



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

Combat Sports Commission

2020/21 Annual Report

For the safety and organisation of combat sports in Western Australia



PREPARE WELL
PERFORM BETTER

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PREPARE WELL
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Minister for Sport and Recreation

Hon. Dr Tony Buti, MLA BPE (Hons), DipEd, MIR, LLB (Hons), DPhil
Minister for Sport and Recreation

In accordance with Section 66 of the Financial Administration and Audit Act 1985, I hereby submit for your information and presentation to Parliament the Annual Report for the Combat Sports Commission (the Commission) for the period 1 July 2020 to 30 June 2021.

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



Hon. Bob Kucera APM JP
Commission Chair



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

Vision

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

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

Mission statement and priorities

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

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

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

Minister responsible

The Combat Sports Commission reports to Hon. Dr Tony Buti, in his capacity as Minister for Sport and Recreation.

Objectives

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

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

Message from the Commission Chair

Welcome to the 2020/21 Combat Sports Commission Annual Report.

With much of our community in lockdown over the last 12 months, many of our public activities have been affected by COVID-19. Our industry was no exception. Again, it affected the number of promotions which were able to be staged, not only in Western Australia but across the country. This meant contestants were not only limited in their home state but were largely unable to fly interstate or overseas to compete.

Various stages of lockdown and local closures across the year also made it difficult to train. This created greater challenges for the Commission to cultivate the combat sports community, when so many things had to be done alone or via media and virtual platforms. We acknowledge how much emotional and financial concern this caused to individual and commercial livelihoods. Those badly affected have expressed their appreciation of both the State and Federal Government support for sectors of combat sports-related businesses, particularly those related to gyms and fitness programs.

As a Commission, we've continued to track the ever-changing landscape and are working with the industry on discovering and planning for what the coming 12 – 18 months might bring.

With much of our community in lockdown over the last 12 months, many of our public activities have been affected by COVID-19. Our industry was no exception.

A major undertaking has been the development of the Commission's Strategic Plan 2021 – 2025. Explained later in this report, it offers a roadmap for the work we'll be undertaking over the next five years around governance, research, enforcing regulations and policies, education, training and meaningful engagement.

Our key strategic objective is focused on putting contestant health, wellbeing and safety first. This primary target area will continue to address the issues of weight cutting and rapid weight loss by dehydration across the industry.

The Minister for Sport and Recreation, on behalf of the government and the Commission, received and accepted the Coroner's recommendations into the 2017 death of Jessica Jackson. The measured response is solidly based on the three pillars that underpin the Commission's Strategy to address rapid weight loss by dehydration, reflecting the Coroner's views of namely, education, regulation and weight assessment. The strategy will continue to evolve as contemporary research is done and forms an essential segment of the five-year Strategic Plan.

It is time for the industry to fully recognise the inherent medical dangers and consequences of severe weight cutting, which is often considered a rite of passage across the industry. That is why, since 2017, the Commission has undertaken a comprehensive program of continuing education directed to all facets of the combat sports industry. This will be ramped up as research programs deliver fresh information and approaches to this vexing practice.

I am confident the calibre of the Commission members and staff, their mix of skills, passion and fighting spirit will continue to support and position the combat sports industry as a national leader in its field.

This work has been led by Executive Officer Antoni Grover, who has successfully steered his team through another challenging year. Once again, I thank him for his hard work, guidance and exemplary commitment.

The Commission's administrative team saw some movement with the departure of Tracey Roper, while Melissa Baker and Erin Guthrie were joined by Mark D'Costa and Claire McLean, who bring with them valuable new skills. Together they have been working diligently to deliver our mission and to ensure the Commission complies with and enforces the Act's requirements. I thank each of them for their creditable work ethic and support of the Commissioners and the overall industry.

Over the past year commission members Pearl Lim and Glen Austin completed their terms of office. I'd like to thank them for their commitment, hard work and valuable contributions. We've welcomed the appointment of Gary Ingraham to the commission. He has an extensive and respected history officiating boxing, as a senior referee and official, as well as being the long-time owner of a fitness business.

Our long-standing and popular Minister, the Hon. Mick Murray, retired at the state election. He was a great advocate for the combat sports industry and the Commission, providing outstanding support throughout his term in office. The Commission wishes him well on his next step in life's journey.

He has been succeeded by Hon. Dr Tony Buti as Minister for Sport and Recreation. Minister Buti has already indicated his strong support for the Commission's direction and is a strong advocate of research and scientific appraisal of the industry. We have already formed a firm association and look forward to working closely with him and his staff.

Finally, I would like to thank sincerely, my fellow commissioners for their dedication, integrity and determination to see that the industry continues to grow and prosper.

In these unique times, none of us can be sure of what the immediate future may bring, given the challenges of the past year. However, I am confident the calibre of the Commission members and staff, their mix of skills, passion and fighting spirit will continue to support and position the combat sports industry as a national leader in its field.



Hon. Bob Kucera APM JP
Commission Chair

Combat Sports Commission structure

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

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

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

Commission member profiles

Hon. Bob Kucera APM JP

Commission Chair

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

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

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

Dr Brian Galton-Fenzi

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

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

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

Commission member profiles continued

A/Inspector Marcus Murray

Marcus is a career police officer having served for more than 30 years in metropolitan and regional areas, predominantly on the frontline. He was appointed Officer in Charge of the WA Police Liquor Enforcement Unit in 2017 where one of his roles is to ensure the integrity of relevant industries through a stringent and ongoing probity process.

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

Mr Gary Ingraham

Gary has 30 years of experience in the boxing industry. His initial involvement as an amateur boxer saw him turn to officiating as his interest in the sport progressed. An extensive history as a professional referee and judge has provided him with the opportunity to officiate at Commonwealth and World title fights throughout Australia, South Africa, Japan and around South East Asia. He has also made a significant contribution to WA events as a head referee.

The founder and owner of Fremantle's Spring into Fitness gym, Gary's interest in health and fitness has also helped make him a successful business owner over the past 17 years. As a small business owner in the industry, he has developed a strong understanding of the issues which surround it.

Gary has had a lifelong involvement with sport, particularly boxing and Australian Rules. He's currently boxing coach for the Fremantle Dockers and continues to work as a personal trainer with a strong and dedicated following.

Mr Ben Cant

Ben has been a professional Muay Thai competitor since 2006. For a decade Ben has trained out of MMA and Muay Thai gyms gaining experience as a boxing and kickboxing coach, which has enabled him to fulfil the role as a second at promotions.

His time on the commission has made him a stronger advocate for it and allowed him to gain an appreciation for the work that goes on behind the scenes around regulations, education and promotions. Both as a competitor and official, he has been able to share his point of view with the commission and take his new knowledge back to the Muay Thai community.

Mr Karim Girgis

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

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

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

Ms Renée Felton

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

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

Ms Jacqui Jashari

Jacqui was appointed to the Commission in February 2018 and is currently Manager, Sport Business Development in Sport and Recreation at the Department of Local Government, Sport and Cultural Industries.

She works with many State Sporting Associations and peak bodies, their chief executive officers and boards, to support implementation of best practice governance, leadership and management practices. She has a strong governance background and is a director on various not-for-profit sporting boards and nominations committees. Through work in and out of government Jacqui contributes a strong working knowledge of community and elite level sport.

Strategic Plan 2021 – 2025

Endorsed in March 2021, the Commission released its Strategic Plan 2021 – 2025.

Foundation

OUR MISSION

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

OUR CORE VALUES

Integrity

We act with care and diligence and make decisions that are honest, impartial, transparent and timely considering all relevant information.

Accountability

We work to ensure that all aspects of the legislation and regulations are adhered to by all.

Commitment

We are committed to providing guidance to ensure the safety, integrity and organisation of contests and the broader aspects of the industry.

Respect

We will treat everyone with respect and dignity.

OUR VISION

A healthier and safer Combat Sports community.

FOCUS AREAS

Our key focus areas are the foundation of our strategic plan. They expand on our Vision and help us to achieve our mission:

1. Continue to develop good governance.
2. Evidenced based research.
3. Clear and enforceable regulations and policies.
4. Targeted education and training programs.
5. Contestant health, wellbeing and safety first.

Strategic Objectives

FOCUS AREA 1

Continue to develop good governance

1. Develop bespoke board governance training for Commission members.
2. Evaluate board performance and conduct a skills audit annually.
3. Continue to provide advice to the Minister to ensure the Board is fit-for-purpose, including gender diversity.
4. Provide Commission members and staff with the necessary training and mentoring to enable the Commission's role at events to be fulfilled.

FOCUS AREA 2

Evidenced-based research

1. Compile a prioritised list of required research for all aspects of the industry and identify potential research partners.
2. Develop an annual research plan and engage research partners.
3. Completed research is provided to industry as it becomes available.

FOCUS AREA 3

Clear and enforceable regulations and policies

1. Complete review of the Combat Sports Act 1987 and subsidiary regulations.
2. Progress any identified legislative changes.
3. Review processes and procedures for Commission members, staff and industry.
4. Deliver awareness seminars and workshops on legislation, regulations and policies.

FOCUS AREA 4

Targeted industry education and training programs

1. Identify industry training needs annually.
2. Increase delivery of education and training programs to industry.
3. Improve communications and marketing strategies for the programs.

FOCUS AREA 5

Contestant health, wellbeing and safety first

1. Research into all aspects of industry health and safety.
2. Develop and implement an engagement strategy with the medical and health professions.
3. Continue to implement the strategy to address Rapid Weight Loss by Dehydration across the industry.

FOCUS AREA 6

Meaningful engagement with stakeholders

1. Develop a stakeholder engagement and communications strategy.
2. Implement the stakeholder engagement and communications strategy.
3. Develop stronger relationships with government agencies and the broader sports industry.

HOW WE WILL MEASURE OUR SUCCESS

1. By having Commission members and staff appropriately trained in board governance and the operational matters required to fulfill the Commission's responsibilities when attending events.
2. By developing and progressing a prioritised research list and engaging research partners to work with us.
3. Ensuring our Act, regulations and policies are fit-for-purpose.
4. By identifying industry education and training needs and increasing delivery of programs.
5. By having an engagement strategy with the medical profession.
6. Having a strong focus on contestant health and safety.
7. Through having meaningful engagement with stakeholders and developing stronger relationships with government agencies and the broader sports industry.

HOW WE WILL GET THERE

Organisation strategies

- 2021** Focusing on good governance, stakeholder engagement, identifying our research needs and industry training and education needs.
- 2022** Reviewing the Combat Sports Act 1987 and subsidiary regulations and progressing key research annually. Engaging with the medical profession on contestant health, wellbeing and safety.
- 2023** Progressing legislative change, reviewing policies, processes and procedures.
- 2024** Ensuring that industry is aware of changes in legislation, regulation, policies and procedures.
- 2025** Finalising the strategic plan and commencing work on the new Strategic Plan 2026 – 2031.

IMPLEMENTATION – HOW WE MAKE STRATEGY A HABIT

- Assign responsibility for each strategic objective and project.
- Hold people accountable.
- Commission Board has clear oversight over the strategic plan and receives regular reporting updates.
- Engage our stakeholders in the journey.
- Review our strategy and how we are going annually to ensure we stay on track.

Highlights

Contestant safety project

The Commission received and accepted the findings and recommendations arising from Coroner Linton's report into the 2017 death of Jessica Jackson. The Commission also acknowledged her attention to detail, compassionate approach and sensible, practical suggestions.

The Commission has undertaken extensive consultation throughout the development of the Weight Cutting Strategy and will continue to do so.

The Coroner's recommendations support the Commission's resulting Weight Cutting Strategy, namely education, regulation and weight assessment. The strategy will continue to evolve as contemporary research is done but that research is now part of the focus areas of the Strategic Plan.

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

New weigh-in requirements

The initial implementation of the weight assessment pillar in the Strategic Plan was the amendment to the Commission's Certificate of Fitness to include the contestant's past contest weight, current weight and proposed contest weight. This is to ensure contestants and medical practitioners consider whether the intended weight can be safely achieved. It will also ensure medical practitioners have an opportunity to raise any health concerns with contestants prior to any proposed weight loss.

The Commission has started a 12-month weight assessment trial and is exploring a scheme that requires contestants to submit their weights periodically during their registration and during the lead-up to contests.

As of the 1 January 2021 the following weigh-in rules were implemented:

- Contestants are now only permitted a single weigh-in attempt. This prevents contestants attempting to further decrease their body weight through dehydration, if they do not weigh-in within the upper limit of their weight class.
- Contestants are now required to undertake a secondary weight check. This occurs in a two-hour window from doors open at each promotion. Contestants will weigh-in wearing minimal clothes. This will again be utilised as a data collection process.
- It will be a requirement that proposed contest weights will be submitted to the Commission as weight classes and not catchweights. This will support the Commission's weight assessment process.

Online portal and education unit

The online portal for registrations and promotion applications continues to provide a streamlined process for all registrations, permit applications and submission of key documents such as certificates of fitness and serology reports. Registrants can view and update personal details, view their fight records and the expiry dates of their registration, certificate of fitness and serology. Promoters can lodge part 1 of their promotion permits online while work and consultation on part 2 is underway.

The number of registrations being processed remains steady and in raw numbers, female participation is increasing. It's suspected that some of this is due to increased exposure of combat sports events being streamed internationally and an increased profile and popularity of its use in television and movies.

The online education unit within the portal is now being widely used. It provides contestants and industry participants with essential information for Commission registration and participating in combat sports. All new and renewing registrants are required to complete the online education unit as a condition of registration. The solid uptake of existing registrants completing the unit has been an opportunity to re-engage with this group.

Access the online education unit: dlgsc.wa.gov.au/csc-education.

Industry Development Series

The Industry Development Series is part of the Commission's commitment to ongoing training and development. Workshops recommenced during the year and included an event for MMA officials with a focus on the development of judges, referees and timekeepers.

Contests

The Commission approved 20 contests in 2020/21 across all disciplines including boxing, mixed martial arts and Muay Thai. Once again, a number of contests were cancelled or not staged due to COVID-19. Equally, the contests which did go ahead had significantly larger bout numbers, specifically within Muay Thai promotions. Contestants were predominantly local, with minimal interstate or international visitors. Less promotions also saw the number of participants wanting to be part of an event creating a backlog.

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

Highlights continued

Injury Statistics

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

Of the 612 contestants participating in the 20 contests directly overseen by the Commission in 2020/21, there were 38 reportable injuries. This equates to 6.21% of contestants suffering an injury during a contest and is a 7.95% decrease from 2019/20.

Further analysis of those 38 reportable injuries shows there were 19 mandatory medical suspensions issued, six concussions, nine lacerations requiring steri-strips, glue or sutures, two dislocations, breaks or referrals for x-rays and 21 miscellaneous injuries ranging from bruises and sprains to strains.

Communications and industry contact

The Commission continues to engage with the industry by providing information on proposed contest dates, current projects, opportunities for engagement and policies as well as focussed activities around the Strategic Plan.

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

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

The tagline "prepare well, perform better" has continued to be embedded in communications and branded documents. It talks to the Commission's view on the dangerous practice of weight cutting, further emphasising it as an important issue.

Supporters and partners

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

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

Business Management

Financial Management

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

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

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

Statutory Reporting

Freedom of Information (FOI) Act 1992

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

There were no FOI requests received during 2020/21.

Public sector standards and ethical codes

No compliance issues arose during the 2020/21 year in relation to the Public Sector Standards. The Commission monitors all complaints made to the Commission Chair.

Equity, access, inclusion and substantive equality

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

Advertising and marketing expenditure

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

Advertising spending:

Government Gazette	\$9,682.00
Initiative Media	\$4,529.00
Market research agencies	\$0.00
Direct mail agencies	\$0.00
Media advertising agencies	\$0.00
Total	\$14,211.00

Combat Sports Commission member remuneration

Members	Remuneration
Bob Kucera (Chair)	\$20,041.79
Benjamin Cant	\$10,161.60
Brian Galton-Fenzi	\$7,873.05
Renée Felton	\$19,293.90
Glen Austin	\$3,821.55
Gary Ingraham	\$5,464.05
Karim Girgis	\$14,344.50
Pearl Lim	\$6,099.15
Total	\$87,099.59

Enabling legislation

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

Legislation impacting activities of the Commission

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

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

Financial Statements



Auditor General

INDEPENDENT AUDITOR'S OPINION 2021 Combat Sports Commission

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Combat Sports Commission (Commission) which comprise:

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

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Combat Sports Commission for the year ended 30 June 2021 and the financial position at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

I am independent of the Commission in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Independent Auditor's Report

For the year ended 30 June 2021

Responsibilities of the Board for the financial statements

The Board is responsible for:

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Report on the audit of controls

Opinion

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

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

In my opinion, in all material respects, the controls exercised by the Combat Sports Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2021.

Independent Auditor's Report

For the year ended 30 June 2021

The Board's responsibilities

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

Auditor General's responsibilities

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

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

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

Limitations of controls

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

Report on the audit of the key performance indicators

Opinion

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

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

Independent Auditor's Report

For the year ended 30 June 2021

The Board's responsibilities for the key performance indicators

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

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

Auditor General's responsibilities

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

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

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

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

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

Other information

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

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

Independent Auditor's Report

For the year ended 30 June 2021

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

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



Nayna Raniga
Acting Senior Director
Financial Audit
Delegate of the Auditor General for Western Australia
17 September 2021

Certification of Key Performance Indicators

For the year ended 30 June 2021

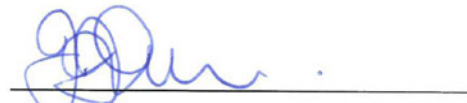
We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Combat Sports Commission's performance, and fairly represent the performance of the Combat Sports Commission for the financial year ended 30 June 2021.



Chairperson

Hon. Bob Kucera

Date: 10/9/21



Member

Jacqui Jashari

Date: 10/09/21



Performance Indicators

For the year ended 30 June 2021

Government Goals

Sustainable Finances: Responsible financial management and better service delivery;

Service

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

Desired Outcome

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

Effectiveness Indicators

Indicator 1

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

The target for this KPI is 0%.

Period	Percentage of Registered Contestants with a Positive Serology
2020/21	0.00%
2019/20	0.00%
2018/19	0.00%
2017/18	0.00%
2016/17	0.00%

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

Indicator 2

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

The target for this KPI is 0%.

Period	Percentage of Non-compliance
2020/21	2.46%
2019/20	2.07%
2018/19	1.54%
2017/18	1.71%
2016/17	0.99%

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

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

Despite the Commission's best efforts there were breaches of the *Act* and the *Regulations* this financial year. However, the Commission is pleased to see that the number of breaches remained relatively low (2021: 32 breaches, 2020: 31 breaches) this year and attributes this to the Commission's contest feedback system, further, the number of events has decreased this year (2021: 20 events, 2020: 23 events) due to the impact of the COVID-19 pandemic. As with previous years, major breaches of the *Act/Regulations* that impact on contestant health and safety are not tolerated by the Commission and in these situations the breach is either addressed or the contest permit is cancelled. Low level breaches of the *Act/Regulations* that do not impact on contestant health and safety are generally raised with the relevant people at the time and if not addressed, the Commission takes action after the contest through the promotion feedback process.

Efficiency Indicators

For the year ended 30 June 2021

Indicator 3

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

This measure is calculated by:

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

Costs	2020/21 \$	2019/20 \$	2018/19 \$	2017/18 \$	2016/17 \$
Chairman's fee	18,313	23,674	21,040	13,250	8,289
Commissioner fees and allowances	63,838	65,067	85,682	99,890	51,380
Commissioner superannuation	7,557	8,292	10,108	10,748	5,669
Operating costs	728,644	621,127	682,030	728,582	655,320
Total	818,352	718,160	798,860	852,470	720,658
Number of Promotions	20	23	33	35	39
Cost of issuing a permit *	40,918	31,224	24,208	24,356	18,478

NB: The target cost of issuing a permit in 2020-21 was \$26,325. This is based on estimated total cost of \$1.053m and the number of contests 40 for the 2020-21 financial year.

The Commission did not meet its efficiency indicator in 2020-21 due to the COVID-19 pandemic significantly reducing the amount of promotions being held. There was 20 less promotions than the target of 40.

Certification of Financial Statements

For the year ended 30 June 2021

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

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

Shanaeya Sherdiwala
Chief Finance Officer
Date: 10/09/21

Hon. Bob Kucera
Chairperson
Date: 10/9/21

Jacqui Jashari
Member
Date: 10/09/21



Statements of Comprehensive Income

For the year ended 30 June 2021

	Notes	2021	2020
COST OF SERVICES			
Expenses			
Members' remuneration	2.1	89,708	97,033
Supplies and services	2.2	653,737	621,127
Grants and subsidies	2.3	30,000	0
Amortisation expense	4.1.1	44,907	0
Total cost of services		818,352	718,160
Income			
<i>Revenue</i>			
User charges and fees	3.2	48,191	45,596
Total revenue		48,191	45,596
Total income other than income from State Government		48,191	45,596
NET COST OF SERVICES		770,161	672,564
Income from State Government			
Grants and subsidies from State Government	3.1	860,000	853,000
Services received free of charge	3.1	4,517	37,794
Total income from State Government		864,517	890,794
SURPLUS/(DEFICIT) FOR THE PERIOD		94,356	218,230
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		94,356	218,230

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



Statement of Financial Position

For the year ended 30 June 2021

	Notes	2021	2020
ASSETS			
Current Assets			
Cash and cash equivalents	6.1	1,094,346	918,364
Receivables	5.1	29,261	25,213
Other current assets	5.2	5,910	-
Total Current Assets		1,129,517	943,578
Non-Current Assets			
Intangible assets	4.1	153,772	198,679
Total Non-Current Assets		153,772	198,679
TOTAL ASSETS		1,283,289	1,142,257
LIABILITIES			
Current Liabilities			
Payables	5.3	74,460	37,459
Other current liabilities	5.4	29,481	19,805
Total Current Liabilities		103,941	57,264
TOTAL LIABILITIES		103,941	57,264
NET ASSETS		1,179,348	1,084,992
EQUITY			
Accumulated surplus/(deficit)	8.8	1,179,348	1,084,992
TOTAL EQUITY		1,179,348	1,084,992

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



Statement of Changes in Equity

For the year ended 30 June 2021

	Note	Accumulated Surplus/(Deficit)	Total Equity
Balance at 1 July 2019	8.8	866,762	866,762
Surplus/(Deficit)		218,230	218,230
Balance at 30 June 2020		<u>1,084,992</u>	<u>1,084,992</u>
Balance at 1 July 2020	8.8	1,084,992	1,084,992
Surplus/(Deficit)		94,356	94,356
Balance at 30 June 2021		<u>1,179,348</u>	<u>1,179,348</u>

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

Statement of Cash Flow

For the year ended 30 June 2021

Notes	2021	2020
CASH FLOWS FROM STATE GOVERNMENT		
Receipts from general government agencies	860,000	853,000
Net cash provided by State Government	860,000	853,000
Utilised as follows:		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Members' sitting fees	(81,000)	(108,849)
Supplies and services	(620,906)	(733,377)
Grants and subsidies	(30,000)	-
GST payments on purchases	(70,005)	(86,606)
GST payments to taxation authority	(3,440)	(5,686)
Other payments	-	-
Receipts		
User charges and fees	48,191	45,650
GST receipts on sales	4,628	4,435
GST receipts from taxation authority	68,514	82,784
Net cash provided by/(used in) operating activities	(684,018)	(801,649)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments		
Purchase of non-current assets	-	(24,550)
Net cash provided by/(used in) investing activities	-	(24,550)
Cash and cash equivalents at the beginning of the period	918,364	891,563
Net increase/(decrease) in cash and cash equivalents	175,982	26,801
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,094,346	918,364

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

Notes to the Financial Statements

For the year ended 30 June 2021

1. Basis of preparation

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

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

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

Statement of Compliance

These general purpose financial statements are prepared in accordance with:

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

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

Basis of preparation

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

Judgements and estimates

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

2. Use of our funding

Expenses incurred in the delivery of services

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

	Notes	2021	2020
Members' remuneration	2.1	89,708	97,033
Supplies and services	2.2	653,737	621,127
Grants and subsidies	2.3	30,000	0
Amortisation	4.1.1	44,907	0

2.1 Members' remuneration

	2021	2020
Chairperson's fee	18,313	23,674
Other member's fees	63,838	65,067
Superannuation – defined contribution plans ^(a)	7,557	8,292
Total members' remuneration	89,708	97,033

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

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

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

Notes to the Financial Statements

For the year ended 30 June 2021

2.2 Supplies and services

	2021	2020
Supplies and services		
Audit Fees	17,100	16,222
Services and Contracts	621,231	591,512
Advertising for Vacancies	4,529	4,515
Travel	7,357	5,150
Materials	2,450	3,728
Portable and Attractive Equipment	1,070	0
Total supplies and services expenses	653,737	621,127

Supplies and services:

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

2.3 Grants and subsidies

	2021	2020
Edith Cowan University	30,000	0
Total grants and subsidies	30,000	0

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

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

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

3. Our funding sources

How we obtain our funding

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

	Notes	2021	2020
Income from State Government	3.1	864,517	890,794
User charges and fees	3.2	48,191	45,596

3.1 Income from State Government

	2021	2020
Grants ^(a)	860,000	853,000
Services received free of charge - Legal services provided by State Solicitor's Office	4,517	37,794
Total Income from State Government	864,517	890,794

(a) Grant from Department of Local Government, Sport and Cultural Industries is paid annually as an appropriation. Service Appropriations are recognised as income at the fair value of consideration received in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account by the Department of Local Government, Sport and Cultural Industries.

3.2 User charges and fees

	2021	2020
Industry participants' registration fees	38,730	37,838
Contest permits	7,636	7,454
Promoters' registration fees	1,825	304
Total	48,191	45,596

Registrations and Permits

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

Revenue is recognised at a point-in-time for registrations and permit fees. The performance obligations for these user fees and charges are satisfied when the Certificate of Registration and contest permits are issued.

Notes to the Financial Statements

For the year ended 30 June 2021

4. Key assets

Assets the Commission utilises for economic benefit or service potential

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

	Notes	2021	2020
Intangibles	4.1	153,772	198,679
Total key assets		153,772	198,679

4.1 Intangible assets

Year ended 30 June 2021

1 July 2020

Carrying amount at start of period

Transfers

Accumulated amortisation

Carrying amount at 30 June 2021

	Works in Progress	Computer Software	Total
198,679	0	198,679	198,679
-198,679	198,679	0	0
0	(44,907)	(44,907)	(44,907)
0	153,772	153,772	153,772

Year ended 30 June 2020

1 July 2019

Carrying amount at start of period

Additions

Carrying amount at 30 June 2020

	Works in Progress	Computer Software	Total
174,129	0	174,129	174,129
24,550	0	24,550	24,550
198,679	0	198,679	198,679

Initial recognition

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

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

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

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

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

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

Subsequent measurement

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

4.1.1. Amortisation

Charge for the period

	2021	2020
Computer software	44,907	0
Total amortisation for the period	44,907	0

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

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

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

The estimated useful life for Software^(a) class of intangible assets is 3 to 5 years.

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

Impairment

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

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

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

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

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

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

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

Notes to the Financial Statements

For the year ended 30 June 2021

5. Other assets and liabilities

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

	Notes	2021	2020
Receivables	5.1	29,261	25,213
Other Assets	5.2	5,910	-
Payables	5.3	74,460	37,459
Other Liabilities	5.4	29,481	19,805

5.1 Receivables

	2021	2020
<u>Current</u>		
GST receivable	28,052	24,004
Other receivables	1,209	1,209
Total receivables	29,261	25,213

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

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

5.2 Other assets

	2021	2020
<u>Current</u>		
Prepayments	5,910	-
Total other assets	5,910	-

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

5.3 Payables

	2021	2020
<u>Current</u>		
Trade payables	74,460	37,459
Total payables	74,460	37,459

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

5.4 Other liabilities

	2021	2020
<u>Current</u>		
Accrued Sitting Fees	10,671	5,481
Accrued Audit Fees	18,810	14,324
Total other liabilities	29,481	19,805

6. Financing

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

	Notes
Cash and cash equivalents	6.1

6.1 Cash and cash equivalents

	Notes	2021	2020
Cash and cash equivalents	6.1	1,094,346	918,364

Notes to the Financial Statements

For the year ended 30 June 2021

7. Financial Instruments and Contingencies

This note sets out the key risk management policies and measurement techniques of the Commission.

	Notes
Financial instruments	7.1
Contingent assets and liabilities	7.2

7.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2021	2020
Financial assets		
Cash and cash equivalents	1,094,346	918,364
Financial assets at amortised cost (a)	7,119	1,209
Total financial assets	1,101,465	919,573
Financial liabilities		
Financial liabilities at amortised cost (b)	95,462	52,557
Total financial liability	95,462	52,557

(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable)

(b) The amount of financial liabilities at amortised cost excludes GST recoverable from the ATO (statutory payable)

7.2 Contingent assets and liabilities

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

7.2.1 Contingent assets

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

7.2.2 Contingent liabilities

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

8. Other disclosures

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

	Notes
Events occurring after the end of the reporting period	8.1
Correction of period errors/changes in accounting policies	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies	8.5
Affiliated bodies	8.6
Remuneration of auditors	8.7
Equity	8.8

8.1 Events occurring after the end of the reporting period

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

8.2 Correction of prior period errors/changes in accounting policy

(a) AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 Service Concession Arrangements: Grantors came into effect on 1 January 2020. AASB 1059 introduced the accounting treatment for assets in service concession arrangements from the perspective of public sector grantors.

There is no impact of AASB 1059 as the Commission does not have any assets in service concession arrangements as defined in AASB 1059.

Notes to the Financial Statements

For the year ended 30 June 2021

8.3 Key management personnel

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

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

Compensation band (\$)	2021	2020
20,001 - 30,000	1	0
10,001 - 20,000	3	3
0 - 10,000	6	9
	10	12
Total compensation of members of the accountable authority	2021	2020
	89,708	97,033

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

Compensation band (\$)	2021	2020
0 - 10,000	1	1
Total compensation of senior officer	2021	2020
	0	0

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

8.4 Related party transactions

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

Related parties of the Commission include:

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

Significant transactions with Government-related entities

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

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

Material transactions with other related parties

- superannuation payments to GESB (Note 2.1).

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

8.5 Related bodies

The Combat Sports Commission has no related bodies.

8.6 Affiliated bodies

The Combat Sports Commission has no affiliated bodies.

Notes to the Financial Statements

For the year ended 30 June 2021

8.7 Remuneration of auditors

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

	2021	2020
Auditing the accounts, financial statements controls, and key performance indicators	17,100	13,022

8.8 Equity

	2021	2020
<u>Accumulated Surplus</u>		
Balance at start of period	1,084,992	866,762
Result for the period	94,356	218,230
Balance at end of period	<u>1,179,348</u>	<u>1,084,992</u>
Total Equity at end of period	<u>1,179,348</u>	<u>1,084,992</u>

Budget Estimates

Statement of Comprehensive Income for year ended 30 June 2022

	2021-22 \$000
COST OF SERVICES	
Expenses	
Members' remuneration	47
Supplies and services	1,006
Total cost of services	1,053
Income	
<i>Revenue</i>	
User charges and fees	93
Total revenue	93
Total income other than income from State Government	93
NET COST OF SERVICES	960
Income From State Government	
Grants	945
Services received free of charge	15
Total income from State Government	960
SURPLUS/(DEFICIT) FOR THE PERIOD	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-

Budget Estimates

Statement of Financial Position for year ended 30 June 2022

	2021-22 \$000
ASSETS	
Current Assets	
Cash and cash equivalents	918
Receivables	24
Other current assets	1
Total Current Assets	943
Non-Current Assets	
Property, plant and equipment	
Intangible assets (Works in Progress)	199
Total Non-Current Assets	199
TOTAL ASSETS	1,142
LIABILITIES	
Current Liabilities	
Payables	57
Other current liabilities	-
Total Current Liabilities	57
Non-Current Liabilities	
Other non-current liabilities	-
Total Non-Current Liabilities	-
TOTAL LIABILITIES	57
NET ASSETS	1,085
EQUITY	
Accumulated surplus/(deficit)	1,085
TOTAL EQUITY	1,085

Budget Estimates

Statement of Cash Flows for year ended 30 June 2022

	2021-22 \$000
CASH FLOWS FROM STATE GOVERNMENT	
Grants	945
Net cash provided by State Government	945
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Members' sitting fees	(47)
Supplies and services	(991)
Receipts	
User charges and fees	93
Net cash provided by/(used in) operating activities	(945)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of non-current physical assets	-
Net cash used in investing activities	-
Net (decrease)/increase in cash and cash equivalents	-
Cash and cash equivalents at the beginning of the period	918
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	918



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

Combat Sports Commission

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