



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

Combat Sports Commission

2022/23 Annual Report

For the safety and organisation of combat sports in Western Australia



PREPARE WELL
PERFORM BETTER

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General enquiries

Combat Sports Commission

246 Vincent Street, Leederville WA 6007

Tel: (08) 6552 1604

Email: combatsport@dlgsc.wa.gov.au

Web: www.dlgsc.wa.gov.au/sport-and-recreation/combat-sports-commission

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Minister for Sport and Recreation

The Hon David Templeman, MLA

Minister for Sport and Recreation

In accordance with Section 63 of the *Financial Management Act 2006*, 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 2022 to 30 June 2023.

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



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 sports.

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

Minister responsible

The Combat Sports Commission reports to the Hon. David Templeman, 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



.....
I feel it's time to yell
"we're back" as I welcome
you to the 2022/23 Combat
Sports Commission
Annual Report.
.....

Like a competitor who has been fighting with one hand tied behind their back and finally been released, this is the first year in three where the Commission's activities have returned to pre-COVID levels. As a result, we saw an increase in contest permits and competitor registrations, both from locals and participants from out of state and overseas. As well as this being a signal of a return to form, it has been valuable for local competitors to have fresh and new talent to compete against.

Activities across the board have shown the industry is firmly back on its feet and feeling energised.

Our Commission members officiated at February's UFC 284, which took place at RAC Arena and attracted nearly 9,000 ticketholders from outside WA. The influx of visitors provided a huge boost to local tourism and hospitality businesses, injecting millions of dollars into the WA economy. The Commission worked in partnership with Tourism WA and other government departments to facilitate the event. It is testament to the Commission's standing and high level of professionalism that they were involved in an event of this calibre.

The pay-per-view event coverage was streamed around the world with an estimated 700,000 subscriptions bought, making it a wonderful showcase for WA. This was bolstered by the UFC athletes and commentators who visited iconic local spots, like Rottneest and the Swan Valley, sharing their experiences with more than 10 million social media followers.

Events like this have a hugely positive flow-on effect for our industry, whether it's more people being aware of combat sports, people taking up a sport for the first time or being inspired to live out their dreams. It's hugely heartening that the event also set the record for the highest number of Australian UFC athletes on one card. WA was represented by Perth athlete, UFC welterweight Jack Della Maddalena, who featured on the main card and won his bout, as well as being awarded Performance of the Night.

The long awaited and much welcomed review of the legislation which governs our activities – *Combat Sports Act 1987* and *Combat Sports Regulations 2004* – is well underway. We've finished our consultation and drafting instructions for the Parliamentary Counsel's Office are the next step.

Behind the scenes, we clarified how ringside photographs and videos can be taken at events, by creating a policy to guide everyone, plus we have also clarified the role of medical practitioners through the production of a guide to their functions and responsibilities.

Another change has been the lowering of the age of Seconds during competitions, which allows younger people to become familiar with the workings of combats sports, among other benefits.

I'm pleased the Commission has continued its collaboration with Edith Cowan University, facilitating research into injuries and illnesses in the industry. We hope this eventually provides us with valuable information to help and inform not only WA competitors, but the industry nationally.

There have been no commission member changes or staff movements over the past year, testament to the strong team we continue to build to best serve the combat sports community. I particularly want to thank my fellow Commission Members for their hard work over the last year and their faith, patience and enthusiasm over the last three as we tackled the impact of the global pandemic.

Thank you to the Hon. David Templeman with whom we continue to build a strong relationship as Minister for Sport and Recreation. We thank him, his advisors and his office for their support, particularly in relation to our legislative review.

Executive Officer Antoni Grover and his dedicated team continue to skilfully employ the *Strategic Plan 2021 – 2025* to keep the Commission moving forward, focused and on task. He has been the driver and champion of many of our achievements over the last 12 months, for which I thank him.

The Combat Sports Industry has fought hard over the last few years to remain positive and push forward with their activities, despite the necessary restrictions. This year it paid off. The freedom and spirit of this return has been invigorating both for the Commission and the industry. We look forward to more of it.



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 2024
Dr Brian Galton-Fenzi	A medical practitioner who, in the opinion of the Minister, has knowledge of injuries suffered by contestants.	Ends January 2024
Inspector Troy Cooper	A police officer nominated in writing by the Commissioner of Police.	Commenced September 2021*
Gary Ingraham	A person who in the opinion of the Minister has knowledge of the boxing industry.	Ends January 2025
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 2024
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 2024
Erin McGowan	A person who in the opinion of the Minister represents persons who are or have been registered as contestants in a class relevant to boxing.	Ends July 2023
Milan Bevk	A person who in the opinion of the Minister has knowledge of the industry relating to combat sports other than boxing.	Ends July 2023
Jacqui Jashari	An officer of the Department of Local Government, Sport and Cultural Industries nominated by its Director General.	Commenced February 2018*

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

Commission member profiles

Hon. Bob Kucera APM JP

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 on the relationship between the sport and all levels of government. He has 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.

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.

Commission member profiles continued

Inspector Troy Cooper

Troy has a diverse background in law enforcement with 28 years' experience in Western Australia and Victoria as well as participating in a law-enforcement exchange with UK Metropolitan Police in 2007 that involved West and North Yorkshire Police.

Troy has served most of his operational policing roles in regional WA, detective and specialist units. After serving five years in Victoria, in July 2014 Troy was re-appointed back to WA Police Force as a Detective Inspector. Since then he has served in executive services, Perth Metropolitan District Office, the Tactical Response Group and his current position in the Licensing Enforcement Division.

Like his predecessor, Troy's focus has been 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 more than 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 for almost two decades. 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 the boxing coach for the Fremantle Dockers and continues to work as a personal trainer with a strong and dedicated following.

Mr Karim Girgis

Starting with the Commission in early 2020, Karim has been an owner and director of several gyms which embody a sound respect for health, wellness and martial arts. Karim has been training in mixed martial arts for a decade and on the Commission has been using 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.

His range of professional experience includes project management, budgets and reporting, legal disputes, operations, health and safety management, sales and retention marketing. Since 2021, Karim has also been following his passion and studying a JD of Law at UWA to enhance his knowledge in governance and legislative frameworks.

Mr Milan Bevk

Milan started boxing in 2005 and has competed at the Australian National Championships in Queensland and the ACT. He received a scholarship to the Australian Institute of Sport for boxing through the National Talent Identification Program in 2009.

He's a lawyer who has trained in most styles of combat sports including BJJ, MMA, Muay Thai and boxing. As an amateur boxer he has competed in more than 20 fights. As a member of the Commission, Milan wants to ensure contestants have a life beyond combat sport, which starts by ensuring their health and safety is maintained whilst competing.

Ms Erin McGowan

Working out of her North Beach studio, Erin is a world champion boxer who specialises in boxing, strength and conditioning, as well as health and lifestyle coaching.

Erin has had more than 17 years of international experience as a professional boxer and holds the following titles: WBO World Champion, WIBA World Champion, PABA Pan Asia Oceania Boxing Title, five times Australian Champion and three times Oceanic Champion.

She brings to the Commission a wealth of industry and practical experience, including an intimate understanding of the sphere of competition, training, injuries and life balance. Erin strives to build and encourage effective communication and understanding between the Commission and the combat sports community. She believes understanding each other's roles and responsibilities will help build and grow the sport in Western Australia in a healthy, safe and controlled environment.

Ms Jacqui Jashari

Jacqui was appointed to the Commission in February 2018 and is currently Acting Director, Sport Development and Engagement at the Department of Local Government, Sport and Cultural Industries, having previously worked across many other areas including Sport Business Development, Community Participation and High Performance.

In this role, Jacqui works with and leads a team that support many state sporting associations and industry representative organisations, their chief executive officers and boards, to support implementation of strong governance, leadership and management practices. She has a strong governance background through the Australian Institute of Company Directors course and the Governance Institute of Australia – Governance and Risk Management Certificate as well as sitting on various boards and nominations committees. A key component of her work is to support the delivery of strategic sport and recreation priorities of both the industry and the State Government.

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

Legislation review

Over the last year, the Commission has been undertaking a comprehensive review of the *Combat Sports Act 1987* and *Combat Sports Regulations 2004*. A strategic objective, the review commenced in 2022. The goal is to improve their efficacy, modernise the general approach and expand on health, safety and integrity parameters.

Following the initial consultation, the Commission developed a regulatory proposal which was endorsed by the Minister for further consultation. A second round of stakeholder consultation specific to the regulatory proposal was completed in June 2023. The commission also hosted six facilitated meetings – five with industry and one with the state sporting associations which are related to and have an interest in combat sports. The proposal identifies 23 areas of the Act which are potential areas for change and improvement. The review is continuing.

Policies, publications, results and improvements

As a way of creating better efficiencies, over the last year the Commission moved their monthly meetings to bi-monthly (now six a year), allowing the committees to meet and work on alternate months. Staff have reported this as a successful and significant move for workflow, the workload impost on operations and general morale.

In February 2023, the Commission released the Ringside Photography / Videography Policy to ensure that any visual recording ringside occurring during a contest, is authorised and conducted in a safe manner. Among other rules, only professional photographers/videographers will be granted ringside access. Family and friends of contestants are not permitted ringside but are welcome to take photographs/footage from publicly accessible areas. The policy is on the Commission's website.

Certain requirements for medical practitioners exist within the combat sports legislation and the Commission recognise the vital and important role that medical practitioners play in this regulatory system. As a result, the role and responsibilities of a medical practitioner for the Commission sanctioned contests have been clearly set out in a guide, which is available on the website.

General information was posted during the year as an ongoing reminder that only competitors who are attending a bout in Western Australia can be registered here. Competitors from other states cannot be registered in WA for bouts outside WA.

The Commission started publishing the results of local bouts on the website. Apart from visitors to the general portal page, the events which drew the top views were the Muay Thai Grand Prix, Domination Development Day, MTAWA Development Day and Domination MMA 4.

The online portal is now three years old and continues to streamline the registration process and be the primary way to apply for permits and registration. Staff continue to explore ways to make it more user friendly.

In its second year, the Commission continued valuable work in collaboration with Edith Cowan University on PhD research projects. The ongoing partnership is exploring and investigating injury and illness in combat sports.

Age of Seconds

As a way of encouraging more young people to become involved in combat sports, the age of Seconds was dropped to 16 years. The Second is a member of the contestant's corner team. This serves numerous purposes, firstly in familiarising young people with the rules, functions and activities of combat sports and offering a grounding in other industry roles. It also involves young people in events before they are able to register in other industry participant roles. Generally, it is hoped this move also creates more people with greater industry knowledge.

Contests

The Commission approved 50 contest permits and processed 1003 registrations in 2022/23 across all disciplines including boxing, mixed martial arts and Muay Thai. This included registrations for 30 judges, 16 promoters, 49 referees, 288 seconds, 20 timekeepers and 144 trainers. Eighty-six clearances were issued to Western Australian contestants to compete interstate and internationally.

The increase in promotion permits over the last 12 months was largely due to the post COVID return and a rapid rise in the popularity of grappling contests, where competitors don't need to be registered.

As the first full year of competition since the start of COVID, registration numbers were almost double that of the previous year. International and interstate competitors travelled more freely and returned to be part of Western Australian events. Local competitors were also able to travel east and overseas to join cards.

In 2021/22 there were almost half as many contestants registered and looking back to 2016/17, there were only 197 registrations. Over the last year there was a small gender shift as 15.6% of the contestants were women (1% increase) and 84.4% men. In the age breakdown of all applications, the bulk of those involved are in the 25 – 34 year old age group, 20.8% in the 18 – 24 bracket and 21.5% aged 35 – 44. Both the 45 – 54 and 55 – 65 year old age groups had a small participation lift.

There were 69 breaches of the Act and the Regulations that occurred at promotions, primarily around non-compliance. The Commission is pleased with how members and staff have handled the breach concerns.

Highlights continued

Injury Statistics

The Commission maintains 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 968 contestants participating in 484 contests directly overseen by the Commission in 2022/23, there were 77 reportable injuries. This equates to 7.95% of contestants suffering a reportable injury during a contest and is a 1.7% increase from 2021/22.

Further analysis of those 77 reportable injuries shows:

- 20 concussions or KO/TKO headshots.
- 22 cuts required steri-strips, glue or sutures.
- 8 dislocations, breaks or sprains.
- 27 miscellaneous injuries and medical suspensions for hard bouts.

Across all contests, 51 mandatory medical suspensions were issued.

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 Australia 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 continues to receive an appropriation from 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 was one FOI request received during 2022/23.

Public sector standards and ethical codes

No compliance issues arose during the 2022/23 year in relation to the Public Sector Standards. The Commission monitors all complaints made to the Commission Chair.

Equity, access, inclusion and substantive equality

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

Advertising and marketing expenditure

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

Advertising spending:

Government Gazette	\$0.00
Market research agencies	\$0.00
Direct mail agencies	\$0.00
Media advertising agencies	\$0.00
Total	\$0.00

Combat Sports Commission member remuneration

Members	Remuneration including superannuation
Bob Kucera (Chair)	\$20,148.53
Brian Galton-Fenzi	\$7,223.05
Renée Felton	\$25,042.96
Gary Ingraham	\$8,578.95
Karim Girgis	\$21,802.59
Erin McGowan	\$14,346.71
Milan Bevk	\$22,350.95
Total	\$119,493.74

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 Management Act 2006*
- *Salaries and Allowances Act 1975*
- *Procurement Act 2020*
- *State Records Act 2000*
- *Freedom of Information Act 1992*
- *State Superannuation Act 2000*
- *Work Health and Safety Act 2020*
- *Workers' Compensation and Rehabilitation Act 1981*
(as the amended *Workers' Compensation and Rehabilitation Amendment Act 1993*)
- *Public Interest Disclosure Act 2003*.

Financial Statements



Auditor General

INDEPENDENT AUDITOR'S REPORT

2023

Combat Sports Commission

To the Parliament of Western Australia

Report on the audit of the financial statements

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

- the Statement of Financial Position at 30 June 2023, 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 2023 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), 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 believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Commission for the financial statements

The Commission is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), 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 Commission is responsible for:

Independent Auditor's Report

For the year ended 30 June 2023

- 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 misstatements, 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 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 the State's financial reporting framework (the overall control objectives).

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 the State's financial reporting framework during the year ended 30 June 2023.

The Commission's responsibilities

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

Independent Auditor's Report

For the year ended 30 June 2023

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 Engagement 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 2023. 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 Commission's performance and fairly represent indicated performance for the year ended 30 June 2023.

The Commission's responsibilities for the key performance indicators

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

Independent Auditor's Report

For the year ended 30 June 2023

In preparing the key performance indicators, the Commission is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instructions 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 management relating to the report on financial statements, 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 ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Commission is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

Independent Auditor's Report

For the year ended 30 June 2023

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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

The auditor's report relates to the financial statements and key performance indicators of the Combat Sports Commission for the year ended 30 June 2023 included in the annual report 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 the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Nayna Raniga
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
04 September 2023


Certification of Key Performance Indicators


For the year ended 30 June 2023

Certification of key performance indicators

For the year ended 30 June 2023

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 performance, and fairly represent the performance of the Combat Sports Commission for the financial year ended 30 June 2023.


Chairperson
Hon. Bob Kucera
Date: 4/9/2023


Member
Jacqui Jashari
Date: 4 September 2023



Performance Indicators

For the year ended 30 June 2023

Government Goals

Strong and Sustainable Finances: Responsible, achievable, affordable budget management.

Desired Outcome

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

Effectiveness Measure 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 a registered contestant was positive for either Hepatitis B, Hepatitis C, or HIV.

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

Performance

2019-20	2020-21	2021-22	2022-23 Target	2022-23 Actual
0.00%	0.00%	0.00%	0.00%	0.00%

Analysis

The Commission continues to ensure that the appropriate controls are in place to guarantee that a contestant does not register with a positive serology test.

Effectiveness Measure 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.

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
- Participating in a contest without being registered in an appropriately capacity.

Performance

2019-20	2020-21	2021-22	2022-23 Target	2022-23 Actual
2.07%	2.46%	2.97%	0.00%	2.19%

Efficiency Indicators

For the year ended 30 June 2023

Analysis

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 this year (2023: 69 breaches, 2022: 56 breaches) and attributes this to the Commission's contest feedback system, further, the number of events has increased significantly this year (2023: 50 promotions, 2022: 29 promotions).

As with previous years, major breaches of the Act and/or 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 may be cancelled. Low level breaches of the Act and/or 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 acts after the contest through the promotion feedback process.

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*".

Efficiency Indicator

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

This measure is calculated by dividing total operation cost by the number of registered promotions.

Performance

Costs	2019-20	2020-21	2021-22	2022-23 Target	2022-23 Actual
Members’ remuneration	\$97,033	\$89,708	\$113,992		\$114,742
Supplies and Services	\$621,127	\$653,737	\$771,550		\$924,995
Grants and Subsidies	-	\$30,000	-		\$30,000
Amortisation expense	-	\$44,907	\$49,670		\$49,670
Total Operating Costs	\$718,160	\$818,352	\$935,212	\$1,113,000	\$1,119,407
Number of Promotions	23	20	29	40	50
Cost of issuing a permit	\$31,224	\$40,918	\$32,248	\$27,825	\$22,388

Analysis

The target cost of issuing a permit in 2022-23 was \$27,825. This is based on estimated total cost of \$1.113m and the number of contests (40) for the 2022-23 financial year. The Commission has seen an improvement in this efficiency indicator in 2022-23, as a result of 10 additional promotion permits being issued than anticipated.

Certification of Financial Statements

For the year ended 30 June 2023

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 2023 and the financial position as at 30 June 2023.

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.



Ludisha Kalasopatan
Chief Finance Officer
4 September 2023



Hon. Bob Kucera
Chairperson
4 September 2023



Jacqui Jashari
Member
4 September 2023



Statement of Comprehensive Income

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
COST OF SERVICES			
Expenses			
Members' remuneration	2.1	114,742	113,992
Supplies and services	2.2	924,995	771,550
Grants and subsidies	2.3	30,000	-
Amortisation expense	4.1	49,670	49,670
Total cost of services		1,119,407	935,212
Income			
User charges and fees	3.2	98,989	54,569
Total income		98,989	54,569
NET COST OF SERVICES		1,020,418	880,643
Income from State Government			
Income from other public sector entities	3.1	956,000	945,000
Resources received	3.1	12,348	-
Total income from State Government		968,348	945,000
SURPLUS/(DEFICIT) FOR THE PERIOD		(52,070)	64,357
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(52,070)	64,357

The Statement of comprehensive income should be read in conjunction with the accompanying notes.



Statement of Financial Position

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	6.1	1,212,339	1,222,869
Receivables	5.1	33,911	57,151
Total current assets		1,246,250	1,280,020
Non-current assets			
Intangible assets	4.1	54,432	104,102
Total non-current assets		54,432	104,102
TOTAL ASSETS		1,300,682	1,384,122
LIABILITIES			
Current liabilities			
Payables	5.2	98,197	85,023
Other current liabilities	5.3	10,850	55,394
Total current liabilities		109,047	140,417
TOTAL LIABILITIES		109,047	140,417
NET ASSETS		1,191,635	1,243,705
EQUITY			
Accumulated surplus		1,191,635	1,243,705
TOTAL EQUITY		1,191,635	1,243,705

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 2023

	Accumulated surplus	Total equity
	\$	\$
Balance at 1 July 2021	1,179,348	1,179,348
Surplus	64,357	64,357
Total comprehensive income for the period	<u>64,357</u>	<u>64,357</u>
Balance at 30 June 2022	<u>1,243,705</u>	<u>1,243,705</u>
Balance at 1 July 2022	1,243,705	1,243,705
Deficit	(52,070)	(52,070)
Total comprehensive income for the period	<u>(52,070)</u>	<u>(52,070)</u>
Balance at 30 June 2023	<u>1,191,635</u>	<u>1,191,635</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 2023

	Notes	2023 \$	2022 \$
Cash flows from State Government			
Funds from other public sector entities		956,000	945,000
Net cash provided by State Government		956,000	945,000
<i>Utilised as follows:</i>			
Cash flows from operating activities			
Payments			
Members' remuneration		(128,817)	(112,354)
Supplies and services		(892,203)	(762,874)
Grants and subsidies		(30,000)	-
GST payments on purchases		(107,246)	(84,935)
GST payments to taxation authority		(9,141)	(5,907)
Receipts			
User charges and fees		96,882	59,554
GST receipts on sales		9,552	5,865
GST receipts from taxation authority		94,443	84,168
Other receipts		-	6
Net cash used in operating activities		(966,530)	(816,477)
Net increase/(decrease) in cash and cash equivalents		(10,530)	128,523
Cash and cash equivalents at the beginning of the period		1,222,869	1,094,346
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.1	1,212,339	1,222,869

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 2023

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 'Mission Statement and Priorities' section of the Annual Report.

These annual financial statements were authorised for issue by the Commission on 4 September 2023.

Statement of compliance

These general purpose financial statements are prepared in accordance with:

- 1) The *Financial Management Act 2006*
- 2) The Treasurer's Instructions
- 3) Australian Accounting Standards – Simplified Disclosures
- 4) Where appropriate, those Australian Accounting Standards paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and Treasurer's Instructions take precedence over Australian Accounting Standards. Several Australian Accounting Standards are modified by the Treasurer's Instructions 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. All values are rounded to the nearest dollar.

Accounting for Goods and Services Tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Commission as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

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.

Notes to the Financial Statements

For the year ended 30 June 2023

Services performed for the Commission by the Department of Local Government, Sport and Cultural Industries

The Department of Local Government, Sport and Cultural Industries (DLGSC) provides support to the Commission to enable the Commission to carry out its objectives. This support comprises most of the amount reported in the Statement of comprehensive income under 'Supplies and services'. These charges are in the nature of salaries and administration costs in providing these support services.

Recoups from the Commission to DLGSC are made on a monthly basis.

Notes to the Financial Statements

For the year ended 30 June 2023

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
Members' remuneration	2.1
Supplies and services	2.2
Grants and subsidies	2.3

2.1 Members' remuneration

	2023	2022
	\$	\$
Chairperson's fee	18,303	18,303
Other members' fees	86,170	85,569
Superannuation - defined contribution plans	10,269	10,120
Total members' remuneration	114,742	113,992

Members' remuneration includes wages and salaries for board members.

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income that comprises employer contributions paid to the Gold State Superannuation (GSS) (concurrent contributions), the West State Superannuation (WSS), the Government Employees Superannuation Board (GESBs), or other superannuation funds.

2.2 Supplies and services

	2023	2022
	\$	\$
Supplies and services		
Audit Fees	8,100	44,600
Services and Contracts	897,540	713,677
Advertising for Vacancies	-	2,257
Travel	12,692	8,101
Consumables	6,558	2,915
Credit loss allowance	105	-
Total supplies and services expenses	924,995	771,550

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.

Services and contracts expenses largely comprise of the services provided to the Commission by DLGSC.

Notes to the Financial Statements

For the year ended 30 June 2023

2.3 Grants and subsidies

	2023	2022
	\$	\$
Research contribution to Edith Cowan University	30,000	-
Total grants and subsidies	30,000	-

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 or subsidy expenses'. These payments or transfers are recognised at fair value at the time of the transaction and are recognised as an expense in the reporting period in which they are paid. 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.

The Commission is not responsible for administering a government subsidy scheme.

Notes to the Financial Statements

For the year ended 30 June 2023

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
Income from State Government	3.1
User charges and fees	3.2

3.1 Income from State Government

	2023	2022
	\$	\$
Income from other public sector entities	956,000	945,000
Resources received	12,348	-
Total Income from State Government	968,348	945,000

Income from other public sector entities relates to income paid annually from DLGSC as an appropriation. This income is recognised 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 in the bank account by DLGSC.

Resources received relates to legal services received free of charge from the State Solicitor's Office. This is recognised as income equivalent to the fair value of services received that can be reliably determined and which would have been purchased if not donated.

3.2 User charges and fees

	2023	2022
	\$	\$
Industry participants' registration fees	73,795	41,287
Contest permits	17,455	10,545
Promoters' registration fees	7,739	2,737
Total user charges and fees	98,989	54,569

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 2023

4 Key assets

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
Intangible assets	4.1

4.1 Intangible assets

	Computer software \$	Total \$
Year ended 30 June 2023		
1 July 2022		
Gross carrying amount at start of the year	153,772	153,772
Accumulated amortisation	(49,670)	(49,670)
Carrying amount at start of period	104,102	104,102
Amortisation expense	(49,670)	(49,670)
Carrying amount at 30 June 2023	54,432	54,432

Initial recognition

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

Acquired and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138 *Intangible Assets* (as noted above) are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of comprehensive income.

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.

Useful lives

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 class of intangible assets is 3 to 5 years.

Software is not integral to the operation of any related hardware.

Impairment of intangible assets

Intangible assets are tested for impairment annually. As at 30 June 2023 there were no indications of impairment to intangible assets.

Notes to the Financial Statements

For the year ended 30 June 2023

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
Receivables	5.1
Payables	5.2
Other current liabilities	5.3

5.1 Receivables

	2023	2022
	\$	\$
Current		
GST receivable	32,807	31,784
Other receivables	1,104	25,367
Total receivables at end of the period	33,911	57,151

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 receivables is equivalent to fair value as it is due for settlement within 30 days.

5.2 Payables

	2023	2022
	\$	\$
Current		
Trade payables	98,197	85,023
Total payables at end of the period	98,197	85,023

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 for the Commission is generally within 15-20 days.

Notes to the Financial Statements

For the year ended 30 June 2023

5.3 Other current liabilities

	2023	2022
	\$	\$
Current		
Accrued sitting fees	7,708	10,364
Accrued audit fees	-	40,040
Income received in advance	3,039	4,795
Receipts in suspense	103	195
Total other current liabilities at end of period	10,850	55,394

Accrued sitting fees represent the amount due to the board members but unpaid at the end of the reporting period. These are settled within a fortnight after the reporting period. The Commission considers the carrying amount of accrued expenses to be equivalent to its fair value.

Income in advance relates to contestant fees where certificates of registration and contest permits were not issued during the reporting period.

Notes to the Financial Statements

For the year ended 30 June 2023

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

	2023	2022
	\$	\$
Cash and cash equivalents	1,212,339	1,222,869
Balance at end of period	<u>1,212,339</u>	<u>1,222,869</u>

For the purpose of the Statement of cash flows, cash and cash equivalent assets comprise cash at bank.

Notes to the Financial Statements

For the year ended 30 June 2023

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 & 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:

	2023	2022
	\$	\$
Financial assets		
Cash and cash equivalents	1,212,339	1,222,869
Financial assets at amortised cost ^(a)	1,104	25,367
Total financial assets	1,213,443	1,248,236
Financial liabilities		
Financial liabilities at amortised cost ^(b)	105,905	124,057
Total financial liability	105,905	124,057

- (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 payable to the ATO (statutory payable).

7.2 Contingent assets and liabilities

The Commission is not aware of any contingent assets and contingent liabilities as at the end of the reporting period.

Notes to the Financial Statements

For the year ended 30 June 2023

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
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Remuneration of auditors	8.6

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 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 cabinet 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 board members of the Commission for the reporting period are presented within the following bands:

Compensation band of board members of the Commission

Compensation band (\$)	2023	2022
20,001 - 30,000	3	3
10,001 - 20,000	2	3
0 - 10,000	2	5
	<u>7</u>	<u>11</u>
	\$	\$
Compensation of board members of the Commission ^(a)	<u>114,742</u>	<u>113,992</u>
Total compensation of board members of the Commission	<u>114,742</u>	<u>113,992</u>

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

Compensation band of senior officers

Compensation band (\$)	2023	2022
0 - 10,000	2	2
	<u>2</u>	<u>2</u>
	\$	\$
Compensation of senior officers ^(a)	<u>-</u>	<u>-</u>
Total compensation of senior officers	<u>-</u>	<u>-</u>

(a) Total compensation includes the superannuation expense incurred by the Commission in respect of members and senior officers.

Notes to the Financial Statements

For the year ended 30 June 2023

8.3 Related party transactions

The Commission is a wholly owned public sector entity that is controlled by 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 DLGSC for supplies and services received (Note 2.2);
- Income from other public sector entities relates to income paid annually from DLGSC (Note 3.1); and
- audit fee payments to the Office of the Auditor General (Note 8.6).

Significant transactions with other related parties

- superannuation payments to GESB (Note 2.1).

Material transactions with related parties

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

8.4 Related bodies

The Commission had no related bodies during the financial year.

8.5 Affiliated bodies

The Commission had no affiliated bodies during the financial year.

8.6 Remuneration of auditors

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

	2023	2022
	\$	\$
Auditing the accounts, controls, financial statements and key performance indicators	46,250	44,600
	<u>46,250</u>	<u>44,600</u>



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

Combat Sports Commission

246 Vincent Street, Leederville WA 6007

Tel: (08) 6552 1604

Email: combatsport@dlgsc.wa.gov.au

Web: www.dlgsc.wa.gov.au/sport-and-recreation/combatsports-commission



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