,154
Net revaluation increments/(decrements):		
Buildings	(5,824)	(2,605)
Land	79	2,202
Balance at end of year	71,006	76,751
Accumulated surplus		
Balance at start of year	111,076	103,741
Result for the period	(9,848)	7,335
Balance at end of year	101,228	111,076

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
30 Notes to the Statement of Cash Flows		
Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents [refer to note 17 'Cash and cash equivalents']	56,381	79,817
Restricted cash and cash equivalents [refer to note 18 'Restricted cash and cash equivalents']	324	83
	56,705	79,900
Reconciliation of net cost of services to net cash flows used in operating activities		
Net cost of services	(56,765)	(37,174)
<u>Non-cash items:</u>		
Depreciation and amortisation expense ^(note 6)	9,589	8,823
Net gain on sale of property, plant and equipment ^(note 10)	(118)	(126)
Resources received free of charge ^(note 16)	1,008	567
Doubtful debt expense ^(note 11)	35	22
Write-down on property, plant and equipment	(282)	-
<u>(Increase) in assets:</u>		
Current receivables ^(b)	1,366	2,409
Current inventories	163	(16)
<u>Increase in liabilities:</u>		
Current payables	2,322	1,453
Current provisions	1,353	1,869
Non-current provisions	434	2,278
Net GST receipts/(payments)	-	-
Change in GST in receivables/payables ^(a)	82	(52)
Net cash (used in) operating activities	(40,813)	(19,947)

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

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

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
31 Commitments		
Capital expenditure commitments		
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	48,040	42,509
Later than 1 year and not later than 5 years	11,581	16,149
	59,621	58,658
The capital commitments include amounts for:		
Buildings	52,748	54,485
Plant and equipment	6,873	4,173
	59,621	58,658
Lease commitments		
Commitments in relation to non-cancellable operating leases contracted for at the end of the reporting period but not recognised in the financial statements are payable as follows:		
Within 1 year	6,216	6,823
Later than 1 year and not later than 5 years	9,990	13,099
Later than 5 years	429	11
	16,635	19,935

The Authority has various operating leases, the most significant being:

- The provision of Rotary Wing Aircraft Rescue and Medical Transport Services is a non-cancellable lease with a five year term, rent payable monthly. An option exists at the end of the five year term for an additional two plus two years extension option and a further one year final extension. The Authority has since exercised the first option to extend the contract to October 2010.

These commitments are all inclusive of GST.

See note 2(j) 'Leases'.

Notes to the Financial Statements For the year ended 30 June 2010

32 Contingent liabilities and contingent assets

Contingent liabilities

In addition to the liabilities included in the financial statements, there is the following contingent liability:

Contaminated sites

Under the *Contaminated Sites Act 2003*, the Authority is required to report known and suspected contaminated sites to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as *contaminated - remediation required* or *possibly contaminated - investigation required*, the Authority may have a liability in respect of investigation or remediation expenses.

In 2006/07 the Authority reported one contaminated site to DEC. The site is a former drum storage area at the FESA Training Centre located at Dundas Road, Forrestfield. The Authority is unable to assess the likely outcome of the classification process. It is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows. The Authority has applied and received funding from the Contaminated Sites Management Account to undertake further investigative work.

In August 2008, a contract was awarded to a qualified consultant to undertake a Detailed Site Investigation (DSI) including soil and gas vapor surveys. In October 2008, an accredited contaminated sites auditor was also appointed to provide a mandatory audit report as part of the DSI. The DSI was completed late 2009 and the Authority is currently waiting the auditor's report. It is envisaged that additional groundwater investigative works will be needed.

33 Events occurring after the end of reporting period

There were no events occurring after the end of the reporting period.

Notes to the Financial Statements For the year ended 30 June 2010

34 Explanatory statement

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$5 million.

Significant variances between estimated and actual result for the financial year

	2010 Estimate \$000	2010 Actual \$000	Variation \$000
Supplies and services	60,528	71,176	10,648
Depreciation and amortisation expense	11,911	9,589	(2,322)
Finance costs	1,432	118	(1,314)
Accommodation expenses	4,438	6,725	2,287
Grants and subsidies	24,349	36,230	11,881
Commonwealth grants and contributions	6,307	10,251	3,944
Service appropriation	25,172	45,909	20,737
Resources received free of charge	2,745	1,008	(1,737)

Supplies and services

The variance is mainly due to approved funding increases for bushfire preparedness and response capability in the South West region, improved communications and public awareness and the two Type 1 helicopters. Recoupable costs associated with the Toodyay bushfire, floods in the Kimberley region and the recent West Coast storm.

Depreciation and amortisation expense

The variance is mostly due to the timing of the completion of the approved capital works program.

Finance costs

The decrease reflects the early retirement of the Authority's borrowings as part of the State Governments debt reduction strategy.

Accommodation expenses

The variance largely reflects higher than anticipated property repair and maintenance costs, asbestos management and renovations.

Grants and subsidies

The variance primarily relates to payments made, under the Natural Disaster Relief and Recovery Arrangement (NDRRA), on behalf of the State by FESA. Outlays on NDRRA are subsequently recouped by way of supplementary funding from the State Government at year's end.

Commonwealth grants and contributions

The variance is mainly due to additional Commonwealth funding received primarily for the National Disaster Resilience Program and the two Type 1 helicopters.

Service appropriation

The variance is mainly due to the agreed supplementary funding arrangement with State Government. Supplementary funding is provided to FESA for unbudgeted costs associated with the tropical cyclone Dominic, floods in the eastern Pilbara and Kimberley region, and the Toodyay bushfire. Refer Grants and subsidies above.

Resources received free of charge

The variance is mainly due to lower than anticipated services from Landgate.

Notes to the Financial Statements For the year ended 30 June 2010

34 Explanatory statement (continued)

Significant variances between actual and prior year actual

	2010 \$000	2009 \$000	Variation \$000
Employee benefits expense	131,558	119,710	11,848
Supplies and services	71,176	55,542	15,634
Finance costs	118	2,980	(2,862)
Grants and subsidies	36,230	28,550	7,680
Loss on disposal of non-current assets	73	36	37
Commonwealth grants and contributions	10,251	5,207	5,045
Interest revenue	2,508	4,556	(2,047)
Gain on disposal of non-current assets	191	162	29
Resources received free of charge	1,008	567	441

Employee benefits expenses

The increase in employee expenses is mainly due to the overtime costs associated with the Toodyay bushfire, floods in the Kimberley region and the recent West Coast storm, increases under the current Government Officers Salaries and United Fire Fighters Union Enterprise Bargain Agreement's, recruitment of additional firefighters for the Ellenbrook Career Fire and Rescue Service station.

Supplies and services

The variance is primarily due to a general across the sector increase in 2009/10 insurance premiums, an increase of the fixed and rotary wing aircraft hire charges, heavy machinery associated with the high fire season and costs associated with the Direct Brigade Alarm project (which will be recouped over the life of the project).

Finance costs

The decrease reflects the early retirement of the Authority's borrowings as part of the State Governments debt reduction strategy.

Grants and subsidies

The increase in grants and subsidies is mainly due to payments made for the NDRRA for damage caused by tropical cyclone Dominic, floods in the eastern Pilbara and Kimberley region and the Toodyay bushfire. The increase also reflects funding increases approved by Government for the Volunteer Marine and Rescue Service to enable a long term Hull replacement program and an increase in operating grants.

Loss on disposal of non-current assets

The variance is mainly due to the disposal of low value items.

Commonwealth grants and contributions

The increase in commonwealth grants and contributions is mainly due to additional contributions received from the National Aerial Firefighting Centre towards the operating costs of aerial services and additional commonwealth contributions towards the National Disaster Mitigation Program and the National Disaster Resilience Program.

Interest revenue

The decrease in interest revenue mainly reflects the use of cash reserves to fund the approved capital works program.

Gain on disposal of non-current assets

The variance is due to a higher number of disposals.

Resources received free of charge

The variance in resources received free of charge is mainly due to an increase in services provided by Landgate.

Notes to the Financial Statements For the year ended 30 June 2010

35 Financial instruments

(a) Financial risk management objectives and policies

Financial instruments held by the Authority include cash and cash equivalents, short term deposits, borrowings from the Western Australian Treasury Corporation (WATC), receivables and payables. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

Credit risk

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

The maximum exposure to credit risk at end of reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at note 35(c) 'Financial instruments disclosures' and note 20 'Receivables'.

Credit risk associated with the Authority's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

During 2008/09, the Authority has elected to adopt the Commonwealth Government Guarantee Scheme (CGGS) for all term deposits to minimise its exposure to credit risk. The CGGS ceased on 1 April 2010 however the CGGS still applies to monies held with the Commonwealth Bank of Australia and is limited to the balance held as at 31 March 2010.

Liquidity risk

Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due.

The Authority is exposed to liquidity risk through its trading in the normal course of business.

The Authority has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Authority's income or the value of its holdings of financial instruments. The Authority does not trade in foreign currency and is not materially exposed to other price risks. The Authority's exposure to market risk for changes in interest rates relate primarily to the long term debt obligations and short term investments. The Authority's borrowings are all obtained through the Western Australian Treasury Corporation (WATC) and are at fixed rates with varying maturities. The risk is managed by WATC through portfolio diversification and variation in maturity dates. The Authority currently holds short term highly liquid investments held in various Approved Deposit Institutions (ADI). The Authority monitors the credit ratings of ADI's regularly to minimise its market risk. The risk is managed through product diversification and variation in maturity dates. Other than as detailed in the interest rate sensitivity analysis table at note 35(c), the Authority is not exposed to interest rate risk other than WATC borrowings and short term investments.

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
35 Financial instruments (continued)		
(b) Categories of financial instruments		
In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:		
<u>Financial Assets</u>		
Cash and cash equivalents	56,381	79,817
Restricted cash and cash equivalents	324	83
Held to maturity investments	500	500
Loans and receivables ^(a)	3,810	5,197
<u>Financial Liabilities</u>		
Financial liabilities measured at amortised cost ^(b)	12,899	38,472

(a) The amount of receivables excludes GST payable to the ATO (statutory receivable).

(b) The amount of payables excludes GST recoverable from the ATO (statutory payable).

Notes to the Financial Statements For the year ended 30 June 2010

35 Financial instruments (continued)

(c) Financial Instrument Disclosures

Credit risk and interest rate exposures

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

The Authority does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Authority does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

Interest rate exposures and ageing analysis of financial assets^(a)

	Weighted Average Effective Interest Rate %	Interest rate exposure				Past due but not impaired					Impaired financial assets \$000
		Carrying Amount \$000	Variable interest rate \$000	Fixed interest rate \$000	Non-Interest bearing \$000	Up to 3 months \$000	3 - 12 months \$000	1-2 Years \$000	2-5 Years \$000	More than 5 Years \$000	
Financial Assets											
2010											
Cash and cash equivalents	4.86	56,381	2,881	53,500	-	-	-	-	-	-	-
Restricted cash and cash equivalents	4.86	324	324	-	-	-	-	-	-	-	-
Receivables ^(a)	-	4,526	-	-	4,526	501	1,058	14	32	19	-
Amounts receivable for services	-	9,985	-	-	9,985	-	-	-	-	-	-
Other financial assets	-	500	500	-	-	-	-	-	-	-	-
		71,716	3,705	53,500	14,511	501	1,058	14	32	19	-
2009											
Cash and cash equivalents	3.31	79,817	19,817	60,000	-	-	-	-	-	-	-
Restricted cash and cash equivalents	3.31	83	83	-	-	-	-	-	-	-	-
Receivables ^(a)	-	5,966	-	-	5,966	824	1,162	184	91	3	-
Amounts receivable for services	-	6,170	-	-	6,170	-	-	-	-	-	-
Other financial assets	3.98	500	500	-	-	-	-	-	-	-	-
		92,536	20,400	60,000	12,136	824	1,162	184	91	3	-

^(a) The amount of receivables excludes GST payable to the ATO (statutory receivable).

Notes to the Financial Statements For the year ended 30 June 2010

35 Financial instruments (continued)

(c) Financial Instrument Disclosures (continued)

Liquidity Risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts at the end of the reporting period. The table includes interest and principal cash flows. An adjustment has been made where material.

Interest rate exposure and maturity analysis of financial liabilities

	Weighted Average Effective Interest Rate	Carrying Amount %	Interest rate exposure			Total Nominal Amount \$000	Maturity Date:				
			Variable interest rate \$000	Non-Interest bearing \$000	Adjustment for discounting \$000		Up to 3 months \$000	3-12 months \$000	1-2 Years \$000	2-5 Years \$000	More than 5 Years \$000
Financial liabilities											
2010											
Payables	-	12,899	-	12,899	-	-	-	-	-	-	-
WATC loans		-	-	-	-	-	-	-	-	-	-
		12,899	-	12,899	-	-	-	-	-	-	-
2009											
Payables	-	10,743	-	10,743	-	-	-	-	-	-	-
WATC loans	5.96	27,729	-	-	27,729	-	-	-	-	-	27,729
		38,472	-	10,743	27,729	-	-	-	-	-	27,729

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

Notes to the Financial Statements For the year ended 30 June 2010

35 Financial instruments (continued)

(c) Financial Instrument Disclosures (continued)

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
2010					
<u>Financial Assets</u>					
Cash and cash equivalents	56,381	(563.8)	(563.8)	563.8	563.8
Restricted cash and cash equivalents	324	(3.2)	(3.2)	3.2	3.2
<u>Financial Liabilities</u>					
WATC loans	-	-	-	-	-
Total Increase (Decrease)		(567.0)	(567.0)	567.0	567.0
	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
2009					
<u>Financial Assets</u>					
Cash and cash equivalents	79,817	(798.2)	(798.2)	798.2	798.2
Restricted cash and cash equivalents	83	(0.8)	(0.8)	0.8	0.8
<u>Financial Liabilities</u>					
WATC loans	27,729	277.3	277.3	(277.3)	(277.3)
Total Increase (Decrease)		(521.7)	(521.7)	521.7	521.7

Fair Values

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

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
36 Remuneration of members of the accountable authority and senior officers		
Remuneration of members of the accountable authority		
The number of members of the accountable authority, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:		
\$	2010 No.	2009 No.
0 - 10,000	7	7
10,001 - 20,000	4	4
30,001 - 40,000	-	1
40,001 - 50,000	1	-
260,001 - 270,000	-	1
300,001 - 310,000	1	-
The total remuneration of members of the accountable authority	468	378

The total remuneration includes the superannuation expense incurred by the Authority in respect of members of the Accountable Authority.

Remuneration of senior officers

The number of senior officers, other than senior officers reported as members of the accountable authority, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$	2010 No.	2009 No.
30,001 - 40,000	-	1
40,001 - 50,000	1	1
50,001 - 60,000	-	3
60,001 - 70,000	-	-
90,001 - 100,000	1	1
130,001 - 140,000	1	3
140,001 - 150,000	2	3
150,001 - 160,000	3	1
160,001 - 170,000	1	1
170,001 - 180,000	1	1
180,001 - 190,000	2	-
210,001 - 220,000	-	1
230,001 - 240,000	1	-
The total remuneration of senior officers	1,981	1,890

The total remuneration includes the superannuation expense incurred by the Authority in respect of senior officers other than senior officers reported as members of the accountable authority.

Notes to the Financial Statements For the year ended 30 June 2010

	2010 \$000	2009 \$000
37 Remuneration of auditor		
Remuneration payable to the Auditor General in respect to the audit for the current financial year for auditing the accounts, financial statements and performance indicators	117	112
The expense is included at note 11 'Other expenses'.		
38 Related bodies		
The Authority has no related bodies during the reporting period.		
39 Affiliated bodies		
The following are classified as non-government affiliated bodies and receive indirect and/or direct financial assistance.		
Direct financial assistance is given in the form of a grant. Indirect financial assistance is also given in the form of administrative support including the use of a motor vehicle and running costs, office accommodation and minor administrative support.		
Association of Volunteer Bush Fire Brigades WA Inc	25	25
Emergency Services Volunteer Association Inc	25	-
State Emergency Services Volunteers Association of Western Australia Inc	25	26
Surf Life Saving Western Australia Inc	579	559
Volunteer Marine Rescue Western Australia Inc	47	65
Western Australian Volunteer Fire Brigades Association Inc	273	289
	974	964
40 Supplementary financial information		
Write-Offs		
Bad debts written-off by the accountable authority during the financial year	12	-
Losses through theft, defaults and other causes		
Losses of public moneys and, public and other property through theft or default	105	38
Amounts recovered	(58)	(20)
	47	18
41 Indian Ocean Territories		
The funds provided by the Department of Transport and Regional Services have been spent on the provision of services to the Indian Ocean Territories as specified in the Service Delivery Arrangements entered into between the State and Commonwealth.		
Opening Balance	110	165
Total Receipts	564	425
Total Expenditure	(300)	(480)
Closing Balance	374	110

Notes to the Financial Statements For the year ended 30 June 2010

42 Schedule of income and expenses by service

	As at 30 June 2010			As at 30 June 2009		
	Prevention Services \$000	Emergency Services \$000	Total \$000	Prevention Services \$000	Emergency Services \$000	Total \$000
COST OF SERVICES						
Expenses						
Employee benefits expense	16,337	115,221	131,558	14,901	104,809	119,710
Supplies and services	7,665	63,511	71,176	5,999	49,550	55,549
Depreciation and amortisation expense	1,081	8,508	9,589	995	7,828	8,823
Finance costs	14	104	118	336	2,644	2,980
Accommodation expenses	756	5,969	6,725	565	5,419	5,984
Grants and subsidies	817	35,413	36,230	1,209	27,342	28,551
Loss on disposal of non-current assets	8	65	73	4	32	36
Other expense	366	2,499	2,865	440	2,332	2,772
Total cost of services	27,044	231,290	258,334	24,449	199,956	224,405
Income						
User charges and fees	20,577	163,472	184,049	19,299	153,318	172,617
Commonwealth grants & contributions	1,146	9,105	10,251	582	4,625	5,207
Interest revenue	280	2,228	2,508	509	4,047	4,556
Gain on disposal of non-current assets	21	170	191	18	144	162
Other revenue	511	4,059	4,570	524	4,165	4,689
Total Income other than income from State Government	22,535	179,034	201,569	20,932	166,299	187,231
NET COST OF SERVICES	4,509	52,256	56,765	3,517	33,657	37,174
INCOME FROM STATE GOVERNMENT						
Service appropriation	5,133	40,776	45,909	4,913	39,029	43,942
Resources received free of charge	113	895	1,008	63	504	567
Total Income from State Government	5,246	41,671	46,917	4,976	39,533	44,509
(Deficit) Surplus for the year	737	(10,585)	(9,848)	1,459	5,876	7,335

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

KEY PERFORMANCE INDICATORS

CERTIFICATION OF KEY PERFORMANCE INDICATORS

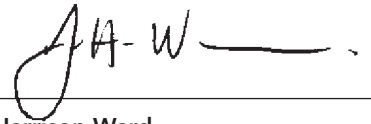
We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Fire and Emergency Services Authority of Western Australia's performance, and fairly represent the performance of the Fire and Emergency Services Authority of Western Australia for the financial year ended 30 June 2010.



A Skinner

Chairman of Accountable Authority

23 August 2010



J Harrison-Ward

Member of Accountable Authority

23 August 2010

DETAIL ON KEY PERFORMANCE INDICATORS

Link To Government Goals

FESA's core business is to support Government Goal 3 – **Outcome Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.**

Our community engagement approach also supports the achievements of other Government goals including:

A stronger focus on the regions

Our services are delivered through a network of regionally based employees and volunteers. Through the management of the Emergency Services Levy and our volunteer support programs we assist local governments in maintaining volunteer services appropriate to the level of risk in their community.

Social and environmental responsibility

We support the achievement of this goal through our commitment to developing sustainable emergency management strategies and programs that are targeted to meet the needs of local communities.

In line with our core responsibilities we have adopted two outcomes:

1. To improve the relevance of performance data collected to assist in decision making and resource allocation.
2. To improve the clarity of published information to assist stakeholders in understanding FESA core services, outcomes and performance.

We achieve these outcomes through the provision of two services:

Service 1: Prevention and Mitigation Services

Our Prevention and Mitigation Services aim to increase community awareness of the hazards people face within their communities and to encourage safer behaviour through the prevention and mitigation of risk. Higher awareness supports improved safety by reducing preventable emergencies and increasing preparedness for natural emergencies when they occur.

We take a targeted approach to the delivery of community awareness and education programs that support community stakeholders in reducing preventable emergencies, for example accidental fire, and in mitigating the risks of natural hazards specific to their location.

These programs tend to be seasonally focused and include:

- Storm season campaign.
- Wet season 2008 to 2013 (cyclone, flood).
- Fire Safety in the Home campaign.
- Smoke Alarm campaign.
- Bushfire campaign 2008 to 2013.
- Dry season (Pilbara and Kimberley regions) 2009 to 2014.

Our [Juvenile and Family Fire Awareness](#) (JAFFA) program and [Fire Inside Out](#) schools education program run throughout the year.

The majority of our programs are delivered with the support of locally based operational staff and volunteers. We also provide specialist advice and training, including support for local government in emergency management and risk planning through the Community Emergency Management Officer program, the All Western Australians Reducing Emergencies (AWARE) program, and courses in evacuation planning and the safe use of fire extinguishers which are delivered through our Commercial Training Unit.

Service 2: Emergency Services

The focus of our Emergency Services is to minimise the impact of emergencies by delivering appropriate emergency response. To achieve this outcome we ensure that our operational personnel, including volunteers, are appropriately trained, resourced and prepared to deliver efficient, effective and appropriate responses to emergency incidents.

By delivering emergency services across Western Australia, we support the community to minimise the economic, environmental and social impact of emergencies.

CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK FOR 2010/11

A comprehensive review of our Outcome Based Management Framework was completed in 2008/09.

The review had two objectives:

1. To improve the relevance of performance data to decision making and resource allocation.
2. To improve the clarity of published information to assist stakeholders in understanding FESA's core services, outcomes and performance.

The Outcome Structure Review Group endorsed the revised structure on 7 April 2009 and new indicators came into effect from 1 July 2009.

RESULTS FOR 2009/10

Data Improvement

Performance results for our effectiveness indicators depend on the completion of incident reports and correct coding of incidents to enable accurate data extraction. Each year, data from past years is adjusted to reflect retrospective data entry.

During 2009/10 we have continued to improve data completeness and quality. The establishment of a permanent training officer has enabled us to deliver scheduled training in the use of operational data systems for career and volunteer Fire and Rescue Service personnel and other key users.

This initiative has reduced the number of incomplete incident reports and improved coding of incidents.

We have also addressed system issues to improve data quality. These include:

- Removing the default code for emergency responses – improving response time data by more accurately recording where responses were provided under emergency conditions.
- Correcting errors in response time transmission from mobile data terminals – providing more accurate response time data.
- Removing duplicate volunteer records – increasing the accuracy of reported volunteer numbers.
- Geocoding metropolitan career Fire and Rescue Service incidents – to identify incidents where crews responded outside of their gazetted response area. These incidents had previously increased overall response times.

In some instances our performance results have been affected by this effort to improve data completeness and quality.

EFFECTIVENESS INDICATORS

During 2009/10, we used seven effectiveness indicators to measure our performance in minimising the impact of human and natural hazards on the community of Western Australia:

- The number of accidental residential fires per 100,000 households.
- The proportion of structure fires confined to the room or object of origin.
- The percentage of special risk plans for hazardous material sites reviewed within 24 months.
- The percentage of 000 calls answered within 20 seconds.
- The percentage of career Fire and Rescue Service response times within target timeframes (Metropolitan Region).
- The percentage of Volunteer Fire and Rescue Service turnout times within target timeframes (Hazard Management Agency roles only).
- The percentage of required operational personnel trained in level 2 and level 3 incident management.

EFFICIENCY INDICATORS

We have two efficiency indicators, one for each of our services:

- The cost of Prevention and Mitigation Services per capita (Western Australia).
- The cost of Emergency Services per capita (Western Australia).

NUMBER OF ACCIDENTAL RESIDENTIAL FIRES PER 100,000 HOUSEHOLDS

Structure fires¹, especially accidental residential fires, can have a devastating effect on the community. During 2009/10, ten fatalities and property damage estimated at \$21,063,751 resulted from accidental residential fires.

This indicator measures the effectiveness of fire safety and prevention strategies in reducing accidental residential fires in Western Australia. Programs that impact on our results for the indicator include our [Fire Safety in the Home](#) program, [Juvenile and Family Fire Awareness](#) (JAFFA) and our Smoke Alarm campaign. Our partnerships with industry bodies also assist in identifying and alerting the community to unsafe products and practices that have the potential to cause fire.

Annual results are affected by a range of complex variables outside our control. For example, unsafe behaviour tends to increase during severe winters as people tend to spend longer periods indoors and there is a greater need for heating. It is therefore appropriate to consider long term trends rather than the results for any one year as an indication of the effectiveness of community awareness programs.

Our target is a maximum of 70 fires per 100,000 households. Our 2009/10 result of 70.52 was an improvement compared to the previous year, although it is marginally above our target.

This indicator has remained fairly stable, with the three-year rolling average at the end of 2009/10 being 74.61 incidents per 100,000 households.

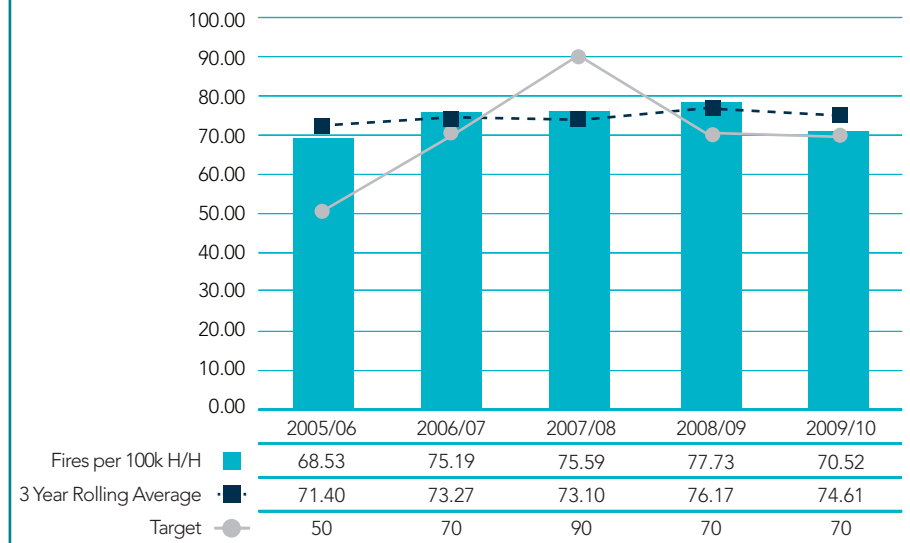
The number of structure fires has also remained stable over the past two years at 1,544 in 2008/09 and 1,550 in 2009/10. In 2009/10 there was an increase in roof space fires as a result of inappropriately installed insulation. To date, 40 such fires have been reported. In 12 of these insulation was installed under the Australian Government Home Insulation Rebate program. Above average temperatures for the summer season also contributed to an increase in air conditioning fires caused by overheating and lack of maintenance.

The accuracy of this indicator depends on the ability of fire officers to determine the cause of fires and provision of complete and correctly coded data. In 2009/10 the proportion of structure fires where the cause was 'undetermined' was 9.35 per cent, compared to 7.71 per cent in 2008/09. The proportion of incidents that were not coded was 11.9 per cent in 2009/10 compared to 3.3 per cent in 2008/09.

¹Structure fires are those fires in housing and other buildings (Source: Report on Government Services, 2010)

²Source: Report on Government Services 2010, Accidental Residential Fires per 100,000 households.

Figure 1.1 – Number of Accidental Residential Fires per 100,000 Households



Our data is dynamic and changes as officers complete their reports. Household data is based on projected ABS figures which will also affect results annually. Data for previous years has been restated to reflect completed reports as at 30 June 2010 and current household data.

National Benchmarking

In the 2010 [Report on Government Services](#) (RoGS), Western Australia recorded the fourth lowest rate of accidental residential fires behind Queensland, South Australia and the Northern Territory.

However, caution should be taken when comparing figures across jurisdictions as data reporting is not always based on common criteria and different jurisdictional conditions will affect results in any given year.

The current national average for this indicator is 103.9 fires per 100,000 households².

PROPORTION OF STRUCTURE FIRES CONFINED TO THE ROOM OR OBJECT OF ORIGIN

Confining a structure fire to the room or object of origin minimises damage to the rest of the structure and reduces the impact of the fire on the community.

This indicator measures the effectiveness of our Prevention and Mitigation Services in reducing accidental fires by encouraging safer behaviour and, to a lesser extent, the effectiveness of our emergency response. Higher levels of confinement are likely to reduce the value of losses and the trauma associated with structure fires.

The ability to confine structure fires is affected by a number of factors outside our control. Weather conditions, building construction, type of household furnishings and any chemicals stored on site will all affect the rate at which a fire spreads. Prompt detection, early notification and appropriate and effective firefighting techniques are likely to increase the percentage of fires confined.

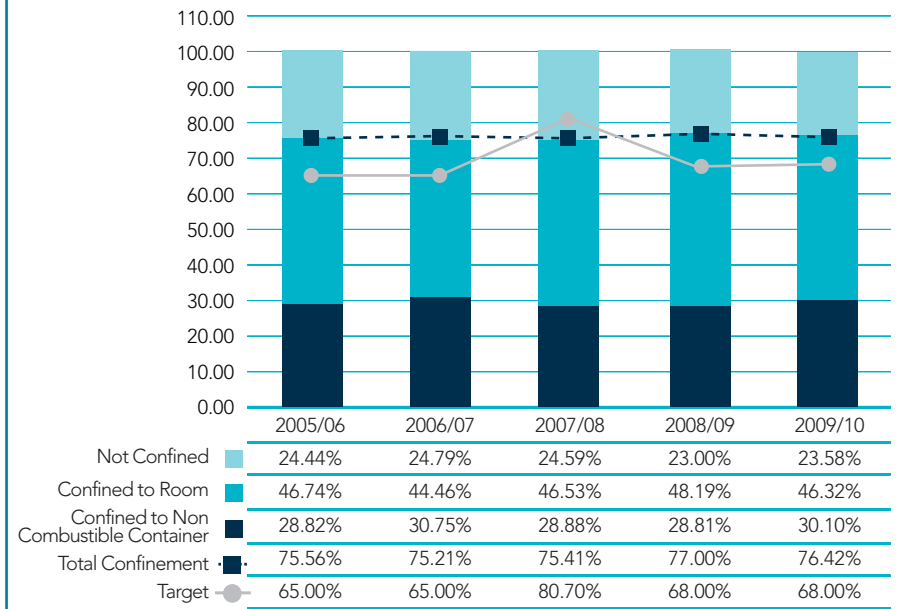
Prevention and mitigation initiatives that contribute to the results for this indicator include our [Fire Safety in the Home](#) and [Smoke Alarm](#) campaigns, as does raising awareness of the 000 emergency assistance number. Fire investigation and analysis also informs more effective community education and awareness campaigns, building legislation and product standards.

Data for this indicator depends on the completion of incident reports and correct coding, and is based on the number of structure fires where damage was reported. In 2009/10, of a total 1,550 reported structure fires, 1,319 caused damage to an object or the structure. Based on national discussions, the calculation for this indicator now includes smaller structure fires that start in and are confined to non-combustible containers, which more accurately reflects total confinement.

Retrospective data entry will also affect the results for this indicator. For comparative purposes, results from past years have been recalculated as at 30 June 2010.

Our target is to confine at least 68 per cent of fires to the room or object of origin, with a higher percentage indicating better performance. Our 2009/10 overall result of 76.42 per cent is similar to last year. The five-year rolling average to the end of 2009/10 was 76 per cent.

Figure 2.1 – Proportion of Structure Fires Confined to Room or Object of Origin



The data includes all types of ignition, both accidental and deliberate. Confinement results for accidental fires tend to be higher than for deliberate or suspicious fires (82 per cent compared to 60 per cent). When accidental fires occur, appropriate action by occupants can reduce their spread and emergency services generally receive earlier notification, resulting in a more timely response.

National Benchmarking

Confinement data is also published in the [Report on Government Services](#) (RoGS), however, because of differences in data reporting criteria published RoGS results will differ from those in this annual report.

Currently, the RoGS calculation excludes fires confined to non-combustible containers and includes fires where no damage occurred. Jurisdictional representatives are currently reviewing consistent national data criteria for this indicator.

PERCENTAGE OF SPECIAL RISK PLANS FOR HAZARDOUS MATERIAL SITES REVIEWED WITHIN SPECIFIED TIMEFRAMES

FESA has a legislated role to manage preparedness and response for hazardous materials emergencies. This includes raising industry awareness of the risks associated with hazardous materials and supporting the development of emergency management plans for identified special risk sites.

Special risk sites are identified collaboratively by FESA and the Departments of Environment and Conservation and Minerals and Energy. Requirements for special risk plans are determined by the *Dangerous Goods Safety Act 2004* and supporting *Dangerous Goods Safety Regulations 2007*.

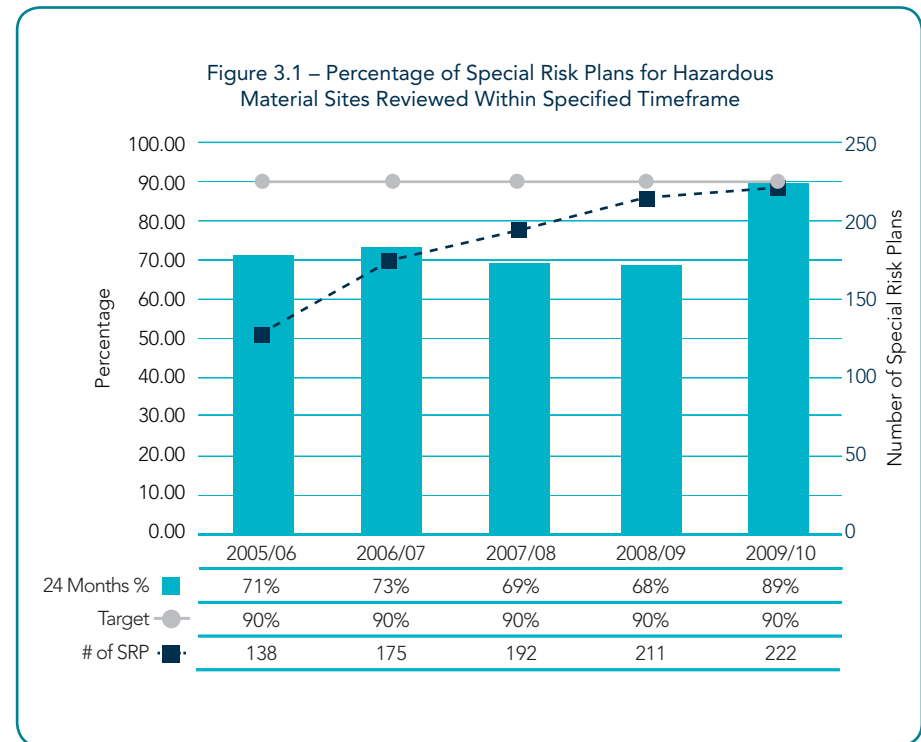
Special risk plans focus on preparation for response and recovery for foreseeable emergencies. They include mitigation and treatment options for reducing adverse impacts of emergencies on the general community and the environment.

This new indicator is a first step in the development of indicators to measure levels of operational and community preparedness to minimise the impact of emergencies.

The number of special risk plans developed over the past five years has increased by 61 per cent as a result of increased risk awareness, compliance monitoring and industry growth.

Compared to 2008/09, the number of special risk plans reviewed within 24 months increased by more than 38 per cent in 2009/10.

Our target is to review 90 per cent of plans within two years to ensure they remain current. In 2009/10, 89 per cent of plans were reviewed, within the target timeframe.



Note: Indicator introduced from 2009/10. Targets for previous years inserted for presentation purposes only.

PERCENTAGE OF 000 CALLS ANSWERED WITHIN THE TARGET TIMEFRAME

Timely handling of 000 calls ensures fast and efficient mobilisation of emergency crews. Monitoring the time taken to answer 000 calls informs resourcing strategies for the FESA Communications Centre.

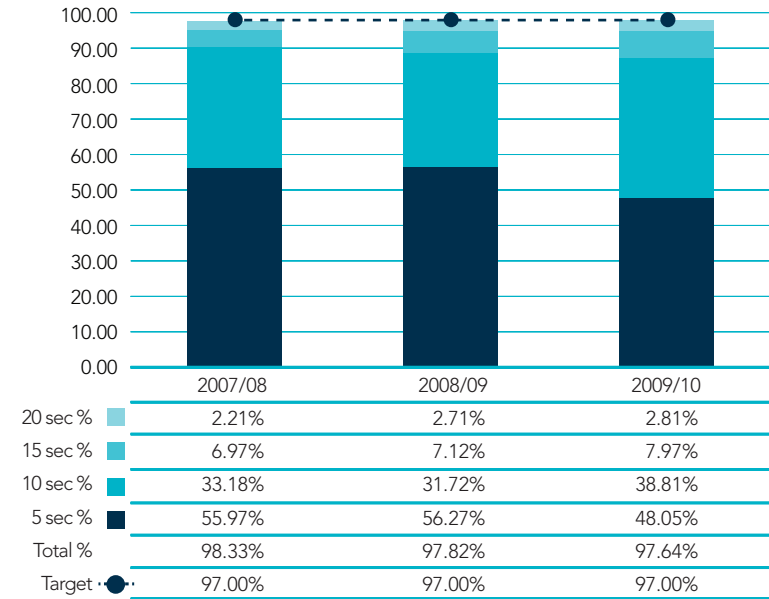
For a 000 call, the time from connection to operator pick up could be considered the first segment of overall response time. However, for emergency services in Australia response time measurement commences once the call is answered.

The FESA Communications Centre sometimes receives numerous 000 calls reporting the same incident. This duplication affects call centre capacity and the efficient mobilisation of emergency crews. The level of multiple reporting is generally linked to the time of day that the incident occurs and its visibility, rather than the incident's significance or seriousness. Multiple reporting has increased dramatically as a result of mobile telephones.

Our target is to answer 97 per cent of 000 calls within 20 seconds. The 2009/10 year result of 97.64 per cent is slightly better than target.

During the 2010/11 financial year, FESA will develop Communications Centre redundancy strategies to ensure business continuity for call taking in a crisis situation.

Figure 4.1 – Percentage of 000 Calls Answered Within 20 Seconds



Note: Data only available for past three years.

PERCENTAGE OF METROPOLITAN RESPONSES BY CAREER FIRE AND RESCUE SERVICES WITHIN TARGET TIMEFRAMES

Metropolitan career firefighters currently respond to 79 per cent of total fire emergencies in Western Australia and their timely response is critical in minimising the impact of fire on the community. Rapid response and appropriate combat strategies reduce loss of life and damage to property and other community assets.

Factors that can affect total response time include adverse weather or traffic conditions, shorter or longer travel times if crews are not on station when notified of an incident, or crews being mobilised to incidents outside of their gazetted response area.

Response time results are provided for five major classes of emergencies: structure fires, rescues, hazardous materials incidents (HAZMAT), other property fires and grass, scrub, rubbish and bush fires.

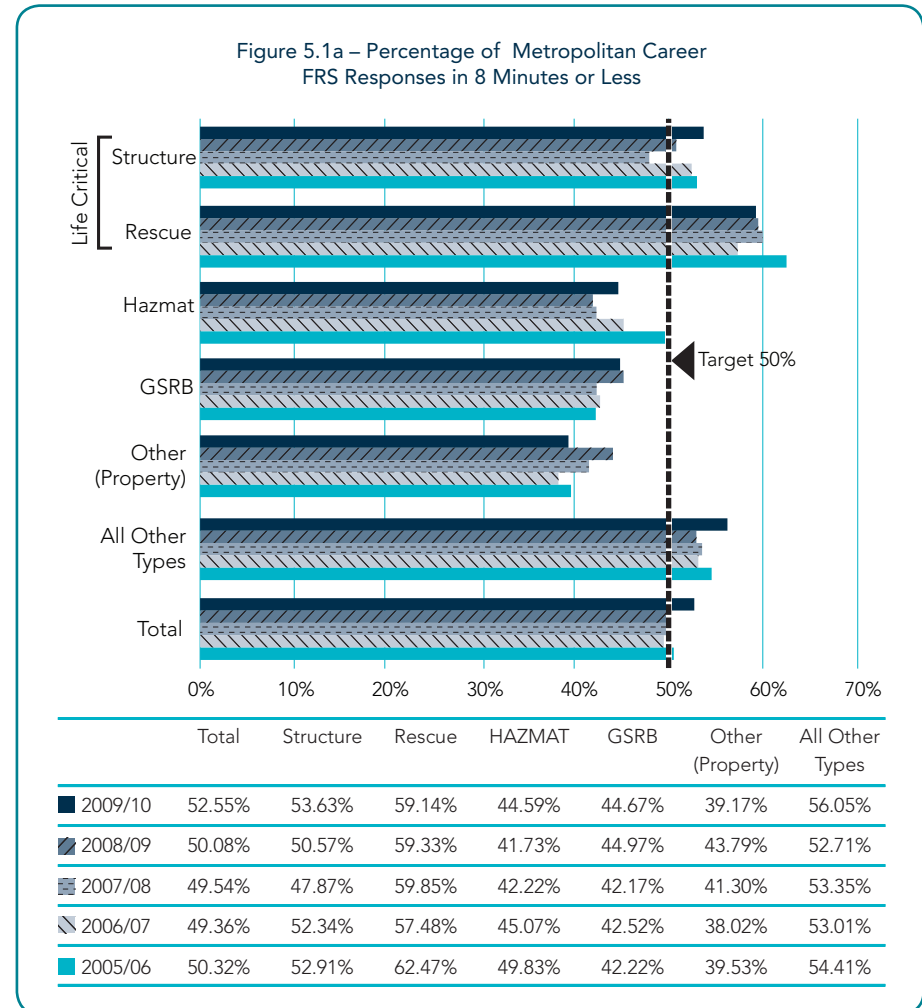
Total response times are measured from the time the request for attendance is received to the time that the first emergency crew arrives at the scene. Where there is a high potential threat to life (structure fires and road crash rescues), first response crews aim to be on scene within eight minutes or less 50 per cent of the time (50th percentile target) and within 12 minutes or less 90 per cent of the time (90th percentile target). These target timeframes are also used as a benchmark for responses to other types of incidents.

Data is based on incidents where career Fire and Rescue Service crews responded within their own area.

Results for this indicator rely on the accurate recording of ‘in attendance’ times and career Fire and Rescue Service appliances are equipped with mobile data terminals to accurately record time data. However, activation of the mobile data terminals is a manual process that sometimes fails. Major anomalies in the data have been reviewed and cleansed where appropriate. Incidents where an ‘in attendance’ time has not been recorded are excluded from the calculation.

Retrospective data entry will affect the results and data for past years has been updated to reflect the results as at 30 June 2010.

Our overall response times for 2009/10 (Figures 5.1a and 5.1b) were better than target on the 50th percentile and just below target on the 90th percentile. For life critical incidents (structure and rescue) our performance was better than target.



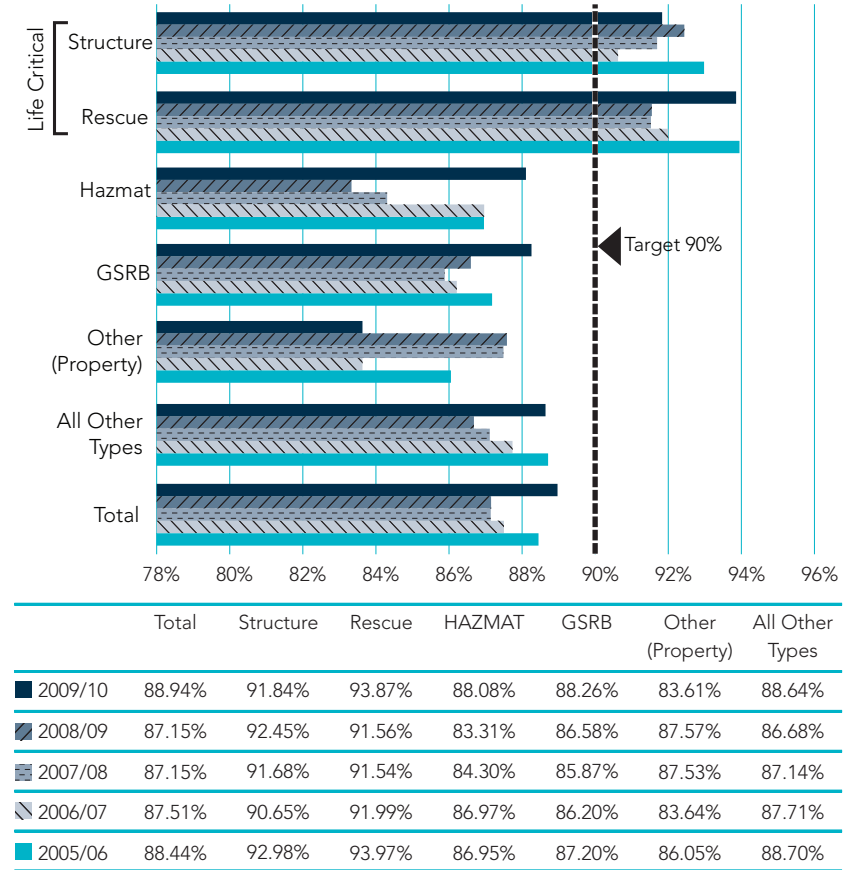
1. Structure fires are those fires in housing and other buildings (Source: Report on Government Services, 2010).
2. Rescue includes all non-fire rescues including road crash rescue.
3. HAZMAT includes petrol or flammable spills and gas leaks.
4. GSRB fires include grass, scrub, rubbish and bush fires.
5. Other (Property) refers to fires in special structures including but not limited to piers, bridges, tunnels, outside storage facilities and mobile property, for example buses, aircraft and rail.

Historically, response times to grass, scrub, rubbish and bush fires and to HAZMAT incidents are longer. Crews may take additional time to locate the specific site of scrub fires or bushfires, delaying confirmation on arrival times. HAZMAT incidents may require special equipment or skills which can extend mobilising time.

Limitations in the capabilities of current reporting systems mean that, in some instances, response times are overstated. Results are currently calculated for crews designated as the primary response only and do not allow for instances where support crews are the first on scene.

While response times for some categories are higher than the target times, there is a clear improvement in the results compared to last financial year.

Figure 5.1b – Percentage of Metropolitan Career FRS Responses in 12 Minutes or Less



Figures 5.2 to 5.6 provide response time information for specific incident types.

Structure

Structure fires are categorised as life critical incidents and receive the highest priority for response.

Our median response time improved by 0.22 minutes and our 90th percentile response time improved by 0.35 minutes.

We met both our 50th and 90th percentile targets in 2009/10.

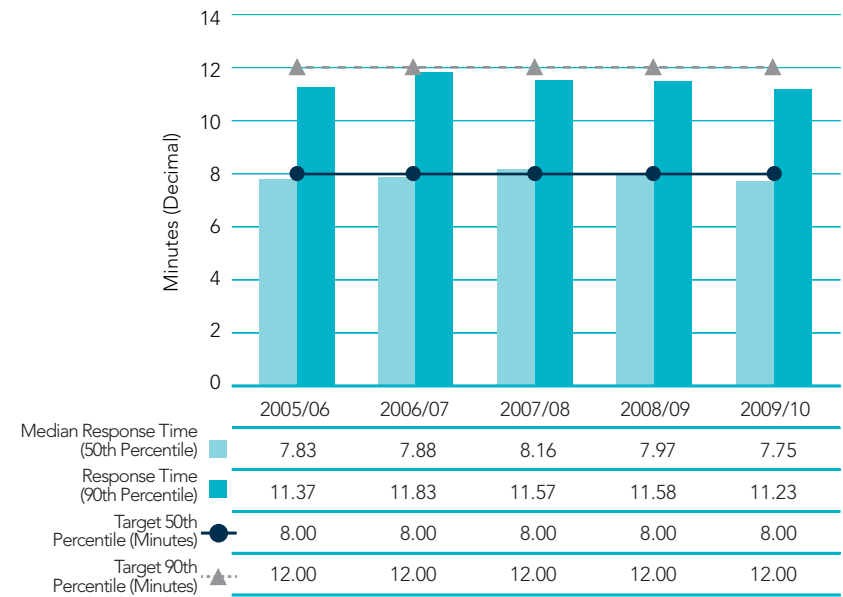
Major anomalies in the data have been reviewed and cleansed where appropriate. Incidents where an ‘in attendance’ time has not been recorded are excluded from the calculation.

Retrospective data entry will affect the results and data for past years has been updated to reflect the results as at 30 June 2010.

Response times for structure fire incidents are also reported through the [Report on Government Services](#) (RoGS).

Data in the RoGS includes responses by all services, which in Western Australia includes volunteers³, and is not comparable with data published in this annual report.

Figure 5.2 – Response Times 50th and 90th Percentile - Structure Fire Incidents



Times in this table are expressed in minutes	Median Response Time (50th Percentile)	Response Time (90th Percentile)	Number of Incidents Above 12 Minutes	Total Structure Fire Incidents	Minimum Total Response Times	Maximum Total Response Times
2009/10	7.75	11.23	72	882	0.17	35.00
2008/09	7.97	11.58	79	1,046	0.00 ¹	88.50
2007/08	8.16	11.57	86	1,034	0.00	70.23
2006/07	7.88	11.83	92	984	0.45	27.75
2005/06	7.83	11.37	58	826	0.05	31.67
5 Year Average	7.92	11.52	77	954		

³All services data includes responses by career Fire and Rescue Service, volunteer Bush Fire Brigades, Volunteer Emergency Services, Volunteer Fire and Rescue Service and Volunteer Fire Services.

1. Minimum response times of 0.00 minutes occur when fire crews notice and respond to an emergency before it has been reported to the Communications Centre by a 000 call.

Rescue

Rescues potentially pose a high threat to life. They are defined as life critical incidents and receive the highest response priority.

Road crash rescues currently comprise six per cent of our total incidents.

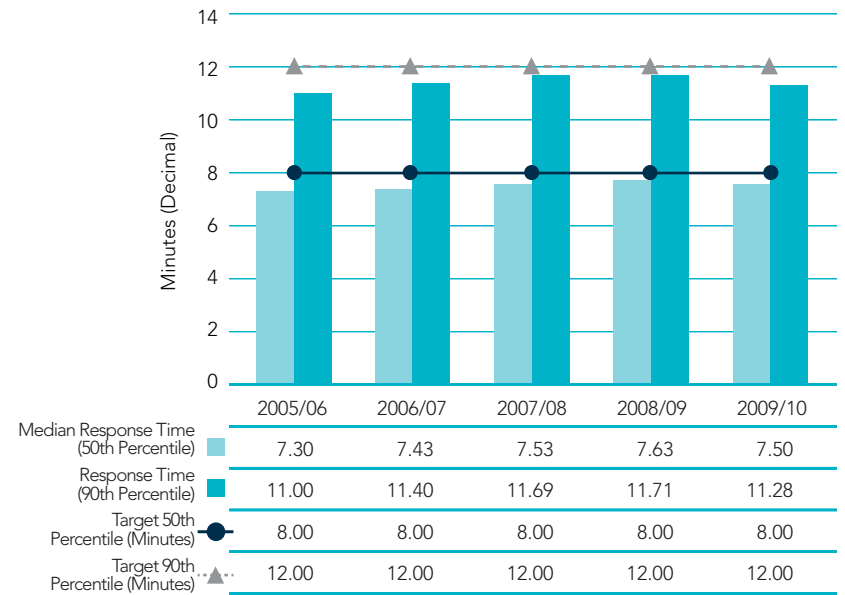
In 2009/10 our median response time improved by 0.13 minutes and our 90th percentile response time improved by 0.43 minutes.

We achieved our target for both our 50th and 90th percentile response times.

Major anomalies in the data have been reviewed and cleansed where appropriate. Incidents where an 'in attendance' time has not been recorded are excluded from the calculation.

Retrospective data entry will affect the results and data for past years has been updated to reflect the results as at 30 June 2010.

Figure 5.3 – Response Times 50th and 90th Percentile - Rescue Incidents



Times in this table are expressed in minutes	Median Response Time (50th Percentile)	Response Time (90th Percentile)	Number of Incidents Above 12 Minutes	Total Resue Incidents	Minimum Total Response Times	Maximum Total Response Times
2009/10	7.50	11.28	57	930	0.00	23.52
2008/09	7.63	11.71	80	948	0.00	31.15
2007/08	7.53	11.69	79	934	0.00	28.48
2006/07	7.43	11.40	68	849	0.03	34.95
2005/06	7.30	11.00	22	365	0.00	24.78
5 Year Average	7.48	11.42	61	805		

HAZMAT

Hazardous materials incidents (HAZMAT) involve an unexpected or unplanned accidental or deliberate release of a hazardous material. These incidents have the potential to endanger, damage or destroy the health and safety of people, property or the environment.

HAZMAT incidents can occur during the manufacture, use, handling, transport or storage of the hazardous material.

Minor fuel spills and leaks resulting from road crash rescues are not included in this data.

HAZMAT incident response times are usually greater than for other incident types as additional time is taken at the mobilisation stage to determine the hazardous materials that are involved, the appropriate response strategy and whether specialised resources such as special protective clothing are required to safely deal with the incident.

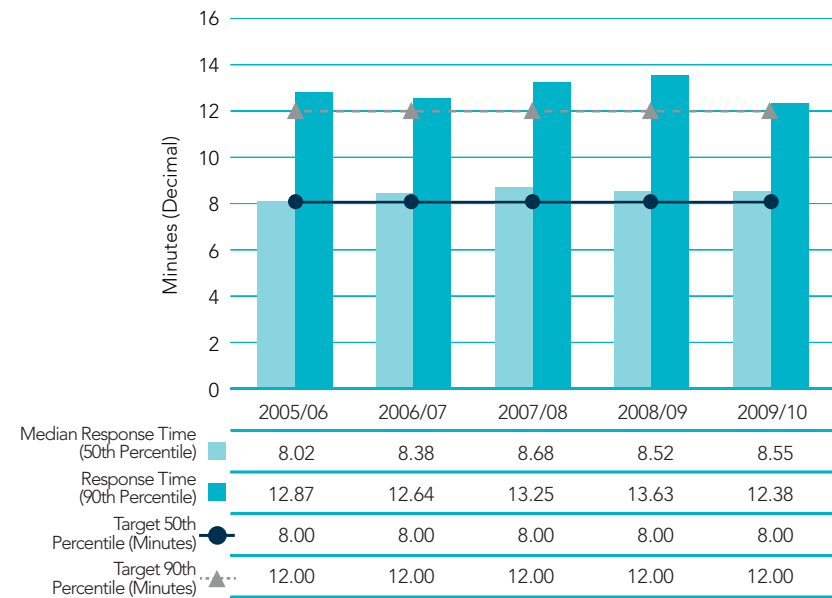
Our median response time for HAZMAT incidents in 2009/10 improved by 0.03 minutes compared to 2008/09. The 90th percentile response time decreased by 1.25 minutes.

Response times for 2009/10 for both the 50th and 90th percentiles exceeded the target times.

Major anomalies in the data have been reviewed and cleansed where appropriate. Incidents where an 'in attendance' time has not been recorded are excluded from the calculation.

Retrospective data entry will affect the results and data for past years has been updated to reflect the results as at 30 June 2010.

Figure 5.4 – Response Times 50th and 90th Percentile - HAZMAT Incidents



Times in this table are expressed in minutes	Median Response Time (50th Percentile)	Response Time (90th Percentile)	Number of Incidents Above 12 Minutes	Total HAZMAT Incidents	Minimum Total Response Times	Maximum Total Response Times
2009/10	8.55	12.38	54	453	0.00	20.30
2008/09	8.52	13.63	108	647	0.00	32.83
2007/08	8.68	13.25	116	739	0.00	27.13
2006/07	8.38	12.64	74	568	0.05	35.25
2005/06	8.02	12.87	115	881	0.00	37.72
5 Year Average	8.43	12.95	93	658		

Other (Property) Fires

Other property incidents include fires in special structures such as piers, bridges or tunnels, outside storage facilities and mobile property such as buses, aircraft and rail transport.

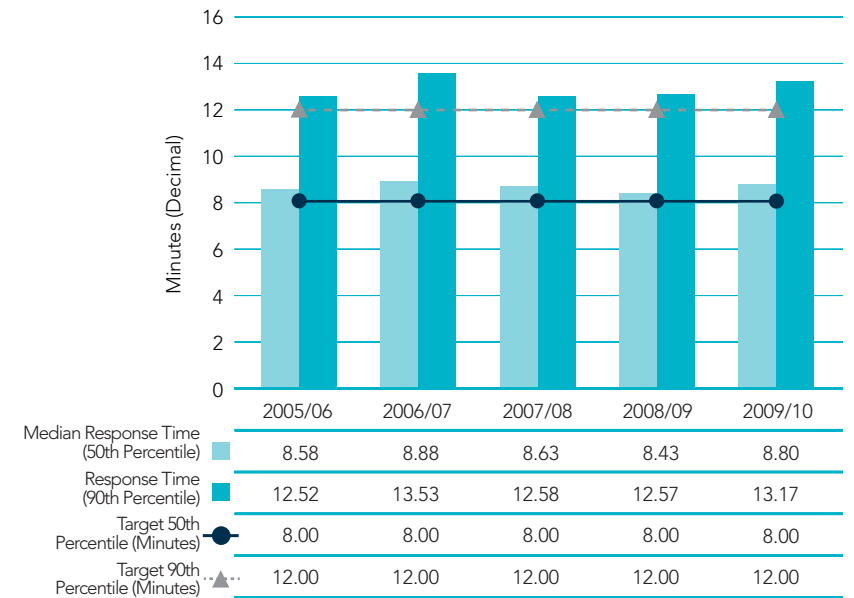
The median response time for other property incidents was 8.80 minutes, which was similar to last year's result. Our 90th percentile response time increased slightly compared to 2008/09.

The five-year average for this type of incident is currently more than the target times for both the 50th and 90th percentiles.

Major anomalies in the data have been reviewed and cleansed where appropriate. Incidents where an 'in attendance' time has not been recorded are excluded from the calculation.

Retrospective data entry will affect the results and data for past years has been updated to reflect the results as at 30 June 2010.

Figure 5.5 – Response Times 50th and 90th Percentile - Other (Property) Fire Incidents



Times in this table are expressed in minutes	Median Response Time (50th Percentile)	Response Time (90th Percentile)	Number of Incidents Above 12 Minutes	Total Other (Property) Fires	Minimum Total Response Times	Maximum Total Response Times
2009/10	8.80	13.17	59	360	0.03	57.07
2008/09	8.43	12.57	44	354	2.00	63.35
2007/08	8.63	12.58	48	385	0.00	27.75
2006/07	8.88	13.53	71	434	0.07	36.10
2005/06	8.58	12.52	48	334	0.00	79.40
5 Year Average	8.66	12.87	54	375		

Grass, Scrub, Rubbish and Bushfires

This incident category includes landscape and bushfires and outside rubbish fires, including those in landfill or construction sites.

With landscape and bushfires, extra time is often required for crews to reach the exact location of the fire, especially if they are required to move off road, and to determine the severity or potential impact of the incident. This can result in delays in notification that the crew has arrived on scene which will overstate travel times.

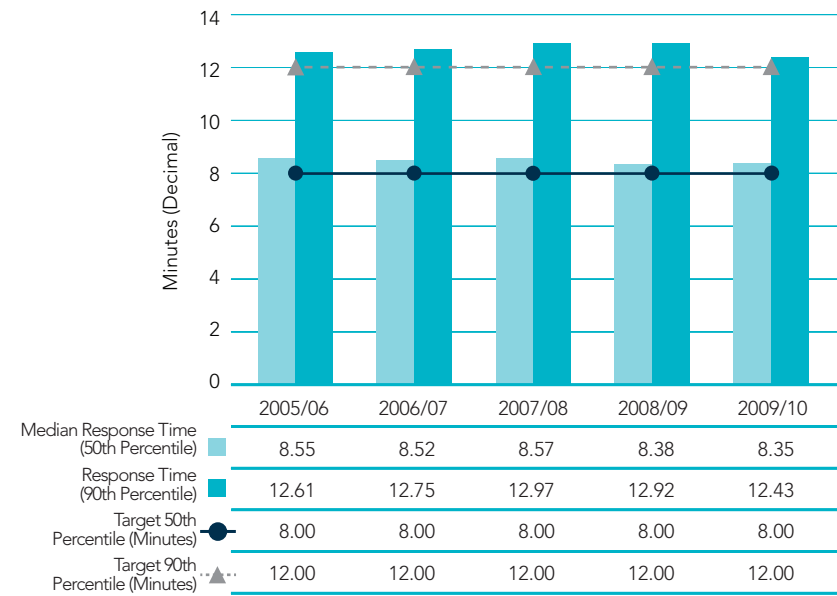
Our median response time in 2009/10 was 8.35 minutes. This is a slight improvement compared to the previous year.

In 2009/10, 88 per cent of grass, scrub, rubbish and bushfire incidents received a response within 12 minutes.

Major anomalies in the data have been reviewed and cleansed where appropriate. Incidents where an 'in attendance' time has not been recorded are excluded from the calculation.

Retrospective data entry will affect the results and data for past years has been updated to reflect the results as at 30 June 2010.

Figure 5.6 – Response Times 50th and 90th Percentile - Grass, Scrub, Rubbish and Bushfire Incidents



Times in this table are expressed in minutes	Median Response Time (50th Percentile)	Response Time (90th Percentile)	Number of Incidents Above 12 Minutes	Total GSRB Fire Incidents	Minimum Total Response Times	Maximum Total Response Times
2009/10	8.35	12.43	412	3,510	0.00	32.72
2008/09	8.38	12.92	645	4,808	0.00	123.83
2007/08	8.57	12.97	713	5,046	0.00	58.68
2006/07	8.52	12.75	711	5,153	0.00	37.33
2005/06	8.55	12.61	580	4,531	0.00	94.33
5 Year Average	8.47	12.74	612	4,610		

PERCENTAGE OF VOLUNTEER FIRE AND RESCUE SERVICE TURNOUTS WITHIN TARGET TIMEFRAMES – HMA ROLES ONLY

In regional areas, total response times can be affected by the availability of volunteers and extended travel to incident sites.

For volunteer services, turnout time is the most useful indicator for measuring service delivery. Turnout time is defined as the time between the brigade being notified of the incident by the FESA Communications Centre and when it is confirmed that the crew is en route to the incident.

This new indicator provides turnout times for the Volunteer Fire and Rescue Service (VFRS) only and excludes incidents where FESA is not the Hazard Management Agency (HMA).

Incidents attended by other volunteer services – Bush Fire Service, State Emergency Service, Volunteer Emergency Services, Volunteer Fire Services and Volunteer Marine Rescue Service are excluded as these volunteer groups most often respond to incidents where local government or Western Australia Police is the HMA responsible for managing response.

The 2009/10 proportion of turnouts within 14 minutes of 87.12 per cent is slightly lower than the 90 per cent target.

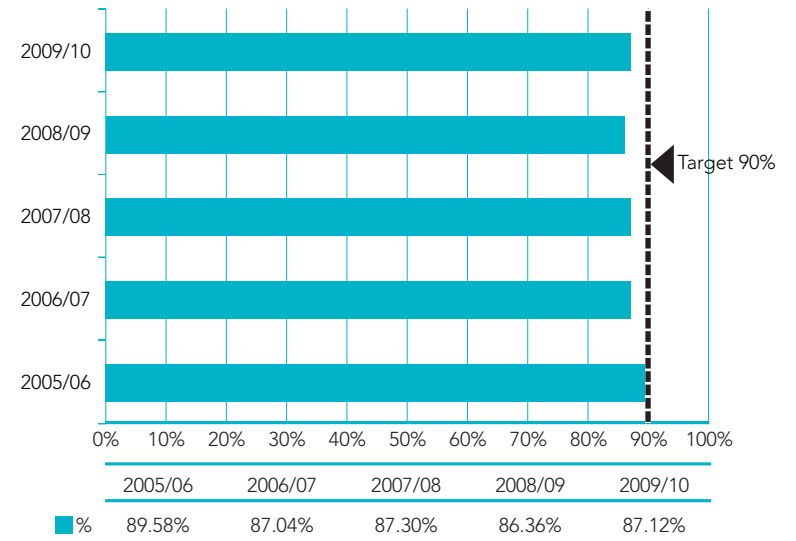
The indicator trend shows that VFRS turnout times have remained fairly stable.

The results for this indicator depend on accurate times being recorded in incident reports. Volunteer crews are not currently equipped with automatic time recording systems and this affects data reliability. In country regions turnout times are also affected by poor communications infrastructure which can also reduce data quality.

Our focus for 2010/11 is to reduce the number of incident reports with 'null' mobilising times by providing training support and resolving communication issues wherever possible. This will improve the reliability and integrity of turnout time data for decision making.

Further analysis of data for this indicator will help identify areas or locations where volunteer crews are unable to meet the target timeframe and assist in determining reasons for this. It will also aid in the development of recruitment and retention strategies to improve volunteer availability.

Figure 6.1 – Percentage of Volunteer Fire and Rescue Service Turnouts Within Specified Timeframes - HMA Roles Only



PERCENTAGE OF REQUIRED OPERATIONAL PERSONNEL TRAINED IN LEVEL 2 AND LEVEL 3 INCIDENT MANAGEMENT

Climate change is anticipated to increase the frequency and intensity of natural emergencies such as bushfires, storms and cyclones.

Appropriate levels of trained personnel are critical in maintaining the capacity to manage concurrent large scale incidents.

During 2009/10, we responded to several incidents that were significant in terms of their scale, intensity and timing. The bushfire season started early and involved a number of large scale incidents. The cyclone season also arrived early when category 5 Tropical Cyclone Laurence crossed the coastline twice, causing significant flooding across the country. The West Coast storm in March 2010 was described as a 'one in 50' year event. The timing of such an intense storm was also unusual, with most significant storm activity historically occurring between May and October. The intense operational activity continued through April 2010 when a 5.0 magnitude earthquake occurred in the Goldfields.

This indicator was introduced in 2009/10 and will inform training and succession planning for operational personnel.

Level 2 incidents are those that, as a result of their size or complexity, require additional resourcing from outside the incident area. Level 2 managers require specific competencies for different incident types – bushfire, or other natural hazard incidents such as storms and cyclones.

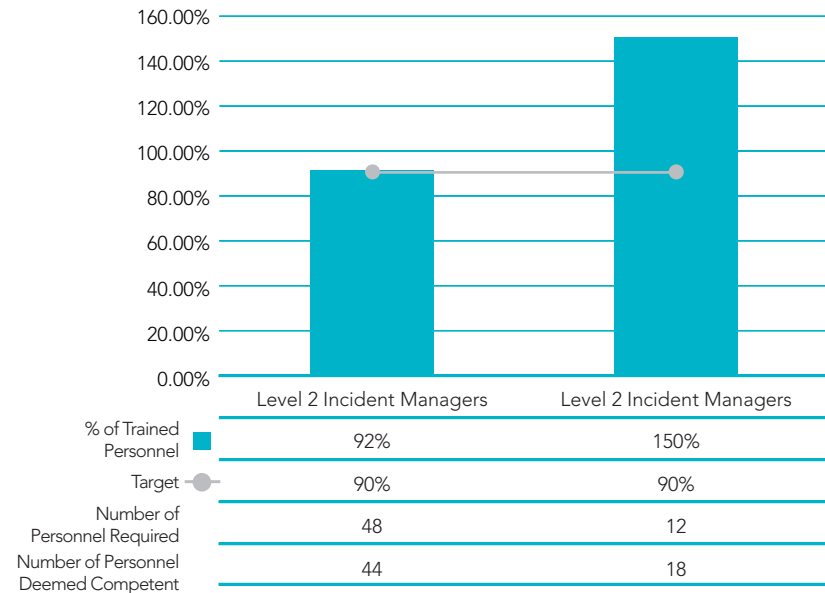
Level 3 incidents require significant state or national resources. Level 3 managers have incident specific competencies and are also able to fill strategic roles for the coordination of major incidents. Qualification is determined on the basis of operational experience, generally supported by formal training to attain nationally recognised competencies.

Minimum numbers at each level were determined to allow for statewide coverage. Significant work was then undertaken to audit operational personnel competencies and ensure the availability of suitable personnel to manage larger scale incidents.

Our focus in 2009/10 was to determine the capacity to manage bush fire risk across Western Australia. Our results indicate that current levels meet the target. Capacity to manage other types of incidents will be reviewed in 2010/11.

The audit identified some system and process issues in the recording of officers' competencies, which are now being addressed as a matter of priority.

Figure 7.1 – Percentage of Required Operational Personnel Trained in Level 2 and Level 3 Incident Management (Bushfire)



Note: Past data for this indicator is not available.

COST OF PREVENTION AND MITIGATION SERVICES PER CAPITA (WESTERN AUSTRALIA)

The objective of our Prevention and Mitigation Services is to ensure that Western Australian communities are able to prevent, prepare for and recover from emergencies.

More effective Prevention and Mitigation Services should reduce the demand for emergency services as well as reducing the consequences of fires and natural emergencies.

Our awareness and education programs support community stakeholders in reducing preventable emergencies, for example accidental fires, and in mitigating the risks of natural hazards specific to their location.

We take a targeted approach to the delivery of our programs to improve community outcomes at a local level. Some of our campaigns are seasonally focused, some are run on an ongoing basis and others are managed on a project basis.

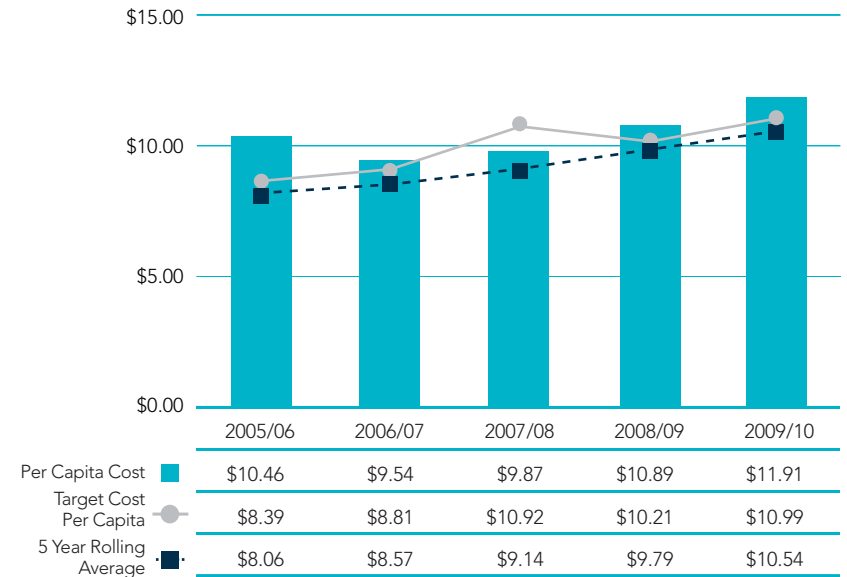
The majority of our community education programs are delivered with the support of locally based operational staff and volunteers.

Specialist advice and training includes support for local governments through the Community Emergency Management Officer program. These officers help local governments to understand their responsibilities under current legislation and assist in the development of emergency management planning.

In addition, our Community Fire Manager and Community Emergency Services Manager program supports local governments in identified high risk areas and to manage their local risks, through local level consultation and the coordination of response.

During 2009/10, Prevention and Mitigation Services have focused on aligning resources and materials for community education programs to support changes to bushfire preparedness strategies resulting from the Victorian Bushfires Royal Commission.

Figure 8.1 – Cost of Prevention of Mitigation Services Per Capita (WA)



Significant achievements that have contributed to increased expenditure for Prevention and Mitigation Services include:

- The establishment of the StateAlert emergency warning system.
- The implementation of new community fire danger ratings in partnership with the Bureau of Meteorology.
- Upgrading our website to improve community access to information.
- The re-opening of the [FESA Education and Heritage Centre](#).

Note: This is a new indicator that was introduced from 2009/10. Targets for previous years are provided for presentation purposes only.

COST OF EMERGENCY SERVICES PER CAPITA (WESTERN AUSTRALIA)

The focus of our Emergency Services is to minimise the impact of emergencies through the delivery of appropriate emergency response.

To achieve this outcome we must ensure that our emergency personnel, including volunteers, are appropriately trained, resourced and prepared to deliver efficient, effective and appropriate responses to emergency incidents.

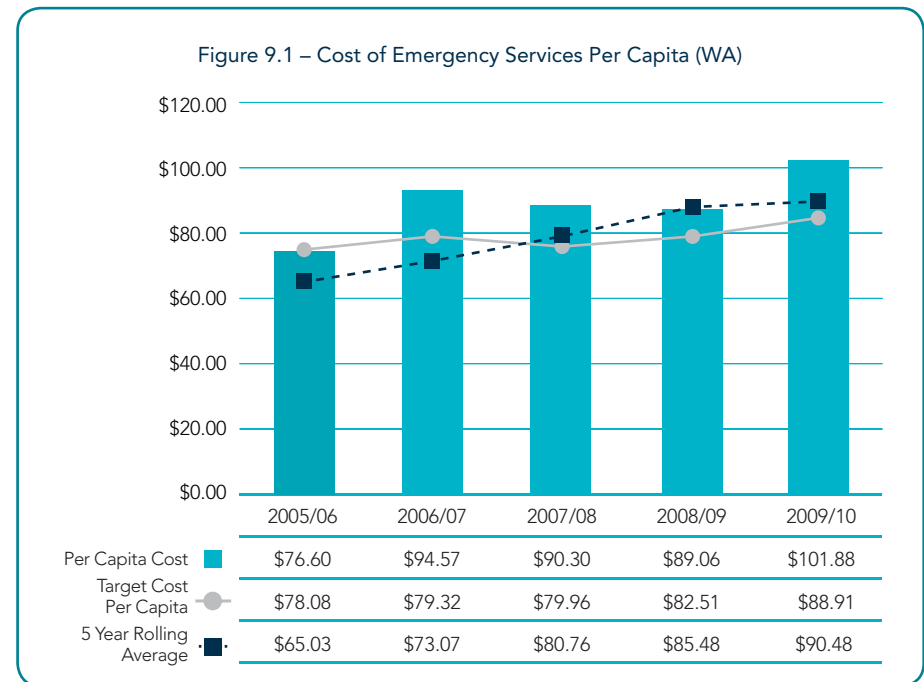
The total cost of our Emergency Services includes all fixed and variable expenditure involved in maintaining Emergency Services.

Total costs are affected by unbudgeted expenditure incurred in the management of significant emergencies caused by natural hazards. During 2009/10 these costs amounted to \$20,737,000.

Other major impacts on this year's results include:

- Additional approved funding for the improvement of bushfire preparedness and response capability in the South West region.
- Higher than anticipated property maintenance costs, including asbestos management and renovations.
- Payments administered for the Natural Disaster Relief and Recovery Arrangements.
- Increased Commonwealth funding associated with the National Disaster Resilience Program.
- Funding for two Type 1 helicopters.

Further information on the variations between end of year actual and budgeted expenditure can be found in the notes to the financial statements.



Note: This indicator was introduced from 2009/10. Targets for previous years are inserted for presentation purposes only.

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

FIRE AND EMERGENCY SERVICES AUTHORITY OF WESTERN AUSTRALIA FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2010

I have audited the accounts, financial statements, controls and key performance indicators of the Fire and Emergency Services Authority of Western Australia.

The financial statements comprise the Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

Board's Responsibility for the Financial Statements and Key Performance Indicators

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. This document is available on the OAG website under "How We Audit".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Fire and Emergency Services Authority of Western Australia Financial Statements and Key Performance Indicators for the year ended 30 June 2010 Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Fire and Emergency Services Authority of Western Australia at 30 June 2010 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions;
- (ii) the controls exercised by the Authority 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; and
- (iii) the key performance indicators of the Authority are relevant and appropriate to help users assess the Authority's performance and fairly represent the indicated performance for the year ended 30 June 2010.



COLIN MURPHY
AUDITOR GENERAL

8 September 2010



Auditor General

4th Floor Dumas House 2 Havelock Street West Perth 6005
Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664

MINISTERIAL DIRECTIVES AND COMMUNICATION

Ministerial Directives [TI 903(12)]

There were no ministerial directives during 2009/10.

Ministerial Communication

In accordance with Section 74 of the *Public Sector Management Act 1994*, we have a communications agreement with the Minister for Emergency Services that outlines communication procedures between the Minister's office and our employees. This agreement ensures that the Minister receives accurate and timely information and advice. In 2009/10, 93 per cent of correspondence was attended to within the specified timeframes.

	2009/10	2008/09
Ministerial items	854	722
Parliamentary Questions	64	37
Functions attended by the Minister	22	34

OTHER FINANCIAL DISCLOSURES

PRICING POLICIES OF SERVICES PROVIDED

User charges and fees are reviewed annually. Increases in user charges and fees are generally limited to increases in the consumer price index as advised by the Department of Treasury and Finance.

The [Emergency Services Levy](#) (ESL) was introduced in 2003/04 and provides the majority of our funding to enable effective service delivery for bushfires and structure fires, cyclones, earthquakes, floods, incidents involving hazardous materials, severe storms, tsunamis, road crash rescues and a range of search and rescue call-outs.

The ESL is a Western Australian Government charge that is in the main, invoiced and collected by local government, with the funds remitted to FESA. ESL rates and charging parameters are determined annually by the Minister for Emergency Services to raise an approved amount each year. The 2009/10 ESL budget, rates and charging parameters were published in the Government Gazette on 25 May 2009.

CAPITAL WORKS

The 2009/10 Capital Works Program of \$54.9 million comprised new works of \$9.8 million and work in progress of \$45.1 million. After adjusting for approved carry-overs from 2008/09 and revisions agreed with the Department of Treasury and Finance, the revised program for 2009/10 was \$24.6 million.

The Capital Works Investment Plan is developed on the basis of a resource to risk assessment which determines the emergency service infrastructure needs of communities and operational personnel throughout Western Australia. This process recognises demographic changes and changing community safety issues.

After extensive consultation with staff, the FESA Emergency Services Complex in Cockburn is moving into an exciting phase. The design stage of this purpose built facility was completed in February 2010 and the construction tender awarded in May. The complex will house Western Australia's Emergency Communications and Operations Centres and accommodate administrative and emergency support staff from existing facilities in Hay Street, Perth and Belmont. It is anticipated that the complex will be completed in October 2011 with relocation to the new facility expected in early 2012. The Emergency Services Complex will feature the latest in workplace design, combining both open plan and office accommodation, and will meet strict environmental standards.

Located in Western Australia's fast growing and heavily populated south west corridor between Perth and Mandurah, the Cockburn site offers a number of significant benefits including improved access and security for emergency management response functions associated with the Communications and Operations Centres. It is expected that these benefits will improve and increase operational capacity. The site also offers readily available public transport options, is well supported by retail amenities for staff and supports the Government's strategic direction for the decentralisation of office accommodation from the Perth central business district.

Other major land and building capital works for which allocations were made in 2009/10 had a significant regional focus, with new buildings and upgrades to existing facilities including the Geraldton Regional Office, a volunteer collocation facility at Dalwallinu, and Volunteer Fire and Rescue Service Stations in Carnarvon and Merredin. In the metropolitan area completed major building works included the Wellington Street and Belmont Fire Stations, and in regional areas the Derby collocated emergency facility.

Capital Projects – Work in progress

Capital Project	Estimated for Completion (Financial Year)
FESA Emergency Service Centre – Kununurra	2010/11
CFRS Bassendean/Kiara Fire Station	2010/11
CFRS Ellenbrook Fire Station	2010/11
FESA Emergency Services Complex – Cockburn	2010/11
Appliance Replacement Program	Various dates

Capital Projects – Completed

Capital Project	Completion (Month of 2009/10)
FESA Volunteer Collocation – Derby	April 2010
Wellington Street Fire Station	April 2010

NATURAL DISASTER RESILIENCE PROGRAM

In 2009/10, the Australian Government introduced the [Natural Disaster Resilience Program](#) (NDRP), which replaced the following disaster mitigation funding programs:

Bush Fire Mitigation Program

This program was managed in Western Australia by the Department of Environment and Conservation, which will continue to monitor the completion of outstanding projects.

Natural Disaster Mitigation Program

There are currently 26 outstanding projects totalling \$2.2 million under the 2008/09 Natural Disaster Mitigation Program which FESA will continue to administer until their completion.

National Emergency Volunteer Support Fund

This was an Australian Government program that provided funding to volunteer organisations to assist them in developing strategies to boost the recruitment, retention and training of volunteers in frontline emergency management response and recovery agencies.

In the final 2009/10 funding round, 27 Western Australian applicants were successful. This program ceased at 30 June 2010.

The NDRP is part of an ongoing, single funding program that aims to develop safer, more sustainable communities that are better able to withstand the effects of natural disasters, reduce the risks of such events, and reduce the damage and losses they cause.

Total NDRP funding of \$2,592,000 was allocated to Western Australia in 2009/10. Due to the late transition from the previous programs this 2009/10 funding was rolled over into 2010/11. In line with the National Partnership Agreement, \$150,000 has been allocated for Western Australian Natural Disaster Risk Assessment. Remaining funds will be allocated once agreement on administrative processes is reached.

WESTERN AUSTRALIA NATURAL DISASTER RELIEF AND RECOVERY ARRANGEMENTS

FESA manages the [Western Australia Natural Disaster Relief and Recovery Arrangements](#) (WANDRRA) which provide financial assistance to communities whose social, financial and economic wellbeing have been significantly affected by an eligible natural disaster event. WANDRRA payments can extend over several financial years.

During 2009/10, three events were proclaimed eligible natural disasters under the WANDRRA provisions:

- Tropical Cyclone Laurence and associated flooding (16 December 2009).
- Bushfires at Toodyay, Dandaragan and Coorow (29 December 2009).
- West Coast storm (21-23 March 2010).

WANDRRA provisions were not activated for the Kalgoorlie-Boulder earthquake in April 2010 as the estimated state expenditure on eligible assistance measures had not reached the small disaster criteria.

Details of the above activations, and of the WANDRRA, are available on the FESA website.

Total WANDRRA expenditure for 2009/10 was \$12,530,299, with expenditure by hazard category as follows:

Hazard	Total
Bushfire	\$1,015,387
Cyclone including associated flooding	\$6,227,070
Flood	\$4,781,944
Storm	\$505,898
Total	\$12,530,299

\$8,876,347.76 of the above amount was expended on the repair and restoration of road infrastructure.

EMPLOYMENT AND INDUSTRIAL RELATIONS

STAFF PROFILE

	2009/10 As at 30 June 2010	2008/09 As at 30 June 2009
Full time permanent	1,277	1,260
Full time contract	38	33
Full time trainees	1	2
Full time apprentice	1	0
Part time permanent	31	30
Part time contract	10	11
On secondment (at FESA) ²	5	8
On secondment (to other agencies)	2	3
Casual	4	2
Total (headcount)	1,364	1,341

² On secondment (at FESA) employees have been excluded from total headcount.

STAFF DEVELOPMENT

Registered Training Organisation Status

In late June 2009, FESA underwent a re-registration audit for its status as a Registered Training Organisation (RTO).

The audit was undertaken by the Training Accreditation Council (WA) and the results released in July 2009 indicated that FESA was compliant as a RTO against all of the standards and conditions of the Australian Quality Training Framework.

FESA was subsequently re-registered as a RTO in July 2009.

The Australian Quality Training Framework requires RTOs to report at national and state levels against nationally endorsed quality indicators for:

- Competency completions.
- Learner engagement.
- Employer satisfaction.

Over the period under review, FESA issued 52 qualifications, including 25 in the Certificate II in Public Safety (Firefighting and Emergency Operations).

Surveys were distributed during 2009/10 to measure learner engagement and employer satisfaction levels. Almost 20 per cent of learner surveys and 30 per cent of employer surveys were returned.

FESA consistently rated 65 per cent and above in the learner engagement criteria, which included ratings for trainer quality, effective support and training relevance.

In the employer satisfaction survey, FESA rated above 55 per cent in most criteria, and trainer quality was rated at 72 per cent.

The results from these surveys will form baseline data and a basis for future comparison. During 2010/11, we will also undertake assessments of both the quantitative data and the qualitative comments received through the surveys in order to determine appropriate continuous improvement actions.

Operational Training – Career and Volunteer

During 2009/10, training for FESA operational personnel included:

- Two trainee Firefighter Schools, one graduated in August 2009 with the other commencing in May 2010, graduating in August 2010.
- One Incident Command Course for prospective Station Officers.
- Major Incident Training.
- Delivery of the annual volunteer training calendar, which provides training to volunteers from all services, including local government Bush Fire Brigades and the State Emergency Service.

In addition:

- Career and volunteer personnel attended a range of leadership and management programs.
- We delivered six trainer courses, six assessor courses and one combined trainer/ assessor development course.
- 148 recognition of prior learning applications were registered for processing – 28 applications have been successfully completed, 120 are still pending.

Professional Development – Cultivating Organisational Leadership

FESA embarked on the Cultivating Organisational Leadership (COL) program in July 2007 to facilitate the professional and leadership skills of current and future leaders in FESA. COL sought to fulfill the following objectives:

- Improve individuals' leadership capabilities as identified in their individual development plans.
- Facilitate their own personal development.
- Improve the capability of the FESA leadership team as a whole.
- Lead cultural shifts underpinning organisational changes.
- Improve the organisational culture targeted towards community engagement.
- Effectively manage change in the organisation.
- Improve delivery and evaluation of current projects.
- Improve project and people management skills so as to continuously improve serviced delivery.

A total of 45 employees have participated in the COL in three intakes. Leadership development activities included:

- Formal education.
- Vocational skills training.
- Management development programs.
- Leadership coaching.
- On the job training.

FESA will evaluate the effectiveness of the program in 2010.

EQUITY AND DIVERSITY

A number of Equity and Diversity Plan initiatives were progressed during 2009/10:

- The delivery of training to deal with bullying and harassment to all employees, including those in regional areas.
- The FESA Equity and Diversity Group was established and its first meeting held.
- Reviews of the Grievance and Equal Opportunity policies were completed and a new Bullying and Harassment policy was developed.
- The electronic collection of employee equity and diversity information was approved with the aim of improving the response rate for the survey.

Through the development of its Equity and Diversity Group and Reconciliation Action Plan (RAP), FESA is exploring strategic and holistic opportunities to address barriers to Indigenous employment and the inclusion of Indigenous people in building safer and more resilient communities.

The RAP has established timeframes to identify and review barriers to Indigenous employment and foster opportunities for Indigenous people to benefit from the valuable training that becoming involved in volunteering provides.

We will focus on a number of key outcomes including fostering an inclusive culture, a harassment free workplace and ensuring employment practices are free of bias and do not discriminate unlawfully against employees or potential employees. The Equity and Diversity Group will also ensure that employment programs and practices include strategies for improving workforce diversity.

Traditionally, firefighter recruitment programs attract a high number of competitive applicants. Recently, 906 applications were received for 48 positions, with only seven applicants identifying themselves as being Indigenous. We also attract a low number of Indigenous applicants for generic recruitment. During the first half of 2010, of 1,016 applicants for generic FESA positions, only 11 identified themselves as Indigenous.

Our strategies for increasing our recruitment and retention of Indigenous Australians include (where appropriate):

- Circulating vacancy advertisements to Indigenous media and Western Australian Government and employment agencies specialising in Indigenous recruitment.
- Providing and promoting flexible employment practices to enable Indigenous Australians to meet their cultural and traditional obligations.
- Ensuring support systems provide Indigenous staff with culturally sensitive processes to raise and address concerns about their work situation.
- The targeting of appropriate educational organisations, such as the Clontarf Aboriginal College, promoting FESA as an employer of choice, developing mentoring programs and, where appropriate, utilising consultative links with community groups to stay informed of relevant issues affecting Indigenous groups, have also been identified as key strategies to improve diversity in our organisation.

RECRUITMENT

We aim to achieve continual improvement in all recruitment processes. We are able to attract quality applicants by evaluating past and present recruitment processes, monitoring current trends, and adapting our processes. In 2009/10, we received 1,016 applications for 68 advertised vacancies that included four pools, which in some cases resulted in multiple people appointed. Firefighter recruitment in 2009/10 resulted in 906 applications for 48 positions.

WORKPLACE MANAGEMENT

FESA employees are covered by a number of awards and agreements providing terms and conditions of employment. The Western Australian Fire Service Enterprise Bargaining Agreement 2008 which covers firefighters, communications systems officers, fire safety officers and advisors, and applied training assistants, provides enhanced wages and conditions which benefit both employees and FESA. A new agreement will be negotiated during 2010/11.

In July 2009, we commenced negotiations for a replacement Agency Specific Agreement covering Government officers, and a replacement Fleet and Equipment Services agreement which will cover technicians at the O'Connor workshops.

There was no industrial action in 2009/10 that resulted in time lost due to absences. We are continuing to review and update our people management policies, and create new ones, to ensure we adhere to compliance requirements and reflect current best practice.

GOVERNANCE DISCLOSURES

CONTRACTS WITH SENIOR OFFICERS

FESA Chief Operations Officer, Mr Craig Hynes, was appointed to the position of Treasurer of the [National Aerial Firefighting Centre \(NAFC\) Ltd](#) in 2009. NAFC is a not for profit agency which distributes Australian Government funding to state fire agencies, including FESA, to support the combating of bushfires through national cooperative aerial firefighting arrangements.

At the date of reporting, other than normal contracts of employment of service, no other senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests had any interests in existing or proposed contracts with FESA.

FESA BOARD MEMBERS AS AT 30 JUNE 2010

Chairman

Mr Allan Skinner PSM

A retired career state public servant, Mr Skinner was a former Chief Executive Officer of the Department of Land Administration and Chair of the Bush Fires Board. Since his retirement in 2001, he has undertaken several consulting assignments for Government. He is a National Fellow of the Institute of Public Administration Australia (FIPAA) and a Fellow of the Australian Institute of Management (FAIM). Mr Skinner was awarded the Public Service Medal in 2001 and the Centenary Medal in 2003.

First appointed: 31 December 2002

Appointed as Chairman: 28 April 2008

Term expires: 27 April 2012

Deputy Chairman

State Emergency Service Volunteer Representative

Mr John Capes, OAM

Mr Capes has been involved in the State Emergency Service Volunteer Association in many capacities for the past 20 years. After leaving the Australian Government, he established his own business, Capes Consultancy Services, which supplies expertise on security and the facilitation of emergency management exercises.

First appointed: 2 November 1999

Appointed Deputy Chairman:
22 February 2010

Term expires: 2 February 2012

Bush Fire Services Consultative Committee Chairman

Mr Bruce Brennan APM

Mr Brennan had a long and distinguished career with the Western Australia Police, rising to the rank of Deputy Commissioner before his retirement in 2003. Mr Brennan represented the Western Australia Police on many committees, including the State Emergency Management Committee. In 1998, he was awarded the Australian Police Medal.

First Appointed: 6 February 2006

Deputy Chairman: 28 April 2008
– 22 February 2010

Term expires: 27 April 2012

Chief Executive Officer (Ex-Officio Member)

Ms Jo Harrison-Ward

Ms Harrison-Ward was appointed as FESA Chief Executive Officer in August 2006. She had previously occupied the position of Executive Director of the Western Australia Police from January 2005. Ms Harrison-Ward joined the public service in 1993 as senior advisor on emergency services to the Minister for Emergency Services for five years. From 1998 to 2005 she held a number of senior management positions at FESA including Executive Director, Emergency Management.

Ms Harrison-Ward holds a Graduate Certificate in Management and a Master of Leadership and Management and was awarded a Churchill Fellowship in 2004 to study Engaging the Community in Emergency Management. In 2008, she received the List Inspire Winning Ambassador CEO's Award. Ms Harrison-Ward is the Deputy Chair of the State Emergency Management Committee, Chair of the State Mitigation Committee, Executive Council Member of the Australasian Fire and Emergency Service Authorities Council and Chair of the Shared Services Client Management Council.

Bush Fire Brigade Volunteer Representative

Mr Eddie van Rijnsoud

Mr van Rijnsoud has 17 years experience as a bush fire brigade volunteer and was the Secretary of the Association of Volunteer bush fire brigades Western Australia Inc. for six years. For many years Mr van Rijnsoud has been involved in a variety of other voluntary community organisations and committees and also has 37 years' experience in the public sector.

First appointed: 7 December 2001

Term expired: 2 February 2012

FESA Employee Representative

Mr Iain Agnew

Mr Agnew has been an employee of FESA since 1979. He is a senior firefighter in the Fire and Rescue Service and is currently on secondment to the staff deployment branch. In 2000 he was appointed a member of the Fire and Rescue Service Consultative Committee and has also been a committee member of the United Firefighters Union of Western Australia since 1998.

First appointed: 25 November 2003

Term extended

Fire and Rescue Services Consultative Committee Chairwoman

Mrs Penelope Valentine

Mrs Valentine was a FESA staff member for seven years before leaving in July 2005 to pursue private business interests. Her professional career spans more than 40 years, commencing in journalism and more recently in management positions in media and public affairs, strategic planning and corporate governance with FESA. She currently serves in a voluntary capacity on several local government and community committees.

First appointed: 6 February 2006

Term Expires: 27 April 2012

Volunteer Fire and Rescue Services Representative

Mr Trevor Jones

Mr Jones has a long association with the Volunteer Fire and Rescue Service in regional Western Australia. He has been a member of the South Kalgoorlie brigade since 1977, including a five-year term as Captain, and the Kalgoorlie VFRS since its inauguration in 2005 where he holds the position of Secretary. Mr Jones is currently the Goldfields Zone representative for the WA Volunteer Fire and Rescue Services Association.

First appointed: 6 February 2006

Term expires: 15 February 2012

Independent Member

Ms Glenda Teede

Ms Teede has worked extensively with Indigenous communities throughout Australia and in particular the Kimberley region of Western Australia.

After six years as Chief Executive Officer of the Bidyadanga Aboriginal Community La Grange Inc, Ms Teede moved to Karratha to take up the challenge of becoming District Business Manager, West Pilbara for Horizon Power. This role includes being the On-Scene Commander, responsible for taking charge of procedures carried out in the event of a cyclone.

First appointed: 6 February 2006

Term expires: 27 April 2012

State Emergency Service Consultative Committee Chairwoman

Ms Sandra Gregorini

Ms Gregorini has been a volunteer bush fire brigade member for over 14 years and has been involved in a number of other community groups since 1966. She has 32 years experience in property development and management and is a current Councillor for the City of Swan. Sandra was Deputy Chair of this board for 2007-08.

First Appointed: 19 March 2002

Term expires: 27 April 2012

Volunteer Marine Rescue Services Consultative Committee Chairman

Mr Ross Monger

Mr Monger was a public servant of 43 years, mostly in state court administration. On his retirement in 2007, he was appointed Director of Magistrates Courts Western Australia. Mr Monger also spent 10 years with WorkCover Western Australia as the director responsible for workers' compensation dispute resolution. He is currently a Justice of the Peace and a lay member of two ethics committees.

First appointed: 28 April 2008

Term expires: 27 April 2012

Volunteer Marine Rescue Services Volunteer Representative

Mr Eliot Fisher, ESM

Mr Fisher is the former Commander Bunbury Sea Rescue and has had many years' experience as a volunteer with the Bunbury and York State Emergency Service units, Bunbury Volunteer Marine Rescue and the York Bush Fire Brigade. He currently serves as the National Commander of the Australian Navy Cadets. He has also served in the Citizen Military Forces and spent over 20 years as a leader in the Scout Association of Australia. Formerly a local government CEO, he retains an active interest in rural communities as Western Australian Local Government Association Zone Executive Officer for the South West.

First appointed: 28 April 2003

Term expires: 22 December 2011

Western Australian Local Government Association Representative

Councillor Christine Thompson

Cr Thompson is a Councillor of the Shire of Murray and the Chair of the Shire of Murray Local Emergency Management Committee. She also represents local government on the Peel Region District Emergency Management Committee and the Recovery Services Committee which is a sub-committee of the State Emergency Management Committee.

Cr Thompson has a wealth of experience in emergency services, is a current volunteer firefighter and has served on a number of advisory committees and boards.

First appointed: 30 May 2000

Term expires: 15 January 2011

Number of meetings attended in 2009/10

There were 11 Board meetings held during the year.

The record of attendance of members is as follows:

Iain Agnew	9
Bruce Brennan, APM	9
John Capes, OAM	11
Eliot Fisher ESM	8
Sandra Gregorini	10
Jo Harrison-Ward ¹	10
Trevor Jones	9
Allan Skinner, PSM	10
Glenda Teede	8
Penny Valentine	11
Eddie van Rijnswood	11
Christine Thompson	10
Ross Monger	9

¹ John Butcher attended one meeting as acting Chief Executive Officer in place of Ms Harrison-Ward.

FINANCE AND AUDIT COMMITTEE

During 2009/10, the committee held four meetings. Attendance was as follows:

Glenda Teede – Chair	3
John Capes	2
Eliot Fisher	3
Eddie van Rijnswood	3

Meetings were also attended by:

- Chief Executive Officer.
- Executive Director Corporate Services.
- Director Business Services (Chief Finance Officer).
- Manager Financial Services.
- Sutherland Rose (Internal Auditor).
- Office of the Auditor-General and/ or its representative, Deloitte.

FESA's Internal Audit is conducted by an outsourced provider, Sutherland Rose, in accordance with the Financial Management Act 2006 and the Institute of Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing. The Internal Audit provides independent, objective assurance and consulting that is designed to add value and improve our organisation's operations.

The following internal audits were conducted in 2009/10:

- Financial Audits: Determine whether the following processes are efficient, effective and comply with the *Financial Management Act 2006* and relevant Treasurer's Instructions.
 - Fixed Assets.
 - Revenue.
- Emergency Services Levy (ESL): Assess the effectiveness and efficiency of controls and processes in place to ensure the ESL is calculated and administered in accordance with the policy specified by Government and practices comply with FESA policies and procedures.
- Local government's acquittal of ESL payments: Ensure local government agencies spend the ESL payments in accordance with the funding agreement.
- VMRS: Review governance arrangements with VMRS and ensure grant monies are being spent in accordance with the grant provisions.
- Records Management: Ensure the records management service is efficient, addresses the needs of management and is in compliance with relevant legislation, including the *State Records Act 2000*, *Freedom of Information Act 1992* and the *Financial Management Act 2006*.
- Contracts: Ensure that contracts are tendered in accordance with State Supply Commission (SSC) policy, deliver value for money to the organisation and are managed appropriately.
- Fire Investigation Evidence: Ensure appropriate procedures are in place for secure collection, storage and retrieval of evidence as a result of fire investigation.
- OMS: An application controls review of the Operational Management System (OMS) and associated processes to ensure integrity of data.
- SSC Compliance: An audit of supply policies, procedures and work practices to determine whether audit reporting requirements are satisfied.
- FCAD: Post implementation review of the FESA Computer Aided Dispatch (FCAD) 000 dispatch system, which replaced the Brigade Operations Management System (BOMS).
- Volunteer Employee Recognition Program (VERP): Review VERP to satisfy ISO90001:2000 certification requirements.
- Workers Compensation and Injury Management: Ensure that claims are handled appropriately and in accordance with the *Workers Compensation and Injury Management Act 1981*.
- Air Helicopter Service: Review the Air Helicopter Service contract and ensure adequate contract and performance management procedures are in place.
- Legislative Compliance: Review procedures in place to ensure compliance with relevant legislation and ascertain whether these are effective.

CONSULTATIVE COMMITTEES

(Fire and Emergency Services Authority of Western Australia Act 1998, S36)

The FESA Consultative Committees represent staff and volunteer stakeholders from the operational services.

They provide input on strategic issues and advice in relation to policy and planning within the FESA Operations portfolio. They also maintain a communication channel, through the committee Chairs, between staff and volunteers in the field and the FESA Board.

BUSH FIRE SERVICE CONSULTATIVE COMMITTEE

The Bush Fire Service Consultative Committee (BFSCC), chaired by Mr Bruce Brennan, APM, comprises 15 members with a diverse range of bushfire experience. FESA, the Department of Environment and Conservation, the Western Australia Local Government Association and the Association of Volunteer Bush Fire Brigades are represented, as are all regions by District Officers Advisory Committee (DOAC) members.

During 2009/10, two members of the committee resigned, Mr Tony Ietto (WALGA) and Mr Paul Maddern (Association of Volunteer Bush Fire Brigades). Thanks were extended to them for their valuable contributions and advice, which were very much appreciated.

The committee welcomed new members Mr Colin James (WALGA) and Mr Rob Bootsma (Association of Volunteer Bush Fire Brigades) as their replacements.

The BFSCC met three times in 2009/10 and provided comment and advice to the FESA Board on a broad range of issues affecting the various operational areas of the Volunteer Bush Fire Service across Western Australia.

Some key issues covered during the year included the Victorian bushfires and lessons learned from them, updates on major incidents, training, equipment, volunteer safety and welfare, changes to legislation, prescribed burning and Emergency Services Levy grants processes.

FIRE AND RESCUE SERVICES CONSULTATIVE COMMITTEE

The Fire and Rescue Service Consultative Committee (FRSCC) is chaired by Ms Penelope Valentine, and comprises eight members who represent career and volunteer Fire and Rescue Service firefighters and provide a link to local government.

The FRSCC met four times in 2009/10 and received information and updates on new facilities, appliances and equipment, firefighter safety and training, major incidents and coronial inquests, community safety initiatives, volunteer support services and legislative changes.

Members provided comment and advice on a broad range of issues including critical incident stress prevention management for volunteers, training records, confined space rescue training for volunteers and the use of foam and wetting agents at bushfires.

In June 2010, Paul Southam resigned from the committee. His contribution was most valuable and much appreciated. His replacement is Mr Paul du Boulay.

STATE EMERGENCY SERVICE CONSULTATIVE COMMITTEE

The State Emergency Service Consultative Committee (SESCC) is chaired by Ms Sandra Gregorini and has 14 members, including three FESA representatives. Members from across the state represent volunteers in SES response districts.

In 2009/10, Mr Phil Petersen, Ms Andrae Moore and Mr Doug Simpson retired from the committee. Their dedicated efforts and input were acknowledged and greatly appreciated. The committee welcomed new members Mr David Price representing the SES Volunteers Association and Mr Ray Mahoney representing Metro North.

The SESC met four times in 2009/10 and continued to work towards its goal of representing and promoting SES volunteers at a strategic level. Members received presentations on various topics and provided comment and input on a broad range of operational issues, including volunteer buildings, appliances and equipment; training; regional structure changes; major incidents and volunteer support services.

VOLUNTEER MARINE RESCUE SERVICES CONSULTATIVE COMMITTEE

The Volunteer Marine Rescue Services Consultative Committee (VMRSCC) is chaired by Mr Ross Monger and comprises 12 members, including four FESA representatives. It represents Marine Rescue Service volunteers from across the state, with membership closely linked to the executive and regional representatives of Volunteer Marine Rescue Western Australia (VMRWA).

During 2009/10 the membership changed substantially. Mr John Reilly (metropolitan VMRWA representative) sadly passed away in May 2010, and Mr Keith Shadbolt (Vice President VMRWA) and Mr Gary Mackwell (Pilbara/Kimberley VMRWA representative) retired as a result of work commitments. The valuable contribution and input of these three members are acknowledged.

The committee welcomed three new members, Mr Barry Walton (metropolitan VMRWA representative), Mr Bradley Dean (Pilbara/Kimberley VMRWA representative) and Ms Louise Pickett (Vice President VMRWA and south coastal representative).

The VMRSCC met four times during 2009/10, and members provided comment on a range of issues including endorsement of capital grant funding for VMRS groups, training resource kits, the VHF marine repeater network, cadet programs, volunteer data management, use of the volunteer extranet and the Volunteer Employer Recognition Program.

INDEMNITY INSURANCE

An insurance policy is taken out to indemnify members of the FESA Board, directors and officers against any liability incurred under sections 13 or 14 of the *Statutory Corporations (Liability of Directors) Act 1996*.

The amount of the insurance premium paid for 2009/10 was \$19,175.