



Recreation Camps and Reserve Board 2004/2005 Annual Report



Department of Sport and Recreation
Government of Western Australia

CAMPS

Hon. Mark McGowan BA LLB MLA

Minister for Sport and Recreation

In accordance with Section 70A of the Financial Administration and Audit Act 1985, I hereby submit for your information and presentation to Parliament the annual report of the Department of Sport and Recreation for the period 1 July 2004 to 30 June 2005.

A handwritten signature in black ink, reading "Ron Alexander". The signature is written in a cursive, flowing style.

RON ALEXANDER

President Recreation Camps and Reserve Board

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President's Report



This is the last report of the Recreation Camps and Reserve Board (RCRB). As such, it marks a significant change in management of the chain of camps under the board's control.

In 1979 the RCRB was established under the Parks and Reserves Act 1895 to operate and regulate eleven camps and two major recreational reserves at Point Peron and Woodman Point. In the board's 26 years it has been fortunate to have a range of committed staff and board members who have made major contributions to advance the work and value of camps in our community. I wish to thank everyone for their efforts for the benefit of the board and, importantly, for the community.

The camps chain now consists of five operating camps, of which four are under direct management.

From 1 July 2005 the Department of Sport and Recreation (DSR) will assume the management of the current chain of camps under the direction of senior executives of the department and the Minister.

The State Government has committed more than \$15 million to restore or upgrade four of the camps. Contracts for work have already been let at Camp Quararup near Albany and work on redevelopment at Point Walter is expected to begin in August 2005. Work at Ern Halliday and Woodman Point is planned to begin in November 2005. These works are the result of many years planning and development involving consultation across staff, clients and the community to provide new and exciting facilities and recreational camp experiences.

Major highlights during the year included:

- An increase in participation levels in programs. The addition of new programs and initiatives for day use clients continued to grow. The adventure programs in the camps were key business drivers.
- During 2004/2005 a total of 16,664 people undertook 81,136 program participations, with an average of five activities per person.
- Accommodation occupancy in 2004/2005 was maintained at 57,134 bed nights (same as the previous year). This is a good result given the deterioration of some camp accommodation.
- During the year the board installed more than 200 new beds in the camps ensuring that every bed in the chain meets national standards. This occurred three years ahead of the expected rollout.
- A continued focus on training and development of staff across the chain. The implementation of National Outdoor Leader Registration Scheme (NOLRS) in WA has been identified as a key benchmark for camps staff. From July 2005 existing staff will have completed requirements to meet NOLRS accreditation and all new staff will need to be NOLRS accredited or show considerable progress towards accreditation. The camps run a comprehensive safety regime and a central safety committee reviews all new programs and update risk management and operating procedures across the chain regularly.

- Dissolution of the RCRB required considerable effort to meet deadlines for regulations and transfer of staff. Regulations related to the dissolution of the board were completed with assistance from the Department for Planning and Infrastructure and Parliamentary Counsel. The regulations were signed by Executive Council in June 2005. Staff and assets of the board have been transferred to the Department of Sport and Recreation.
- Lead architects were appointed to develop the capital improvements at four camps. David Heaver and Associates were appointed to carry out the work at Camp Quaranup. Sandover Pinder were appointed to lead the development plans for Point Walter, Ern Halliday and Woodman Point. Senior staff have worked closely with the architects to develop the level and style of facilities clients now expect.
- A range of water and land based adventure programs were offered at Woodman Point for the first time. This initiative was highly successful and participation targets exceeded expectations. Ern Halliday successfully partnered The Variety Club of WA to run adventure camps for disadvantaged young people from around WA. More than \$90,000 was raised during a radio-thon on 6PR to send nearly 500 young people on camps. Further camps are planned.
- During the year negotiations continued over the disposal of the cottage campsite at Tone River, but for a range of reasons this did not eventuate. The board determined that it would be prudent to go back to try to dispose of the camp during 2005/2006. The camp is currently managed under a care and maintenance routine with a resident caretaker.
- Consolidation of the management team. Two camp managers were relocated and a new manager appointed to one camp. For the first time a manager was appointed to Woodman Point in preparation for its redevelopment.

I wish to thank my fellow board members for their work during 2004/2005, particularly for their advice and support during the transition of camps management from the RCRB to the Department of Sport and Recreation. I would also like to thank DSR staff who assisted in the transition, which was virtually seamless.

Finally, I congratulate the camps staff and leadership team for their committed efforts, creativity and work in the past year.

There are many challenges ahead and I am confident that we will meet them with the same enthusiasm and imagination to bring further benefits to the community.



RON ALEXANDER
President Recreation Camps and Reserve Board

August 2005

Legislation and Compliance



The Recreation Camps and Reserve Board is a board constituted under the *Parks and Reserves Act 1895*.

In December 2003 assent was given to the Acts Amendment (Reserves and Recreation Board) Bill 2003 to enable the board to be dissolved and its operations integrated within the Department of Sport and Recreation.

Legislation impacting on board activities

In the performance of its functions, the board has exercised controls, which provide reasonable assurance that it has complied with the following relevant written laws:

- Parks and Reserves Act 1895
- Parks and Reserves (Dissolution of the Recreation and Camps Reserve Board) Order 2005
- Recreation Camps and Reserve Repeal By-laws 2005
- Financial Administration and Audit Act 1985
- State Supply Commission Act 1991
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- Public and Bank Holidays Act 1972
- Equal Opportunity Act 1984
- Government Employees Superannuation Act 1987
- Workers' Compensation and Rehabilitation Act 1981 (as amended Workers' Compensation and Rehabilitation Amendment Act 1993)
- Freedom of Information Act 1992
- Occupational Health and Safety Act 1984
- State Records Act 2000
- Industrial Relations Act 1979
- Workplace Agreement Act 1993
- Minimum Conditions of Employment Act 1993

Disability Services Plan

The RCRB has two members on the Equity and Access Committee of the Department of Sport and Recreation and shares the department's commitment to this committee.

Equity, access and inclusion are principles on which the board's and DSR's Strategic Intent is based. The inter-divisional equity and access committee met quarterly to progress the agency's plan.

Key achievements against the plan's key outcomes are:

- Existing services are adapted to ensure they meet the needs of people with disabilities.
- DSR entered into a contractual agreement to deliver the Disability Education Program on behalf of the Australian Sports Commission for the first time in 2003/2004.
- Access to buildings and facilities is improved.
- Access considerations are at the forefront to newly designed buildings at Point Walter and Ern Halliday.
- All office re-locations took into account access requirements; planning for the agency's move to Leederville included all access considerations.
- Information about services is provided in formats that meet the communications requirements of people with disabilities.
- The department's style guide specifies the use of clear, concise language in all publications. The website has been reviewed to ensure compliance; it is mainly in black and white, with clear headings, a minimum of images and text presented in plain language.
- Access to information for staff and external clients has been provided through the services of the department's information centre but no specific requests have been received for alternative format materials.
- Staff are aware of and understand the needs of people with disabilities delivers advice and services.
- Industry awareness is increasing as the department's consultants discuss performance indicators targeted at servicing specific populations by state sporting associations during their funding assessment meetings.
- Opportunities are provided for people with disabilities to participate in public consultations, grievance mechanisms and decision-making processes.
- Equitable arrangements were made for ease of participation in consultation processes for sport and recreation policy.
- Grievance policy and procedures have been updated as required to allow for access for external people with disabilities.
- Opportunities are provided for people with disabilities to participate in all board camping programs and outdoor adventure programs, for example, the Point Walter Camp hosted many wheelchair abseiling programs, the "Handicamp" run by Rotary International and the Ausian Training conference. In addition the board has constantly upgraded its physical structures to accommodate special populations.

Public Sector Standards

The board has complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and has adopted DSR's Employee Charter which incorporates the Code of Conduct and is applicable to Recreation Camps and Reserve Board personnel.

All procedures are in place to support Public Sector Standards and to appropriately manage staff.

There were no applications made for the breach of standards.

Statutory Reporting

The RCRB is required to report how it complies with Principle 6 of the *State Records Act 2000*. The Act requires that a recordkeeping plan be submitted to the State Records Advisory Committee. The board's recordkeeping plan was approved subject to the Retention and Disposal Schedule receiving endorsement.

All recordkeeping requirements under the Act have been met.

Legislation and Compliance

Freedom of Information (FOI) Act 1992

There were no FOI requests received during the year.

Administration

The RCRB is administered through the DSR, with policies and procedures covering the areas of Equal Employment Opportunity, Disability Services, State Supply Commission Act 1991, Occupational Health, Safety and Welfare, Freedom of Information Act 1992, Risk Management and Customer Service Charter represented through DSR.

Advertising and Marketing Expenditure

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

Expenditure with Advertising Agencies

Marketforce Productions	\$ 3,211
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Expenditure with Media Advertising

Australian Business Directory	\$ 95
Australian Media Group	\$ 795
Outdoors WA	\$ 1,430
Perry Lakes Little Athletics Handbook	\$ 390
Sensis Pty Ltd (Yellow Pages)	\$ 6,461
West Australian Publishers	\$ 2,100

Expenditure with Market Research Agencies	Nil
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Expenditure with Marketing Agencies	Nil
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Expenditure will Polling Organistations	Nil
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Total Expenditure	\$14,482
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Organisation Profile



The Recreation Camps and Reserve Board is a statutory authority that has responsibility for six recreation camps and two major recreational reserves in Western Australia.

Vision

The board's vision is to provide quality outdoor recreational experiences in a range of environments.

Mission

The board's mission is to manage Department of Sport and Recreation outdoor recreation and conference centers to promote an interaction with natural environments and increased participation in physical activity.

Objectives

The board's objectives are to:

- provide accommodation and program delivery at each site;
- provide opportunities in a variety of physical activities that will increase participation, skills and fitness levels of individuals;
- provide professional development opportunities for educators, instructors, trainers and coaches;
- encourage personal and community growth through accommodation and program provision;
- be responsive to people who may not be exposed to outdoor recreational experiences at affordable prices; and
- manage risks through providing quality safe environments and employment of skilled staff.

Activities

The RCRB has the power to acquire, hold, lease and dispose of real and personal property and make by-laws.

The board requires assistance to successfully fulfill these obligations. All financial, human resources and other operational support services are provided by the Department of Sport and Recreation.

Organisation Profile

Membership

The Recreation Camps and Reserve Board is responsible to the Minister for Sport and Recreation. The membership of the board in 2004/2005 comprised:

Mr Ron Alexander
Director General
Department of Sport and Recreation President

Mr Graham Brimage
Director, Strategic Policy and Planning
Department of Sport and Recreation Member

Mr Ronnie Hurst
Director, Programs and Services
Department of Sport and Recreation Member

Mr Bill Swetman
Director, Business Management
Department of Sport and Recreation Member

Ms Lauren Cowan
Senior Policy Officer, Strategic Policy and Planning
Department of Sport and Recreation Member

Ms Faye Graham
Manager, Human Resources
Department of Sport and Recreation Member

The terms of all members of the board ended on 30 June 2005 and coincided with the dissolution of the board.

Sites and Facilities

The board's camps, which provide either cottage or dormitory style accommodation, are located in the Perth metropolitan area and the Great Southern region of Western Australia.

The camps are:

- Bickley Outdoor Recreation Camp (dormitory), Hardinge Road, Orange Grove
- Ern Halliday Recreation Camp (dormitory), Whitfords Avenue, Hillarys
- Point Walter Recreation and Conference Centre (dormitory), Stock Road, Bicton
- Woodman Point Recreation Camp (dormitory and cottages), O'Kane Court, Munster
- Camp Quaranup (dormitory) (leased to private operator), Big Grove, Albany
- Tone River Wilderness Camp (cottages) (closed in January 2004)

This camp is located near Manjimup, 352 km from Perth. The camp is managed by a caretaker pending disposal.

The Reserves are:

- Woodman Point Reserve No. 40184 designated for the purpose of recreation and conservation, and located south of Fremantle at Munster.
- Point Peron Reserve No. 27853 designated for the purpose of recreation, and located near Rockingham.
- Note: The day-to-day management of these reserves has been transferred to the Department of Conservation and Land Management (DCLM). The vesting for these reserves will revert to DCLM during the 2005/2006 financial year. The Woodman Point Camp will be excised from this planned vesting.

Organisation Structure



Bickley Outdoor Recreation Camp



Bickley Outdoor Recreation Camp is set in the Darling Scarp alongside picturesque Bickley Reservoir, 25 kms from Perth. The property is provided to the RCRB/DSR in a lease agreement with tenure until 2011. The camp offers self-catered dormitory accommodation for up to 72 people, tent camping for 50 people, and a day use area. Clients include schools, corporate, sporting, religious, youth, and family and community groups.

Major Highlights

- Replacement of old bunk beds with new Backpacker bunks which conform to Australian Standards.
- Upgrading of security at Bickley with the installation of alarm systems and monitoring for the recreation shed and office.
- Demolition and removal of asbestos shower block.
- Upgrading of computer services and technology including ADSL connection.
- Gymnastics WA attended the camp and participated in a range of activities including the high ropes, climbing wall and rubber rafting.
- Rotary Youth Leadership Association conducted two major camps in January and one of the major highlights was abseiling at Statham's quarry.

Performance and Achievements

Bickley Camp recorded 7,374 bed nights in dormitory occupancy, which represents a six per cent increase on the previous year. Tent occupancy decreased by four per cent because camping under canvas was less attractive to community organisations and schools groups.

Program participation of 11,656 at Bickley in 2004/2005 represents a decrease of four per cent from the previous year. The program participation translates to 3,026 people undertaking at least one recreational program in 2004/2005.

New activities developed at the camp include the addition of a portable climbing wall and the opportunity to package programs.

Marketing and Promotion

The Bickley Camp has traditionally delivered programs of a longer duration of approximately three hours. To encourage the take-up of additional programs, camp management developed a Full of Fun package that combined accommodation, program and catering as a complete product.

This was initiated in 2004/2005 and is expected to further develop during 2005/2006.

Ern Halliday Recreation Camp



Ern Halliday Recreation Camp is located on the coast 22 kms north of Perth. The adventure complex features two large self-contained dormitory camps, two group tent areas and one of the best ranges of adventure programs in Australia.

Major Highlights

- The Duke of Edinburgh Award continued to grow in delivering expedition skills training. Training has risen from the bronze level to also include silver and gold participants. The camp has successfully coordinated and supervised several expeditions in bush walking and canoeing.
- Ern Halliday continued its partnership with the Garnduwa Aboriginal community by conducting programs in the Argyle Diamond mine for the Kimberley Aboriginal Girls Leadership Camp.
- Ern Halliday in partnership with the Variety Club of WA held four successful camps during January. Ern Halliday provided all staff and activities for the camps which provided the participants with “once in a lifetime” experiences.
- School holiday programs were again popular, with 1,458 participations recorded. Programs were conducted during each holiday period throughout the year.
- The continuation of the neighbourhood-networking projects helped baby boomers to tackle their fear of heights and challenged teenagers to abseil and undertake ocean paddling programs.
- Conceptual work continued on the proposed artificial caving system. This will be the first facility of its kind in the metropolitan area.
- Construction and implementation of new roping elements, Jacob's Ladder and Cargo Net, added to the diversity of the camp's roping programs.
- The camp's client base was expanded to include outreach programs, which involved working with local schools to deliver a wide range of outdoor education programs.
- The camp expanded its water-based programs to include sea kayaking with programs and expedition opportunity being investigated.
- The camp continued to develop strategic partnerships with major stakeholders in the sport and recreation industry.

Ern Halliday Recreation Camp

Performance and Achievements

The camp had an increase in total dormitory occupancy of 316 bed nights to 21,340 bed nights a two per cent increase on the previous year. Cottage and tent occupancy decreased by 17 per cent in 2004/2005 to 2,452 bed nights.

Program participations of 44,013 was the highest recorded in the history of the camp representing an increase of nine per cent from 2003/2004.

The number of people undertaking at least one program was 8,789 compared with 7,732 in 2003/2004.

Marketing and Promotion

Marketing the camp was largely achieved through an orchestrated client recommendation program. The strategy incorporated lengthy site visits with potential clients and placed emphasis on groups having positive experiences while at the camp. The continual movement of teachers between schools greatly assisted this strategy.

Mail outs of brochures for the school holiday programs were carried out and this proved to be of great success with record numbers registering for the programs.



Point Walter Recreation and Conference Centre



The Point Walter Recreation and Conference Centre is located 20 minutes from the Perth CBD and 10 minutes from Fremantle. It has magnificent river and city views from its parkland environment. Point Walter can accommodate up to 96 people and is an ideal venue for conferences, seminars, school camps and sport and recreation activities. The centre has developed a range of adventure activities and team building events that are in great demand.

Major Highlights

- The Rotary Club of Perth held two successful Handicamps and the Princess Margaret Hospital Diabetes Clinic conducted a camp during January. Participants enjoyed wheelchair abseiling, flying fox and water-based programs. The centre's accommodation is suitable and accessible for people with special needs and has an excellent reputation for providing quality programs.
- The Association of Citroen Enthusiasts of Australia held a successful Easter camp with participants coming from around Australia.
- Several State Government, private agencies and corporate groups such as the Department of Conservation and Land Management, Stolen Generation, Derbal Yerrigan Health Service, Office of Youth, WA Aids Council and Agriventure held successful conferences at the centre.
- Schools, universities and sporting groups from all over WA such as Wesley College, UWA, Donnybrook DHS, Melville Water Polo Club (International Hosts) utilised the centre or participated in recreation programs.

Performance and Achievements

The centre had an increased dormitory occupancy level of 10 per cent in comparison to 2003/2004. This equated to an increase from 10,670 bed nights in 2003/2004 to 11,761 bed nights in 2004/2005.

Program participations decreased by 3,330 to 12,946 representing a decrease of 20 per cent from 2003/2004. Participant numbers also decreased by 393 to 2,670.

The centre introduced archery as a program activity on site. The high ropes course continued to be popular with professional and corporate groups as a team building activity and continues to be an area of growth.

Plans for capital works were finalised and put out to tender with work to commence in August 2005.

Marketing and Promotion

Promotional material was produced to include the proposed new facilities with details of changes that will occur in the future.

Client information was updated to reflect new prices, programs and services. Significant promotion of the recreation programs, in particular, the high ropes course and archery activities, were undertaken in 2004/2005.

Woodman Point Recreation Camp



Woodman Point Recreation Camp is located on the coast 10 kms south of Fremantle within the Woodman Point Regional Park. With bed capacity (250), the ability to handle up to four groups at one time and its historical significance, this camp has the potential to be developed as a premier outdoor recreation camp in Western Australia.

The camp provides unlimited potential for water based recreational activities including water safety training, small boat handling, kayaking and canoeing, yachting, fishing, scuba training and a myriad of other leadership and team building activities.

In addition, the camp provides opportunities for clients to appreciate the heritage and historical significance of the site that was previously a Quarantine Station.

Major Highlights

- The confirmation of a major capital upgrade that will bring the camp up to compliance standards.
- A new marketing plan that resulted in program sales of more than \$100,000 in the camp's first full year of offering recreation and team building programs.
- Recognition by clients that the camp is a legitimate provider of high-level recreation programs that resulted in a significant number of repeat bookings.
- The development of detailed operational and risk management plans consistent with other camps in the chain has given clients confidence in using the camp for excursions and programs.
- The introduction of meet-and-greet packages for clients that outlined all camp activities, local attractions and contact telephone numbers/emergency management plans.
- Staff continued to develop working links with "The Friends of Woodman Point" group who manage the community hub at the Isolation Hospital.

Performance and Achievements

There was a nine per cent decrease in total occupancy to 13,253 bed nights, a reduction of 1,377 on the previous year.

Program participation numbers increased from 2,583 in 2003/2004 to 12,521 in 2004/05 while participant numbers increased from 339 in 2003/2004 to 2,179 in 2004/2005.

Construction of a new team-building program area in the centre of the site allowed groups to participate in team-building and recreation activities. A fleet of paddle craft, archery equipment and a range of team-building and initiative games equipment were purchased.



Marketing and Promotion

Marketing Woodman Point was largely achieved through word of mouth; telephone marketing and targeted direct mail out, supported by a diverse new product. The strategy incorporated discussions with potential clients to understand their exact requirements and then staff designed a program to suit the group's needs and goals.

A great deal of client interest was created using display boards and graphics detailing the future renovation and upgrade of the site. These displays were used at conferences such as the Outdoor WA State Conference and the Seniors' Have-A-Go-Day at Burswood Park.

Direct marketing to schools was instrumental in achieving high volume program sales this year.

Camp Quaranup



Formerly a quarantine station, Camp Quaranup is located across Princess Royal Harbour from the Albany town site. It contains six dormitories and can accommodate 103 people.

The camp remains extremely popular with schools and community groups.

The site has been identified as significant in the development of Western Australia and the City of Albany, and is part of the Vancouver Waterways Project, which will allow increased access by tourist groups, particularly by boat from Albany.

Restoration continued with assistance from the Australian Government, the board, the local community, and investment by the lessee. Maintenance and repair of the fabric and infrastructure remains a responsibility of the State Government.

A major restructure works program was commenced, for completion in late 2005. More than \$1 million has been committed towards:

- refurbishing kitchen/catering facilities;
- creating new toilets and ablution facilities;
- installation of new water and power infrastructure; and
- removal of remaining asbestos material.

The upgrades at Quaranup will provide new amenities for the growing client base.

Recreation Reserves

Management of the reserves at Woodman Point and Point Peron vested in the Recreation Camps and Reserve Board has been transferred to the Department of Conservation and Land Management (DCLM).

The formal transfer of the reserves to the Department of Conservation Commission (DCLM) has not occurred to first allow for the dissolution of the RCRB.

The vesting of the reserves to DCLM will include the excising of the Woodman Point Camp from the existing Reserve.

Tone River Wilderness Cottages

The process of disposing of the Tone River site did not progress at the rate the board had anticipated. The land is managed by a caretaker and is being prepared for disposal through Landcorp.

Camps Marketing and Promotion

The Camps Marketing Group (CMG) met eight times during the year to co-ordinate the marketing and promotion of the camp chain. The group has enabled the coordination of relevant marketing material at appropriate times to meet strategies across the camp chain. This has provided economies of scale with printed media costs.

Marketing strategies

- An updated advertising matrix containing all relevant advertising media was distributed to camps.
- The CMG specifically targeted school groups and ensured that all advertising was appropriate.
- Direct mail targeting of past and present organisations was developed advising of the upcoming Capital Improvement Program (CIP) and how it would affect clients.
- Activities to promote the CIP were co-ordinated by the group with displays at functions such as the Seniors Have-a-Go day at Burswood Park, November 2004 and the Outdoors WA State Conference, December 2004.
- CIP displays were showcased in all camp offices, the office of the Minister for Sport and Recreation and in at DSR regularly.
- Targeted mail outs to previous and prospective clients utilising specifically designed templates.
- Continual upgrading of information placed on the camps web site resulted in dramatic improvements and drew positive comments from clients.
- Continued improvement to the web site booking facility to enable potential clients to source information, check camp availability and make tentative bookings.
- Development of specific products aimed at target markets e.g. corporate training and leadership, employing cold calling and direct sales approaches to secure business.
- Use of metropolitan newspapers to advertise and promote specialist programs such as school holiday programs and other special events.
- Individual camp managers continued to promote their camps through local media and local community contacts.

In summary, this coordinated approach has resulted in clients being more accepting of material distributed by the camps to promote various programs and has eliminated duplication.

The Camps Marketing Group looks forward to another year during which it will have a major role to play in the success of all camps.



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

RECREATION CAMPS AND RESERVE BOARD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Audit Opinion

In my opinion,

- (i) the controls exercised by the Recreation Camps and Reserve Board provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Board at 30 June 2005 and its financial performance and cash flows for the year ended on that date.

Scope

The Board's Role

The Board is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law. The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the financial statements 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.

D D R PEARSON
AUDITOR GENERAL

27 September 2005

Certification of Financial Statements

for the year ended 30 June 2005

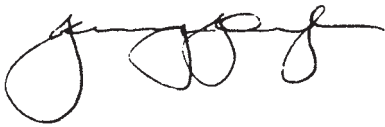
The accompanying financial statements for the Recreation Camps and Reserve Board have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the year ended 30 June 2005 and the financial position as at 30 June 2005.

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.



Chairman of Accountable Authority
G Brimage

30 August 2005



Principal Accounting Officer
J Ough

30 August 2005



Member of Accountable Authority
B Swetman

30 August 2005

Statement of Financial Performance

for the year ended 30 June 2005

	Note	2004/05 \$	2003/04 \$
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	2	1,553,800	1,255,159
Supplies and services	3	1,692,911	1,530,548
Depreciation and amortisation expense	4	293,689	527,961
Capital user charge	5	515,980	884,000
Carrying amount of non-current assets disposed of	8	382	232
Other expenses from ordinary activities	6	286	20,098
Total cost of services		4,057,048	4,217,998
Revenues from ordinary activities			
<i>Revenue from operating activities</i>			
User charges and fees	7	1,893,328	1,672,929
<i>Revenue from non-operating activities</i>			
Proceeds from disposal of non-current assets	8	-	589
Total revenues from ordinary activities		1,893,328	1,673,518
NET COST OF SERVICES		(2,163,720)	(2,544,480)
REVENUES FROM STATE GOVERNMENT			
Service appropriation	9	2,406,000	2,025,000
Liabilities assumed by the Treasurer	9	8,226	7,297
Resources received free of charge	9	386,811	368,905
Total revenues from State Government		2,801,037	2,401,202
CHANGE IN NET ASSETS		637,317	(143,278)
Net increase/(decrease) in asset revaluation reserve		751,249	756,081
Transfer from Asset Revaluation Reserve	18	-	(9,200,000)
Total revenues, expenses and valuation adjustments recognised directly in equity		751,249	(8,443,919)
Total changes in equity other than those resulting from transactions with WA State Government as owners		1,388,566	(8,587,197)

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

Statement of Financial Position

as at 30 June 2005

	Note	2004/05 \$	2003/04 \$
Current Assets			
Cash assets	19 (a)	599,665	273,677
Restricted cash assets	10	-	41,090
Receivables	11	149,534	192,256
Amounts receivable for services	12	2,210,000	2,079,000
Other assets	13	2,139	2,090
Total Current Assets		2,961,338	2,588,113
Non-Current Assets			
Amounts receivable for services	12	31,000	6,000
Property, plant and equipment	14	6,150,103	5,226,457
Total Non-Current Assets		6,181,103	5,232,457
Total Assets		9,142,441	7,820,570
Current Liabilities			
Payables	15	29,285	106,202
Provisions	16	131,403	97,111
Other liabilities	17	201,156	226,088
Total Current Liabilities		361,844	429,401
Non-Current Liabilities			
Provisions	16	58,850	57,988
Total Non-Current Liabilities		58,850	57,988
Total Liabilities		420,694	487,389
NET ASSETS		8,721,747	7,333,181
Equity			
Contributed equity	18	-	-
Reserves	18	7,080,823	6,329,574
Accumulated surplus	18	1,640,924	1,003,607
TOTAL EQUITY		8,721,747	7,333,181

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

Statement of Cash Flows

for the year ended 30 June 2005

	Note	2004/05 \$	2003/04 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		1,892,000	1,676,000
Holding account drawdowns		358,000	25,000
Net cash provided by State Government		<u>2,250,000</u>	<u>1,701,000</u>
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee costs		(1,567,109)	(1,320,071)
Supplies and services		(1,374,330)	(1,150,646)
Capital user charge		(515,980)	(1,020,000)
GST payments on purchases		(318,649)	(231,881)
GST payments to taxation authority		-	(165,138)
Receipts			
User charges and fees		1,937,949	1,578,412
GST receipts on sales		184,728	161,629
GST receipts from taxation authority		133,920	237,255
Other receipts		23,686	16,975
Net cash provided by/(used in) operating activities	19 (b)	<u>(1,495,785)</u>	<u>(1,893,465)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets		-	825
Purchase of non-current physical assets		(469,317)	(111,030)
Net cash provided by/(used in) investing activities		<u>(469,317)</u>	<u>(110,205)</u>
Net increase/(decrease) in cash held		<u>284,898</u>	<u>(302,670)</u>
Cash assets at the beginning of the financial year		<u>314,767</u>	<u>617,437</u>
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	19 (a)	<u>599,665</u>	<u>314,767</u>

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

Notes to the Financial Statements

for the year ended 30 June 2005

1 Significant accounting policies

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated these policies are consistent with those adopted in the previous year.

General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views 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 Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which, as noted, are measured at fair value.

(a) Service Appropriation

Service appropriations are recognised as revenues in the period in which the Board gains control of the appropriated funds. The Board gains control of appropriated funds at the time those funds are deposited into the Board's bank account or credited to the holding account held at the Department of Treasury and Finance. Refer to Note 9 for further commentary on service appropriations.

(b) Contributed Equity

Under UIG 38 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited directly to Contributed Equity in the Statement of Financial Position. Capital appropriations which are repayable to the Treasurer are recognised as liabilities. Refer to Note 9 for further commentary on the application of UIG 38 and TI955.

(c) Grants and Other Contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Board obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

Contributions 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.

(d) Revenue Recognition

Revenue from the sale of goods and disposal of other assets and the rendering of services, is recognised when the Board has passed control of the goods or other assets or delivery of the service to the customer.

(e) Acquisitions of Assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Notes to the Financial Statements

for the year ended 30 June 2005

1 Significant accounting policies (continued)

Assets costing less than \$1,000 are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

(f) Depreciation of non-current assets

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

Depreciation is calculated on the straight line basis, using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are:

Buildings	20 years
Plant and general equipment	3 to 5 years

(g) Revaluation of Land, Buildings and Infrastructure

The Board has a policy of valuing land, buildings and infrastructure at fair value. The annual revaluations of the Board's land and buildings undertaken by the Valuer General's Office are recognised in the financial statements.

Land and improvements are shown at valuation in the financial statements. Increments have been taken to the Asset Revaluation Reserve. Decrements are offset against previous increments relating to the same class of asset and the balance is charged to the Statement of Financial Performance.

(h) Leases

The Board has entered into a number of operating lease arrangements for vehicles where the lessor effectively retains all of the risks and benefits incident to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

(i) Cash

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

(j) Receivables

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

(k) Computer Software

Significant costs associated with the acquisition or development of computer software are capitalised and amortised on a straight line basis over the periods of the expected benefit of 3 years.

(l) Payables

Payables, including accruals not yet billed, are recognised when the Board becomes obliged to make future payments as a result of a purchase of goods or services. Payables are generally settled within 30 days.

(m) Employee benefits

Annual leave

This benefit is recognised at the reporting date in respect to employees' services up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

Long service leave

Leave benefits are calculated at remuneration rates expected to be paid when the liabilities are settled. A liability for long service leave is recognised as soon as an employee commences service. An actuarial assessment of long service leave undertaken by Barton Consultancy in 2004 determined that the liability measured using the short hand method was not materially different from the liability measured using the present value of expected future payments.

This method of measurement of the liability is consistent with the requirements of Accounting Standard AASB 1028 "Employee Benefits".

1 Significant accounting policies (continued)

Superannuation

Staff may contribute to the Pension Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund. The Board contributes to this accumulation fund in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. All of these schemes are administered by the Government Employees Superannuation Board (GESB).

From 30 June 2004, the Treasurer has assumed the liability for pension and pre-transfer benefit superannuation liabilities. The assumption was designated as a contribution by owners under TI 955(3)(iv) on 30 June 2004.

The superannuation expense comprises the following elements:

- (i) change in the unfunded employer's liability in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme; and
- (ii) employer contributions paid to the Gold State Superannuation Scheme and the West State Superannuation Scheme.

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided by the Board in the current year.

A revenue "Liabilities assumed by the Treasurer" equivalent to (i) is recognised under Revenues from State Government in the Statement of Financial Performance as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

The Board is funded for employer contributions in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. These contributions were paid to the GESB during the year. The GESB subsequently paid the employer contributions in respect of the Gold State Superannuation Scheme to the Consolidated Fund.

The liabilities for superannuation charges under the Gold State Superannuation Scheme and the West State Superannuation Scheme are extinguished by payment of employer contributions to the GESB.

(n) Employee benefit on-costs

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses (see notes 2 and 16).

(o) Accrued Salaries

Accrued salaries (refer Note 17) represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of financial year. Accrued salaries are settled within a few days of financial year end. The Board considers the carrying amount approximates net fair value.

(p) Resources Received Free of Charge or For Nominal Value

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.

(q) Comparative Figures

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

(r) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest dollar.

Notes to the Financial Statements

for the year ended 30 June 2005

	2004/05 \$	2003/04 \$
2 Employee expenses		
Wages and salaries	1,254,795	1,114,050
Superannuation	128,876	107,862
Long service leave	36,522	(24,372)
Annual leave	73,715	99
Other related expenses (i)	59,892	57,520
	1,553,800	1,255,159
(i) These employee expenses include superannuation, workers compensation premiums and other employment on-costs associated with the recognition of annual and long service leave liability. The related on-costs liability is included in employee benefit liabilities at Note 16.		
3 Supplies and services		
Repairs and maintenance	570,318	429,629
Services and contracts	481,028	513,040
Utilities	92,865	95,079
Motor vehicles	55,478	65,710
Equipment	189,930	99,488
Cleaning	47,827	56,392
Communications	31,117	30,987
Accommodation	195,671	213,952
Other	28,677	26,271
	1,692,911	1,530,548
4 Depreciation expense		
Buildings	269,490	505,527
Plant and general equipment	24,199	22,434
	293,689	527,961
5 Capital User Charge		
Capital user charge	515,980	884,000
A capital user charge rate of 8% has been set by the Government for 2004-05 and represents the opportunity cost of capital invested in the net assets of the Board used in the provision of services. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.		
6 Other expenses from ordinary activities		
Doubtful debts expense	286	20,098

	2004/05 \$	2003/04 \$
7 User charges and fees		
Accommodation	1,022,776	985,534
Meals	40,939	54,653
Rent and lease fees	52,964	50,822
Programs	655,929	464,619
Utilities/phones/miscellaneous	120,720	117,301
	1,893,328	1,672,929
8 Net gain/(loss) on disposal of non-current assets		
Gain on Disposal of Non-Current Assets		
Plant and general equipment	-	589
Loss on Disposal of Non-Current Assets		
Plant and general equipment	(382)	(232)
Net gain/(loss)	(382)	357
9 Revenues from State Government		
Appropriation revenue received during the year:		
Service appropriation (i)	2,406,000	2,025,000
	2,406,000	2,025,000
The following liabilities have been assumed by the Treasurer during the financial year:		
- Superannuation (ii)	8,226	7,297
Total liabilities assumed by the Treasurer	8,226	7,297
Resources received free of charge (iii)		
Determined on the basis of the following estimates provided by agencies:		
Crown Solicitors Office	1,120	1,008
Department of Sport and Recreation	385,691	367,897
	386,811	368,905
	2,801,037	2,401,202

- (i) Service appropriations are accrual amounts reflecting the full 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.
- (ii) The assumption of the superannuation liability by the Treasurer is a notional revenue to match the notional superannuation expense reported in respect of current employees who are members of the Pension scheme and current employees who have a pre-transfer entitlement under the Gold State Superannuation scheme.
- (iii) Where a liability has been assumed by the Treasurer or other entity, the Authority recognises revenues equivalent to the amount of the liability assumed and an expense relating to the nature of the event or events that initially gave rise to the liability.
- (iv) Where assets or services have been received free of charge or for nominal consideration, the Board recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners, in which case the Board shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

Notes to the Financial Statements

for the year ended 30 June 2005

	2004/05 \$	2003/04 \$
10 Restricted cash assets		
Accrued salaries suspense account	-	41,090
The amount held in the suspense account is only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.		
11 Receivables		
Current		
Trade debtors	106,955	169,362
Provision for doubtful debts	-	(15,373)
GST receivable	42,579	38,267
	149,534	192,256
12 Amounts receivable for services		
Current	2,210,000	2,079,000
Non-current	31,000	6,000
	2,241,000	2,085,000
This asset 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 liabilities.		
13 Other Assets		
Prepayments	2,139	2,090
14 Property, plant and general equipment		
Land		
At fair value (i)	566,000	566,000
	566,000	566,000
Buildings		
At fair value (i)	5,362,500	5,039,302
At Cost (i)	438,783	77,476
Accumulated depreciation	(269,490)	(505,527)
	5,531,793	4,611,251
Plant and general equipment		
At cost	245,331	226,787
Accumulated depreciation	(193,021)	(177,581)
	52,310	49,206
	6,150,103	5,226,457

(i) The revaluation of land, improvements and buildings was performed on 1 July, 2004 in accordance with an independent valuation by the Valuer General's Office. Fair value has been determined on the basis of current market buying values and values based on current use. The valuation was made in accordance with a regular policy of annual revaluation. Improvements after 1 July, 2004 are recognised at cost.

14 Property, plant and general equipment (continued)

Reconciliations

Reconciliations of the carrying amounts of property, plant and general equipment at the beginning and end of the current financial year are set out below.

	Plant, and general equipment \$	Land \$	Buildings \$	Total \$
2005				
Carrying amount at start of year	49,207	566,000	4,611,251	5,226,458
Additions	27,684	-	438,783	466,467
Disposals	(382)	-	-	(382)
Revaluation increments/(decrements)	-	-	751,249	751,249
Depreciation	(24,199)	-	(269,490)	(293,689)
Carrying amount at end of year	52,310	566,000	5,531,793	6,150,103
			2004/05 \$	2003/04 \$

15 Payables

Current		
Trade payables	29,285	106,202

16 Provisions

Current		
Annual leave (i)	64,943	54,119
Long service leave (i)	66,460	42,992
	131,403	97,111
Non Current		
Long service leave (i)	58,850	57,988
	190,253	155,099

(i) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation and workers compensation premiums. The liability for such on-costs is included here. The associated expense is included under Long Service Leave and Annual Leave (under Employee expenses) at Note 2.

The Board considers the carrying amount of employee benefits approximates the net fair value.

Employee Benefit Liabilities

The aggregate employee entitlements liability recognised and included in the financial statements is as follows:

Provision for employee benefits:

Current	131,403	97,111
Non-current	58,850	57,988
	190,253	155,099

Notes to the Financial Statements

for the year ended 30 June 2005

	2004/05 \$	2003/04 \$
17 Other Liabilities		
Current		
Deposits/Income in advance	201,156	170,442
Accrued salaries	-	55,646
	201,156	226,088
18 Equity		
Contributed equity		
Opening balance	-	105,000
Capital contributions (i)	-	-
Distribution to owners (ii)	-	(105,000)
Closing balance	-	-
Reserves		
Asset revaluation reserve (iii)		
Opening balance	6,329,574	14,773,493
Net revaluation increments/(decrements)	-	-
Transfer to Accumulated Surplus (iv)	-	(9,200,000)
Land	-	104,500
Buildings	751,249	651,581
Closing balance	7,080,823	6,329,574
Accumulated surplus		
Opening balance	1,003,607	1,041,885
Distribution to owners (ii)	-	(9,095,000)
Transfer from Asset Revaluation Reserve (iv)	-	9,200,000
Change in net assets	637,317	(143,278)
Closing balance	1,640,924	1,003,607

- (i) Capital Contributions have been designated as contributions by owners and are credited directly to equity in the Statement of Financial Position.
- (ii) The distribution to owners relates to land valued at \$9,200,000 in respect of the Noalimba Accommodation and Conference Centre, which was transferred to the Department for Planning and Infrastructure by the Government on 12 September 2003. The Centre ceased trading on 31 October 2002.
- (iii) The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1(g).
- (iv) The reduction in the Asset Revaluation Reserve relates to a previously credited increment for land relating to the Noalimba Accommodation and Conference Centre. Control of this land was transferred to the Department for Planning and Infrastructure by the Government on 12 September 2003. The revaluation credit relating to this land has been transferred to Accumulated Surplus.

19 Notes to the Statement of Cash Flows

(a) 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:

	2004/05 \$	2003/04 \$
Cash assets	599,665	273,677
Restricted cash assets (refer to note 10)	-	41,090
	599,665	314,767

(b) Reconciliation of net cost of services to net cash flows used in operating activities

Net cost of services	(2,163,720)	(2,544,480)
Non-cash items:		
Depreciation and amortisation expense	293,689	527,961
Adjustment for other non-cash items	286	-
Other expenses from ordinary activities	382	-
Resources received free of charge	386,811	368,905
Net (gain)/loss on sale of property, plant and equipment	-	(357)
Superannuation expense	8,226	7,297
(Increase)/decrease in assets:		
Current receivables (iii)	47,033	(52,803)
Other current assets	(49)	-
Increase/(decrease) in liabilities:		
Current payables	(74,067)	(166,603)
Current provisions	34,292	16,954
Other current liabilities	(24,932)	(15,833)
Non-current provisions	862	(41,228)
Net GST receipts/(payments) (i)	(1)	1,865
Change in GST in receivables/(payables) (ii)	(4,597)	4,857
Net cash used in operating activities	(1,495,785)	(1,893,465)

i) This is the net GST paid/received, ie. Cash transactions.

ii) This reverses out the GST in receivables and payables.

iii) Note that ATO receivable/payable in respect of GST and receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they are not reconciling items.

(c) At the reporting date, the Board had fully drawn on all financing facilities, details of which are disclosed in the financial statements.

Notes to the Financial Statements

for the year ended 30 June 2005

	2004/05 \$	2003/04 \$
20 Commitments for expenditure		
Non-cancellable operating lease commitments		
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, are payable as follows:		
Within 1 year	21,355	24,542
Later than 1 year and not later than 5 years	22,410	10,378
	43,765	34,920

These commitments relate to motor vehicles and are inclusive of GST.

21 Contingent Liabilities and Contingent Assets

The Members of the Board are not aware of any contingent liabilities and contingent assets as at reporting date.

22 Events Occurring After Reporting Date

In December 2003, the Parks and Reserves Amendment Act was passed to amend the Parks and Reserves Act 1895.

The amended Parks and Reserves Act 1895 makes provision for the dissolution of boards constituted under the Act and enables the Department of Sport and Recreation (DSR) to complete the incorporation of the Recreation Camps and Reserve Board operations into DSR as recommended in the Machinery of Government recommendations.

DSR has obtained legislative approval and has completed all transitional arrangements in advance of the dissolution which took place at midnight on 30 June 2005.

23 Explanatory Statement

(i) Significant variations between estimates and actual results for the financial year

Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those greater than 10% or \$75,000.

	Estimate \$	Actual \$	Variance \$
Employee expenses and superannuation	1,240,000	1,553,800	(313,800)
Supplies and services	3,103,000	1,692,911	1,410,089
Capital user charge	594,000	515,980	78,020
Depreciation and amortisation	489,000	293,689	195,311
User charges and fees	1,598,000	1,893,328	(295,328)
Service appropriation	3,423,000	2,406,000	1,017,000

Employee expenses and superannuation

Employee expenses were higher than expected due to an increase in programs conducted across the camps. The increase in employee expenses is offset by the increased revenue in user charges and fees.

Supplies and services

A significant portion of the estimated expense related to the major capital works program underway at the camps. There were delays in a number of projects resulting in lower expenditure for the year. The estimate also included \$300,000 for management fees which were capitalised in the Statement of Financial Position.

23 Explanatory Statement (continued)

Capital user charge

This was lower than expected due to an overpayment in 2003/04 that was adjusted in the 2004/05 expense. Payments are based on estimated closing net assets and subsequently adjusted when the final net assets position is calculated.

Depreciation and amortisation

The depreciation estimate factored in the additional capital works expenditure and therefore an increase in assets. The majority of the capital works expenditure was delayed and deferred until 2005/06, resulting in a lower depreciation expense.

User charges and fees

Revenue was higher than expected due to a significant increase in the number of program participations during the year. The estimate allowed for a reduction in participations as a result of the capital works program, however delays in capital works allowed a full year of program service delivery.

Service appropriation

The variance of \$1,017,000 is primarily due to the deferral of drawdowns as a result of delays in the capital works program.

(ii) Significant variations between actual revenues and expenditure for the financial year and the revenues and expenditures for the immediately preceding financial year.

Details and reasons for significant variations between actual results with the corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than 10% or \$75,000.

	2004/05	2003/04	Variance
	\$	\$	\$
Employee expenses	1,553,800	1,255,159	298,641
Supplies and services	1,692,911	1,550,878	142,033
Capital user charge	515,980	884,000	(368,020)
Depreciation	293,689	527,961	(234,272)
User charges and fees	1,893,328	1,672,929	220,399
Service appropriation	2,406,000	2,025,000	381,000

Employee expenses and superannuation

Employee expenses were higher than expected due to the increase in programs conducted across the camps. The increase in employee expenses is offset by the increased revenue in user charges and fees.

Supplies and services

Camps maintenance expenses were higher in 2004/05 due to management fees in relation to the major capital works project being undertaken across the camps chain.

Capital user charge

This was lower than expected due to an overpayment in 2003/04 that was adjusted in the 2004/05 expense. This adjustment is offset by an increase in the service appropriation.

Depreciation

The depreciation rate on buildings was changed in 2004/05 from 10% to 5% to reflect a revised estimated useful life of 20 years, due to significant improvements and renovations undertaken in the capital works program.

User charges and fees

Revenue is higher than expected due to an increase in program participation across the camps chain.

Service appropriation

The 2004/05 appropriation included \$731,000 for capital works which was offset by a decrease of \$332,000 in respect of the capital user charge.

Notes to the Financial Statements

for the year ended 30 June 2005

24 Financial Instruments

(a) Interest rate risk exposure

The following table summarises interest rate risk to the Board as at the reporting date:

Financial Assets

Cash assets

Restricted cash assets

Receivables

Financial Liabilities

Payables

Accrued salaries

	2004/05 \$	2003/04 \$
	Non-interest bearing	Non-interest bearing
Cash assets	599,665	273,677
Restricted cash assets	-	41,090
Receivables	149,534	194,346
	749,199	509,113
Payables	29,285	106,202
Accrued salaries	-	55,646
	29,285	161,848

(b) Credit Risk Exposure

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Board's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values.

25 Remuneration of Members of the Board and Senior Officers

Remuneration of Members of the Board

The number of members of the Board, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following band are:

	2004/05 No.	2003/04 No.
\$		
0 - 10,000	6	7
	\$	\$
	-	-

The total remuneration of the members of the Board is:

The members of the Board are all employed by the Department of Sport and Recreation and are remunerated by that agency.

The superannuation expense in respect of members of the Board is met by the Department of Sport and Recreation.

No members of the Board are members of the Pension Scheme.

25 Remuneration of Members of the Board and Senior Officers (continued)

Remuneration of Senior Officers

The number of senior officers, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

\$	2004/05 No.	2003/04 No.
20,001 - 30,000	-	1
30,001 - 40,000	1	-
50,001 - 60,000	1	1
	\$	\$
The total remuneration of senior officers is:	89,357	80,020

The superannuation included here represents the superannuation expense incurred by the Board in respect of senior officers.

No senior officers are members of the Pension Scheme.

26 Remuneration of Auditor

Remuneration of the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators	27,000	25,000
--	--------	--------

27 Related and Affiliated Bodies

The Recreation Camps and Reserve Board has no related or affiliated bodies.

28 Supplementary Financial Information

Write-Offs

During the financial year \$17,189 was written off as bad debts under the authority of:

The Board	17,189	7,429
The Minister	-	24,604
	17,189	32,033
Assets written off during the year under the authority of:		
The Board	-	232
	-	232

There were no other write-offs, losses or gifts during the year.

29 Service Information

The Board only has one service, consequently a separate statement of services is not required.

Notes to the Financial Statements

for the year ended 30 June 2005

30 Impact of Adopting Australian Equivalents to IFRS

The Australian Accounting Standards Board (AASB) is adopting the Standards of the International Accounting Standards Board (IASB) for application to reporting periods beginning on or after 1 January 2005.

AASB 1047 "Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards" requires financial reports to disclose information about the impacts of any changes in accounting policies in the transition period leading up to the adoption date.

The Treasurer has released Treasurer's Instruction 1106 "Transition to Australian Equivalents to International Financial Reporting Standards" (TI 1106) to assist agencies in meeting the disclosure requirements of the above standards. Where the new Standards offer alternative accounting treatments or disclosures, TI 1106 prescribes policies which mandate an accounting treatment or disclosure to ensure consistency across the public sector.

After reviewing the Standards in conjunction with TI 1106, the Board has identified the changes in accounting treatments and disclosures that will have an impact now or could have an impact in the future:

AASB 138 "Intangible Assets"

Requires the Board to reclassify non-operating computer software as intangible assets as opposed to its current treatment as a component of Property, Plant and Equipment.

The Board is not aware of any changes in accounting policies that will cause an adjustment to either surplus/deficit or total equity under AIFRS.



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

RECREATION CAMPS AND RESERVE BOARD

PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2005

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Recreation Camps and Reserve Board are relevant and appropriate to help users assess the Board's performance and fairly represent the indicated performance for the year ended 30 June 2005.

Scope

The Board's Role

The Board is responsible for developing and maintaining proper records and systems for preparing performance indicators.

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

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it 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 performance indicators.

D D R PEARSON
AUDITOR GENERAL

27 September 2005

Certification of Performance Indicators

for the year ended 30 June 2005

"We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Recreation Camps and Reserve Board's performance, and fairly represent the performance of the Recreation Camps and Reserve Board for the financial year ended 30 June 2005."



Chairman of Accountable Authority
G Brimage

30 August 2005



Member of Accountable Authority
B Swetman

30 August 2005

Performance Indicators

for the year ended 30 June 2005

Reporting Methodology

One outcome and one service – Recreation Camps Management – formed the framework for external reporting in 2004/05.

Corporate Profile and Key Performance Indicators

The board's mission is *"to manage all camps and reserves under the Board's control and to assist in meeting the objectives of the Department of Sport and Recreation"*.

The board's outcome is *"Board camps and reserves for use by groups, organisations and individuals for recreational purposes"*.

Key Performance Indicators consist of four effectiveness indicators and one efficiency indicator.

The board continued to implement strategies with a strengthened focus on programming activities at camps, whilst maintaining accommodation and conference facility access for community, school, corporate and family groups.

Impacting the performance of camps in 2004/05 was the dramatic increase in program delivery at the Woodman Point Camp despite its less than satisfactory accommodation.

During 2003/04, the Expenditure Review Committee (ERC) approved a Capital Improvement Program to redevelop the metropolitan camps using the proceeds from the sale and disposal of the Noalimba Accommodation and Conference Centre in Bateman. ERC approved an appropriation of \$9.8 million for capital improvements and restorative maintenance. That figure was increased to \$15.1 million in April 2005 to fund cost escalations in project building costs.

Progress continued this year with the implementation of the Machinery of Government Taskforce Report 2001 recommendation to incorporate the board activities within the Department of Sport and Recreation. The board has been working with officers from the Department for Planning and Infrastructure to execute the winding up of the board on 30 June 2005.

Key Performance Indicators - Effectiveness

For the year ended 30 June 2005

Outcome: *Board camps and reserves for use by groups, organisations and individuals for recreational purposes.*

REPORTING

The satisfaction ratings for the Effectiveness Indicators were determined through an annual independent survey¹ of the camp's clients. In 2004/05, the client survey was undertaken in Colmar Brunton Research (WA). From a contact list of 779 clients, a sample of 456 clients² was selected for telephone interview, of which 276 responded. The overall response rate was 61 per cent. This sample size produced results with a forecasting accuracy of ± 4.8 per cent the 95 per cent confidence interval.

The sample selection in 2004/05 was based on the percentage of turnover generated by each camp (from accommodation and program revenue), which was identical to the sample selection used in 2002/03 and 2003/04. This sample selection methodology was introduced in 2002/03, to more accurately reflect the management of operations and performance of the camps.

EFFECTIVENESS INDICATOR NO. 1:

This effectiveness measure reflects the client's satisfaction rating with the venue and accommodation provided at the camps (Bickley, Ern Halliday, Point Walter and Woodman Point).

Key Effectiveness Indicator	2001/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variation
Clients satisfied with the quality of the venue and accommodation	73%	70%	75%	90%	66%	(23%)

Notes:

1. The variance of 23% to the 2004/05 target reflects the poor standard of the accommodation at the camps (in particular Woodman Point and Ern Halliday camps). The board is confident that client satisfaction will increase once the Capital Improvement Program is completed.
2. The board is confident that the satisfaction rating for accommodation as reported in the independent Client Survey in 2004/05 is an accurate reflection of perceptions across all camps.
3. Ninety-eight (98) per cent of camp patrons surveyed were satisfied with the overall camp program experience with just over 50 per cent providing a rating of excellent.

¹ Annual Client Survey, Colmar Brunton Research (WA). July 2005.

² Source: The Department of Sport and Recreation's camps booking system.

EFFECTIVENESS INDICATOR NO. 2:

This effectiveness measure reflects the client's satisfaction rating with the management provided at the camps (Bickley, Ern Halliday, Point Walter and Woodman Point).

Key Effectiveness Indicator	2001/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variation
Clients who are satisfied with camp management	n/a	95%	96%	98%	95%	(3%)

Notes:

1. Satisfaction rating of camp management is an aggregate measure of client's satisfaction rating with the courtesy and helpfulness of camp staff and the information provided by camp staff.
2. The 3% variance from the 2004/05 target is not statistically significant.

EFFECTIVENESS INDICATOR NO. 3:

This effectiveness measure reflects the client's satisfaction rating with program delivery at the camps (Bickley, Ern Halliday, Point Walter and Woodman Point).

Key Effectiveness Indicator	2001/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variation
Clients who are satisfied with program delivery	n/a	98%	97%	97%	94%	(3%)

Note:

1. Client satisfaction rating with program delivery at all camps has remained high across all camps. The 3% variation from target is not statistically significant.

EFFECTIVENESS INDICATOR NO. 4:

This effectiveness measure reflects the client's satisfaction rating with the catering provided at the camps (Bickley, Ern Halliday, Point Walter and Woodman Point).

Key Effectiveness Indicator	2001/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variation
Clients who are satisfied with the catering	n/a	91%	93%	95%	93%	(2%)

Note:

1. The Satisfaction rating of catering is an aggregate measure of client's satisfaction rating with the courtesy and customer service of catering staff and the quality of the food provided.

Key Performance Indicators - Efficiency

Service 1: Recreation Camps Management

Service Description:

The Recreation Camps and Reserve Board is responsible for six recreation camps of which it operates five (Ern Halliday, Woodman Point, Bickley, Point Walter and Tone River). The Tone River Wilderness Camp is currently under care-taker arrangement pending negotiations for disposal and Camp Quaranup, located at Albany, is leased to a private operator.

Relevance and Rationale:

Recreation programs and accommodation are offered to clients to provide them with a variety of activities and experiences. It is anticipated that at the conclusion of the capital upgrade of camp facilities that the number of recreation programs and participants within these programs will significantly increase.

These indicators reflect the average cost per bed night and participation.

Key Efficiency Indicator	2002/03 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variation
Average cost per bed night	\$45.85	\$45.86	\$62.83	\$46.87	(\$15.96)
Average cost per participation	\$24.70	\$20.04	\$28.83	\$17.00	(\$11.83)

Notes:

1. Total cost has been split 66/34 between bed nights and participations respectively to determine the average cost per indicator. The 66/34 split is based on the average budgeted revenue split between Accommodation and Programs. While 'Actual' splits may vary to budget, these variances are deemed to be marginal and the standard 66/34 split is adopted to ensure compatibility of data across years. The split is reviewed annually during the budget process.
2. The variation of \$27.79 between the 'Target' and 'Actual' for 2004/05 can be attributed to the deferral of \$1.067 million of capital expenditure associated with the Capital Investment Plan and a significant increase in the number of participations recorded for 2004/05 (17,136 over targeted amount).

Appendix 1

CAMP USAGE COMPARISONS

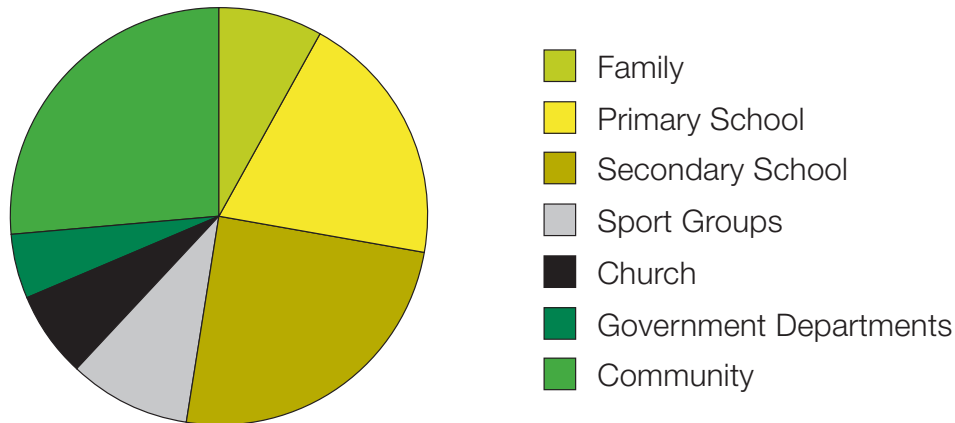
Accommodation	Number of People Using Camps			Bed Nights		
	2002/03	2003/04	2004/05	2002/03	2003/04	2004/05
Dormitories						
Bickley	3,830	3,395	3,184	7,417	6,952	7,374
Ern Halliday	9,094	9,278	9,136	19,556	21,024	21,340
Woodman Point - 4 Dorms	3,564	4,464	4,146	7,853	12,023	9,768
Tents						
Bickley - Tents	710	602	621	1,233	989	954
Ern Halliday - Tents	874	1,091	1,004	1,284	2,446	1,363
Cottages						
Tone River	2,298	1,098	0	7,672	3,486	0
Woodman Point	676	823	1,305	1,742	2,606	3,485
Ern Halliday	0	228	427	0	501	1,089
Accommodation Conference Centres						
Noalimba	1,977	0	0	7,312	0	0
Point Walter Dorms	4,990	4,901	4,817	10,644	10,670	11,761
TOTAL	28,013	25,880	24,640	64,713	60,697	57,134

Notes:

1. Bed Occupancy is derived by multiplying the number of people staying by the number of nights stayed.
2. Cottage Occupancy is the number of nights occupied as a percentage of the total nights possible.
3. Statistics for self catering and catering groups have been merged in 2002/03 and 2003/04 results to allow comparison to 2004/05 figures.
4. Tone River was closed in January 2004.
5. Noalimba was closed as of October 2002.
6. Woodman Point commenced full programming in April 2004.

Appendix 2

RCRB Camp Usage Statistics 2004/2005 by Group Type



Camps Program Participations/Participants Statistics

Camp	Participations				Participants			
	2001/02	2002/03	2003/04	2004/05	2001/02	2002/03	2003/04	2004/05
Bickley	19,799	16,946	12,177	11,656	4,083	3,715	3,110	3,026
Ern Halliday	37,612	32,232	40,541	44,013	8,292	7,206	7,732	8,789
Point Walter	8,833	12,709	16,276	12,946	2,257	2,441	3,063	2,670
Woodman Point	0	0	2,583	12,521	0	0	339	2,179
Tone River	2,267	744	0	0	2,293	643	0	0
TOTAL	68,511	62,631	71,577	81,136	16,925	14,005	14,244	16,664

Notes:

1. Continued growth in both participations and participants has occurred since 2002/03.
2. Woodman Point commenced program delivery in April 2004.
3. Tone River ceased operations in January 2004 and has not offered program activities since the 2002/03 financial year.