Financial Statements

This section presents the audited financial statements for the year ended 30 June 2026, providing an overview of MRIWA's financial management and stewardship of public resources. The statements demonstrate how MRIWA has managed its finances to support the delivery of its strategic objectives and industry outcomes.

Certification of Financial Statements

For the year ended 30 June 2026

The accompanying financial statements of the Minerals Research Institute of Western Australia (MRIWA or the Institute) have been prepared in compliance with the provisions of the *Financial Management Act 2006* (WA) from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2026 and the financial position as at 30 June 2026.

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

Vanessa Torres

Chairperson of the Board

Date: 3 August 2026

Rylee Campbell

Chairperson, Audit and Risk Committee, Member of the Board

Date: 3 August 2026

Fauziah Antonio

Chief Finance Officer

Date: 3 August 2026

Auditor General

INDEPENDENT AUDITOR'S REPORT

2026

Minerals Research Institute of Western Australia

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Minerals Research Institute of Western Australia (Institute) which comprise:

- the statement of financial position as at 30 June 2026, 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 material 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 Institute for the year ended 30 June 2026 and the financial position as 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 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 (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 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 Institute.

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 Institute. The controls exercised by the Institute 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 Institute are sufficiently adequate to provide reasonable assurance that the controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2026, and the controls were implemented as designed as at 30 June 2026.

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 Institute for the year ended 30 June 2026 reported in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). 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 report of the Institute for the year ended 30 June 2026 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the Institute's performance and fairly represent indicated performance for the year ended 30 June 2026.

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 controls as the Board 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 3 Financial Sustainability – Requirement 5 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 Institute'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 3 - Requirement 5 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 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 2026, 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.

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

This auditor's report relates to the financial statements and key performance indicators of the Institute for the year ended 30 June 2026 included in the annual report on the Institute's website. The Institute's management is responsible for the integrity of the Institute's website. This audit does not provide assurance on the integrity of the Institute'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 Institute to confirm the information contained in the website version.

N Raniga

Nayna Raniga
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
7 August 2026

Statement of Comprehensive Income

For the year ended 30 June 2026

	Notes	2026 $	2025 $
COST OF SERVICES			
Expenses			
Research and scholarships	2.1	6,087,259	6,459,653
Employee benefits expense	2.2	2,619,151	2,108,587
Supplies and services	2.3	803,181	910,374
Accommodation expenses	2.3	217,041	211,112
Other expenses	2.3	186,292	172,930
Depreciation expense	4.1	2,600	2,600
Total cost of services		**9,915,524**	**9,865,256**
Income			
Commonwealth grants and contributions	3.2	-	150,000
Interest revenue	3.2	956,004	1,037,568
Revenue from industry sponsorship	3.2	1,351,182	1,189,401
Other revenue	3.2	60,128	96,755
Total income		**2,367,314**	**2,473,724**
NET COST OF SERVICES		**7,548,210**	**7,391,532**
Income from State Government			
State Government grant	3.1	**6,544,000**	8,895,000
Income from other public sector entities	3.1	**981,779**	863,000
Resources received	3.1	**220,173**	217,328
Total income from State Government		**7,745,952**	**9,975,328**
SURPLUS/(DEFICIT) FOR THE PERIOD		**197,742**	**2,583,796**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**197,742**	**2,583,796**

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes. The comparative amounts have been reclassified for simplified disclosures. This change in presentation has no impact on the net result.

Statement of Financial Position

As at 30 June 2026

	Notes	2026 $	2025 $
ASSETS			
Current assets			
Cash and cash equivalents	6.1.1	12,171,883	11,314,585
Restricted cash and cash equivalents	6.1.2	8,773,595	10,207,838
Receivables	5.1	294,558	576,313
Other current assets	5.2	480,954	262,690
Total current assets		**21,720,990**	**22,361,426**
Non-current assets			
Office equipment	4.1	7,523	10,123
Total non-current assets		**7,523**	**10,123**
TOTAL ASSETS		**21,728,513**	**22,371,549**
LIABILITIES			
Current liabilities			
Payables	5.3	517,651	395,788
Employee related provisions	2.2.1	326,807	197,681
Deferred income	5.4	846,256	1,911,806
Total current liabilities		**1,690,714**	**2,505,275**
Non-current liabilities			
Employee benefit provisions	2.2.1	86,326	112,543
Total non-current liabilities		**86,326**	**112,543**
TOTAL LIABILITIES		**1,777,040**	**2,617,818**
NET ASSETS		**19,951,473**	**19,753,731**
EQUITY			
Accumulated surplus	8.8	19,951,473	19,753,731
TOTAL EQUITY		**19,951,473**	**19,753,731**

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

Statement of Changes in Equity

For the year ended 30 June 2026

	Notes	Accumulated Surplus $
Balance at 1 July 2024		17,169,935
Surplus for the period	8.8	2,583,796
Balance at 30 June 2025		**19,753,731**
Balance at 1 July 2025		19,753,731
Surplus for the period	8.8	197,742
Balance at 30 June 2026		**19,951,473**

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

Statement of Cash Flows

For the year ended 30 June 2026

	Notes	2026 $	2025 $
CASH FLOWS FROM STATE GOVERNMENT			
State Government grant and sponsorship		6,544,000	8,895,000
Funds from other public sector entities		861,779	863,000
Net cash provided by State Government		**7,405,779**	**9,758,000**
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Research and scholarship payments		(5,906,311)	(6,655,677)
Employee benefits		(2,502,428)	(2,005,157)
Supplies and services		(831,318)	(639,441)
Other payments		(174,302)	(153,584)
GST paid on purchases		(638,040)	(715,708)
Receipts			
Receipts from sponsors		256,893	677,065
Receipts from Commonwealth Government		-	150,000
Other receipts		11,054	4,992
Interest received		964,845	986,316
GST received on sales		35,371	46,124
Net GST refunded from ATO (or paid)		801,512	358,186
Net cash used in operating activities		**(7,982,724)**	**(7,946,884)**
Net increase/(decrease) in cash and cash equivalents		(576,945)	1,811,116
Cash and cash equivalents at the beginning of the period		21,522,423	19,711,307
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.1.1	**20,945,478**	**21,522,423**

The Statement of Cash Flows should be read in conjunction with the accompanying notes. The comparative amounts have been reclassified for simplified disclosures. This change in presentation has no impact on the net result.

Notes to the Financial Statements

For the year ended 30 June 2026

Note 1. Basis of preparation

The Institute is a Government not-for-profit entity controlled by the State of Western Australia, which is the ultimate parent.

A description of the nature of its operations and its principal activities have been included in the 'Overview' and 'Research Portfolio' sections of the Institute's Annual Report which does not form part of these financial statements.

These annual financial statements were authorised for issue by the accountable authority of the Institute on 3 August 2026.

Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures, the Conceptual Framework and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB) as modified by Treasurer's instructions. Some of these pronouncements are modified to vary their application and disclosure.

The *Financial Management Act 2006* and Treasurer's instructions, which are legislative provisions governing the preparation of financial statements for agencies, take precedence over AASB pronouncements. Where an AASB pronouncement is modified and has had a significant financial effect on the reported results, details of the modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

The 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.

Accounting for Goods and Services Tax (GST)

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 Institute 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. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;
- Intangible Asset reconciliations; and
- Right-of-Use Asset reconciliations.

Note 2. Use of our funding

Expenses incurred in the delivery of services
This section provides the additional information about how the Institute'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 Institute in achieving its objectives and the relevant notes are:

	Notes
Research and scholarships	2.1
Employee benefits expenses	2.2
Employee related provisions	2.2.1

2.1 Research and Scholarships

	2026 $	2025 $
Research projects and grants	5,679,133	6,252,889
Scholarships and awards	408,126	206,764
Total	**6,087,259**	**6,459,653**

Research projects expense is recognised when the Institute becomes obliged to make payment to the grantee. The Institute becomes obliged to make payment when the grantee has met conditions of the grant agreement.

Scholarship and awards expense represent the Institute's obligation to fund approved scholarships and costs associated with the various award programs.

Comparative figures have been reclassified for presentation purposes. In the prior year, research projects expense and scholarship and awards expense were disclosed as separate line items in the Statement of Comprehensive Income.

2.2 Employee benefits expense

	2026 $	2025 $
Employee benefits	1,901,827	1,429,747
Executive salaries	434,504	461,956
Superannuation - defined contribution plans[a]	282,820	216,884
Total	**2,619,151**	**2,108,587**

Employee benefits include wages, salaries, accrued and paid leave entitlements, paid sick leave and non-monetary benefits, where applicable.

Defined contribution plans include West State Superannuation Scheme (WSS), Government Employees Superannuation Board Schemes (GESBs) and other eligible funds. Superannuation is the amount recognised in the Statement of Comprehensive Income comprising employer contributions paid to the West State Super, GESB Super or other superannuation funds.

Executive salaries include the base salary of the Institute's CEO and the Director Research and Strategy, net of employee contributions, where applicable.

2.2.1 Employee related provisions

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2026 $	2025 $
Current		
Annual leave[(a)]	177,171	126,009
Long service leave[(b)]	149,636	71,672
	326,807	**197,681**
Non-current		
Long service leave[(b)]	86,326	112,543
	86,326	**112,543**
Total employee related provisions	**413,133**	**310,224**

(a) **Annual leave liabilities:** Classified as current as there is no right at the end of the reporting period date to defer settlement for at least 12 months after the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) **Long service leave liabilities**: Unconditional long service leave provisions are classified as **current** liabilities as the Institute does not have the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as **non-current** liabilities because the Institute has the right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as the Institute does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement and discounted using market yields at the end of the reporting period on government bond yields adjusted for the relevant WATC credit spread, with reference to maturities that align with the expected timing of future cash outflows. The Western Australian Treasury Corporation (WATC) credit spread is the margin between the yield on WATC bonds and the reference risk-free rate.

2.3 Other expenditure

	2026 $	2025 $
Supplies and Services		
Board and committee fees	140,797	147,178
Communications	39,080	21,919
Contractors	279,775	283,249
Consultants	103,859	279,671
Consumables	67,510	51,066
Events and sponsorships	52,063	72,890
Business Travel	36,473	11,877
Other supplies and services	83,624	42,522
Total supplies and services	**803,181**	**910,374**
Accommodation expenses	**217,041**	**211,112**
Other expenses		
Employee on-cost	134,253	85,149
Other expenses	52,039	87,781
Total of other expenses	**186,292**	**172,930**
Total other expenditure	**1,206,514**	**1,294,416**

Supplies and services: Supplies and services are recognised as an expense in the reporting period in which they are incurred.

Accommodation expenses: Includes rental and outgoings incurred as per the Memorandum of Understanding Agreement between the Institute and the Department of Local Government, Industry Regulation and Safety.

Other expenses: Other expenses generally represent the day-to-day running costs incurred in normal operations.

Employee on-cost: includes workers' compensation insurance, payroll tax and other employment oncosts. The oncosts liability associated with the recognition of annual and long service leave liabilities is included at note 2.2.1. Employee related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Comparative figures have been reclassified to align with the current year presentation, enhancing the relevance and clarity of disclosures. In the prior financial year, Board and Committee fees were presented as a separate line item; these costs are now included within Supplies and Services. In addition, certain expenditure items within Supplies and Services and Other Expenses have been reclassified to provide a more streamlined and meaningful presentation of the organisation's financial performance. These reclassifications relate to presentation only and do not affect the reported results or net assets of the entity.

Note 3. Our funding sources

How we obtain our funding

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

	Notes
Income from State Government	3.1
Other income	3.2

3.1 Income from State Government

	2026 $	2025 $
Administered appropriations received during the period - State Government grants	6,544,000	8,895,000
Total state government grants	**6,544,000**	**8,895,000**
Income received from other public sector entities during the period:		
State Government sponsorship	981,779	863,000
Total income from other public sector entities	**981,779**	**863,000**
Resources received during the period:		
Accommodation provided by the Department of Local Government, Industry Regulation and Safety	217,041	211,112
Legal services from the State Solicitor's Office	3,132	6,216
Total resources received free of charge or for nominal cost	**220,173**	**217,328**
Total income from State Government	**7,745,952**	**9,975,328**

State Government Grant: Revenue is recognised at fair value when MRIWA obtains control over the assets comprising the contributions, usually when cash is received.

Income from other public sector entities is recognised as income when the Institute has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income is recognised when the Institute receives the funds.

Resources received free of charge or for nominal cost: Resources received free of charge or for nominal cost that MRIWA would otherwise purchase if not donated, are recognised as income at fair value where they can be reliably measured. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

3.2 Other income

	2026 $	2025 $
Income received from the Commonwealth during the period in relation to sponsorship:		
Critical Minerals Advanced Processing Common User Facility (CMAP)	-	150,000
Total Commonwealth grants and contributions	**-**	**150,000**
Revenue received from industry sponsors during the period in relation to sponsorship:		
Sponsorship income	1,351,182	1,189,401
Total revenue from industry sponsorship	**1,351,182**	**1,189,401**
Interest Revenue	**956,004**	**1,037,568**
Other revenue		
Miscellaneous revenue	46,132	91,763
Event ticket sales	11,054	4,992
Commercial income	2,943	-
Total other revenue	**60,128**	**96,755**

Commonwealth grants and contributions is recognised as income when the Institute has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income is recognised when the Institute receives the funds.

Revenue from industry sponsorship: MRIWA provides a service to sponsors by administering sponsorship funds for research projects and conferences. When the funds are received it is initially regarded as deferred revenue in MRIWA's accounts. Income from sponsors is recognised at the point in time MRIWA has completed this service. These services are completed under a contractual arrangement.

Miscellaneous revenue: Includes sitting fees foregone by Board and advisory committee members.

Commercial income: During the reporting period, the Institute formalised its accounting policy for commercial income arising from financial assistance arrangements. Commercial Income is recognised when the Institute's entitlement becomes measurable and enforceable. This generally occurs when the grantee's commercial income can be determined and the Institute's contractual share can be reliably calculated. Prior to this point, no income is recognised.

Note 4. Key assets

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

	Notes
Office equipment	4.1

4.1 Office equipment

	2026 $	2025 $
Office equipment		
At cost	13,000	13,000
Accumulated depreciation	(5,477)	(2,877)
	7,523	**10,123**
Office equipment		
Carrying amount at start of period	10,123	12,723
Additions	-	-
Depreciation	(2,600)	(2,600)
Carrying amount at end of period	**7,523**	**10,123**

Initial recognition: Items of office equipment, costing $5,000 or more are measured initially at cost. Where an asset is acquired for no cost or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of office equipment costing less than $5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Subsequent measurement: All office equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

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

Depreciation is calculated on straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The expected useful life for office equipment is 3 to 7 years.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments are made where appropriate.

Impairment: There were no indications of impairment to office equipment at 30 June 2026. MRIWA held no goodwill or intangible assets with an indefinite useful life during the reporting period.

Non-financial assets 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.

Note 5. Other assets and liabilities

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

	Notes
Receivables	5.1
Other current assets	5.2
Payables	5.3
Deferred income	5.4

5.1 Receivables

	2026 $	2025 $
Current		
Grant receivables - sponsorship	8,201	82,500
Commercial income receivable	2,943	
Less: loss allowance	-	-
Total	**11,144**	**82,500**
GST receivable	283,414	493,813
Total	**294,558**	**576,313**

Trade receivables are initially recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. expected credit loss). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off against the allowance account. In the current year no expected credit loss was recognised. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

5.2 Other current assets

	2026 $	2025 $
Interest receivable	249,304	258,145
Prepayments	-	4,545
Accrued income	231,650	-
Total	**480,954**	**262,690**

Interest revenue is recognised on an accrual basis. **Accrued income** is recognised where the Institute has satisfied its performance obligations under a sponsorship agreement and consideration is receivable at the reporting date but has not yet been received. Refer to Note 3.2.

5.3 Payables

	2026 $	2025 $
Current		
Accrued general expenses	436,465	328,416
Accrued salaries	81,186	67,372
Total	**517,651**	**395,788**

All payables are recognised when MRIWA becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end.

Accrued general expenses represent the amounts due to researchers and suppliers but unpaid at the end of the financial year. These payments are settled within 30 days of the financial year end. MRIWA considers the carrying amount of accrued expenses to be equivalent to its fair value.

5.4 Deferred income

	2026 $	2025 $
Deferred income - sponsorship	846,256	1,911,806
Total	**846,256**	**1,911,806**

Deferred Income: MRIWA provides a service to sponsors by administering sponsorship funds for research projects or conferences. These services are completed under a contractual arrangement. **Deferred income** is recognised when the sponsorship funds are received or receivable and the Institute has not fulfilled its obligations under the terms of the sponsorship agreement. Refer to Note 3.2.

Revenue Recognition Matter

During the current year, management reassessed the accounting treatment of a funding arrangement entered into in the prior year. Under the terms of the agreement, a portion of the funding received was subject to sufficiently specific performance obligations. Accordingly, that portion of the funding would have been more appropriately recognised as a Deferred Income until the relevant obligations were satisfied. The funding was recognised as revenue in the year ended 30 June 2025. No adjustment has been made to the comparative financial information in respect of this matter, as the amount was not considered material to the financial statements.

Note 6. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Institute.

	Notes
Cash and cash equivalents	6.1.1
Restricted cash and cash equivalents	6.1.2
Commitments	6.2

6.1 Cash and cash equivalents

6.1.1 Reconciliation of cash

	2026 $	2025 $
Cash and cash equivalents	12,171,883	11,314,585
Restricted cash and cash equivalents - current	8,773,595	10,207,838
Total	**20,945,478**	**21,522,423**

For the purpose of the Statement of Cash Flows, cash and cash equivalents (and restricted cash and cash equivalents) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash, and which are subject to insignificant risk of changes in value.

6.1.2 Restricted cash and cash equivalents

	2026 $	2025 $
Research projects and grants	7,441,076	8,942,092
Scholarships and awards	1,332,519	1,265,746
Total	**8,773,595**	**10,207,838**

Cash held in the account is to be used only for the purpose of providing grants for research and development of projects to grantees.

6.2 Commitments

	2026 $	2025 $
Other expenditure commitments		
Within 1 year	6,269,288	9,709,504
Later than 1 year and not later than 5 years	8,995,304	4,364,444
Later than 5 years	1,942,000	1,969,162
Total	**17,206,592**	**16,043,110**

The total presented for other expenditure commitments is GST exclusive.

The total commitments reported above represent projects with a contractual liability in place and those approved by the Board during this period where funds have been committed but the contracts are still to be finalised.

Note 7. Financial instruments and contingencies

This note sets out the financial instruments and contingencies of the Institute.

	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:

	2026 $	2025 $
Financial assets		
Cash and cash equivalents	12,171,883	11,314,585
Restricted cash and cash equivalents	8,773,595	10,207,838
Receivables[(a)]	11,144	82,500
Other current assets	249,304	258,145
Total financial assets	**21,205,926**	**21,863,068**
Financial liabilities		
Payables	436,465	328,416
Total financial liabilities	**436,465**	**328,416**

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

7.2 Contingent assets and liabilities

MRIWA has no contingent liabilities or contingent assets (2025: nil).

Note 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
Changes in accounting policy	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

MRIWA has had no events occurring after the end of the reporting period.

8.2 Changes in accounting policy

During the reporting period, the Institute formalised its accounting policy for commercial income arising from financial assistance arrangements.

Commercial income arising from financial assistance arrangements is recognised when the Institute's entitlement becomes measurable and enforceable. This generally occurs when the grantee's commercial income can be determined and the Institute's contractual share can be reliably calculated. Prior to this point, no income is recognised.

Where future commercial income is probable but not yet measurable and enforceable, the arrangement is disclosed as a contingent asset. Commercial income receivables are assessed for impairment in accordance with the Institute's financial asset impairment policy and are presented as Commercial Income in the statement of comprehensive income.

Significant judgements related to the timing and recognition of commercial income are disclosed where relevant.

8.3 Key management personnel

The Institute has determined key management personnel including the responsible Minister, board members, and senior officers of the Institute.

The Institute 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 key management personnel of the Institute for the reporting period are presented within the following bands:

	2026	2025
Compensation band ($)		
0 – 50,000	9	7
50,001 – 100,000	-	1
100,001 – 150,000	1	1
150,001 – 200,000	-	-
200,001 – 250,000	1	-
250,001 – 300,000	-	-
300,001 – 350,000	1	1
Total compensation of senior officers	**808,915**	**631,905**

Total compensation includes the superannuation expense incurred by the Institute in respect of key management personnel.

8.4 Related party transactions

The Institute is a wholly owned and controlled entity of the State of Western Australia.

Related parties of the Institute include:

- all Cabinet Ministers and their close family members, and entities controlled or jointly controlled by them;
- all senior officers and their close family members, and entities controlled or jointly controlled by them;
- the Government Employees Superannuation Board (GESB);
- other Western Australian Government departments, agencies and public sector entities, including entities consolidated into the Whole of Government financial statements; and
- associates and joint ventures that are included in the Whole of Government consolidated financial statements

The Institute transacts with various State Government entities in the normal course of conducting its business activities, including the work relating to the CMAP Feasibility Study with the Department of Housing and Works. Appropriations received from the Department of Mines, Petroleum and Exploration are disclosed in Note 3.1.

8.5 Related bodies

The Institute had no related bodies during the reporting period (2025: nil).

8.6 Affiliated bodies

The Institute had no affiliated bodies during the reporting period (2025: nil).

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:

	2026 $	2025 $
Auditing the accounts, financial statements and key performance indicators	46,000	44,418

8.8 Equity

	2026 $	2025 $
Accumulated surplus		
Balance at start of period	19,753,731	17,169,935
Result for the period	197,742	2,583,796
Balance at end of period	**19,951,473**	**19,753,731**
Total Equity at end of period	**19,951,473**	**19,753,731**

8.9 Supplementary financial information

(a) Write-offs
During the reporting period, nil (2025:nil) was written off by the Institute's books.

(b) Losses through theft, defaults, and other causes
During the reporting period, there were no losses through thefts, defaults or other causes, (2025:nil).

(c) Forgiveness of debts
During the reporting period, there were no occurrences of forgiveness of debts, (2025:nil).

(d) Gift of public property
During the reporting period, there were no occurrences of gifts of public property, (2025:nil).

Note 9. Explanatory Statements

This section explains variations in the financial performance of the Institute.

	Notes
Explanatory statement for controlled operations	9.1

9.1 Explanatory statement for controlled operations

This explanatory section explains variations in the financial performance of the Institute undertaking transactions under its own control, as represented by the primary financial statements. All variances between annual estimates (published in annual report 2025) and actual results for 2026, and between the actual results for 2026 and 2025 are shown below. Narratives are provided for major variances which are more than 10% of the comparative and which are more than 1% of the following (as appropriate):

1) Estimate and actual results for the current year:
   - Total Cost of Services of the annual estimates for the Statement of comprehensive income and Statement of cash; and
   - Total Assets of the annual estimates for the Statement of financial position.
2) Actual results between the current year and the previous year:
   - Total Cost of Services of the previous year for the Statements of comprehensive income and Statement of cash flows; and
   - Total Assets of the previous year for the Statement of financial position.

9.1.1 Statement of comprehensive income variances

	Variance note	Estimate 2026 $	Actual 2026 $	Actual 2025 $	Variance between estimate and actual	Variance between actual results for 2026 and 2025
COST OF SERVICES						
Expenses						
Research and scholarships	1,A	11,040,872	6,087,259	6,459,653	(4,953,613)	(372,394)
Employee benefits expense	2,B	3,055,163	2,619,151	2,108,587	(436,012)	510,564
Supplies and services	3	4,627,735	803,181	910,374	(3,824,554)	(107,193)
Other expenses		139,086	186,292	172,930	47,206	13,362
Accommodation expenses		213,306	217,041	211,112	3,735	5,929
Depreciation expense		-	2,600	2,600	2,600	-
Total cost of services		**19,076,162**	**9,915,524**	**9,865,256**	**(9,160,638)**	**50,268**
Income						
Revenue						
Interest revenue	4	739,158	956,004	1,037,568	216,846	(81,564)
Commonwealth grants and contributions	5,C	1,350,000	-	150,000	(1,350,000)	(150,000)
Other revenue		78,362	60,128	96,755	(18,234)	(36,627)
Revenue from Industry Sponsorship	6,D	3,016,155	1,351,182	1,189,401	(1,664,973)	161,781
Total Revenue		**5,183,675**	**2,367,314**	**2,473,724**	**(2,816,361)**	**(106,410)**
Total income other than income from State Government		**5,183,675**	**2,367,314**	**2,473,724**	**(2,816,361)**	**(106,410)**
NET COST OF SERVICES		**13,892,487**	**7,548,210**	**7,391,532**	**(6,344,277)**	**156,678**
Income from State Government						
State Government Grant	E	6,528,000	6,544,000	8,895,000	16,000	(2,351,000)
Income from other public sector entities	F	1,067,500	981,779	863,000	(85,721)	118,779
Resources received free of charge		213,306	220,173	217,328	6,867	2,845
Total income from State Government		**7,808,806**	**7,745,952**	**9,975,328**	**(62,854)**	**(2,229,376)**
SURPLUS/(DEFICIT) FOR THE PERIOD		**(6,083,681)**	**197,742**	**2,583,796**	**6,281,423**	**(2,386,054)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**(6,083,681)**	**197,742**	**2,583,796**	**6,281,423**	**(2,386,054)**

The estimates and the comparative amounts have been reclassified for simplified disclosures. This change in presentation has no impact on the net result.

9.1.1 Statement of comprehensive income variances (continued)

Major estimate and actual (2026) variance narratives

1. Research project expenditure was lower than estimated project values and vary due to the timing of entering into funding agreements and the progressive fulfilment of grant conditions. While the original budget assumed the full project expenditure would occur in the current year, a portion of the payments has been reprofiled to future years in line with project delivery schedules.
2. Employee benefits expense was lower than budgeted due to delays in filling all vacant positions, including roles associated with the CMAP Feasibility Study.
3. Supplies and services expenditure was lower than budget due to delays in the CMAP Feasibility Study. The original budget assumed that consultancy costs for the entire project would be incurred within the current year; however, project timelines have been revised, resulting in expenditure being deferred and reforecast to future years.
4. Interest revenue exceeded budget as actual earnings were higher than anticipated. The variance was due to the original budget that was based on a conservative estimate of interest income, which resulted in higher-than-budgeted revenue being recognised during the year.
5. Commonwealth grants and contributions relate to funding receivable under the Commonwealth National Productivity Initiative for the CMAP Feasibility Study. The variance was due to the funding for $1.35m reprofiled to the next financial year.
6. Sponsorship revenue is lower than budget as fewer sponsorship contributions are managed by the Institute. The budget was based on a higher estimate of sponsorship funding, resulting in lower actual revenue than forecast. This is also dependent on the timing of entering into funding agreements and the progressive fulfilment of grant conditions. A portion of the sponsorship revenue has been reprofiled to future years in line with project delivery schedules.

Major actual (2026) and comparative (2025) variance narratives

A. Research project expenditure decreased by 6% compared with the prior year, primarily reflecting a lower level of grant commitments and project activity during the year. The reduction was partially offset by expenditure associated with achieving key project milestones and ongoing research activities.

B. The Employee benefits expense has increased from the prior year due to the increase in number of employees appointed to some of the vacant positions.

C. Nil contribution in this financial year with funding receivable under the Commonwealth National Productivity Initiative for the CMAP Feasibility Study for $1.35m as it has been reprofiled to the next financial year.

D. Income from Industry sponsorship is driven by the terms set in the Conditions of Grant at the commencement of every new research project. The increase in income reflects the higher level of sponsorship funds to be managed by MRIWA in accordance with the Conditions of Grants entered into prior years.

E. State Government Grants decreased in the current year due to specific funding for CMAP feasibility study for $2.4m received in prior year.

F. Income from other public sector entities increased predominantly due to new sponsorship received from Department of Water and Environmental Regulation for $256k.

9.1.2 Statement of financial position variances

	Variance note	Estimate 2026 $	Actual 2026 $	Actual 2025 $	Variance between estimate and actual $	Variance between actual results for 2026 and 2025 $
ASSETS						
Current Assets						
Cash and cash equivalents		8,762,781	12,171,883	11,314,585	3,409,102	857,298
Restricted cash and cash equivalents		7,169,548	8,773,595	10,207,838	1,604,047	(1,434,243)
Receivables		570,000	294,558	576,313	(275,442)	(281,755)
Other current assets	1,A	184,790	480,954	262,690	296,164	218,264
Total Current Assets		**16,687,119**	**21,720,990**	**22,361,426**	**5,033,871**	**(640,436)**
Non-Current Assets						
Office equipment		7,800	7,523	10,123	(277)	(2,600)
Total Non-Current Assets		**7,800**	**7,523**	**10,123**	**(277)**	**(2,600)**
TOTAL ASSETS		**16,694,919**	**21,728,513**	**22,371,549**	**5,033,594**	**(643,036)**
LIABILITIES						
Current Liabilities						
Payables		390,000	517,651	395,788	127,651	121,863
Employee benefit provisions - Current		236,400	326,807	197,681	90,407	129,126
Deferred income	2,B	1,529,445	846,256	1,911,806	(683,189)	(1,065,550)
Total Current Liabilities		**2,155,845**	**1,690,714**	**2,505,275**	**(465,131)**	**(814,561)**
Non-Current Liabilities						
Employee benefit provisions - Non-Current		135,052	86,326	112,543	29,238	51,747
Total Non-Current Liabilities		**135,052**	**86,326**	**112,543**	**29,238**	51,747
TOTAL LIABILITIES		**2,290,897**	**1,777,040**	**2,617,818**	**(513,857)**	**(840,778)**
NET ASSETS		**14,404,022**	**19,951,473**	**19,753,731**	**5,547,451**	**197,742**
EQUITY						
Accumulated surplus		14,404,022	19,951,473	19,753,731	5,547,451	197,742
TOTAL EQUITY		**14,404,022**	**19,951,473**	**19,753,731**	**5,547,451**	**197,742**

9.1.2 Statement of financial position variances (continued)

Major Estimate and Actual (2026) Variance Narratives

1. Other current assets were higher than budget due to the recognition of accrued income relating to the CMAP Feasibility Study where the Institute had satisfied its performance obligations by year-end and the associated funding was receivable but had not yet been received.

2. Deferred income was lower than budget due to the timing of entering into funding agreements and the progressive fulfilment of grant conditions. In addition, the completion and closure of a significant number of projects during the year resulted in the recognition of previously deferred funding as revenue, reducing the deferred income balance below budget.

Major Actual (2026) and Comparative (2025) Variance Narratives

A. The increase in other current assets reflects the recognition of accrued income associated with the CMAP Feasibility Study. The Institute had satisfied its performance obligations under the funding agreement as at the reporting date, with the related funding remaining receivable at year-end.

B. Deferred income was lower than the prior year, reflecting the recognition of previously deferred funding as revenue following the satisfaction of grant conditions and the closure of a significant number of research projects during the year.

9.1.3 Statement of cash flows variances

	Variance note	Restated budget 2026 $	Actual 2026 $	Restated Actual 2025 $	Variance between estimate and actual $	Variance between actual results for 2026 and 2025 $
CASH FLOWS FROM STATE GOVERNMENT						
State Government Grant						
State Government grant and sponsorship	1,A	6,528,000	6,544,000	8,895,000	16,000	(2,351,000)
Funds from other public sector entities	1	1,067,500	861,779	863,000	(205,721)	(1,221)
		7,595,500	**7,405,779**	**9,758,000**	**(189,721)**	**(2,352,221)**
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Research and scholarships payments	2,B	(10,730,872)	(5,906,311)	(6,655,677)	4,824,561	749,366
Employee benefits	3,C	(2,760,496)	(2,502,428)	(2,005,157)	258,068	(497,271)
Supplies and Services	4	(4,627,735)	(831,318)	(639,441)	3,796,417	(191,877)
Other Expenses		(139,087)	(174,302)	(153,584)	(35,215)	(20,718)
GST paid on purchases	5	(1,377,417)	(638,040)	(715,708)	739,377	77,668
Receipts						
Receipts from Sponsors	6,D	2,936,056	256,893	677,065	(2,679,163)	(420,172)
Receipts from Commonwealth Government and contributions	7,E	1,350,000	-	150,000	(1,350,000)	(150,000)
Other receipts		78,362	11,054	4,992	(67,308)	6,062
Interest received	8	708,179	964,845	986,316	256,666	(21,471)
GST received on sales	9	180,865	35,371	46,124	(145,494)	(10,753)
GST receipts from taxation authority	10,F	1,196,552	801,512	358,186	(395,040)	443,326
Net cash used in operating activities		**(13,185,593)**	**(7,982,724)**	**(7,946,884)**	**5,202,869**	**(35,840)**
CASH FLOWS FROM INVESTING ACTIVITIES		-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents		(5,590,093)	(576,945)	1,811,116	5,013,148	(2,388,061)
Cash and cash equivalents at the beginning of the period		21,522,423	21,522,423	19,711,307	-	1,811,116
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**15,932,329**	**20,945,478**	**21,522,423**	**5,013,148**	**(576,945)**

The estimates and the comparative amounts have been reclassified for simplified disclosures. This change in presentation has no impact on the net result.

9.1.3 Statement of cash flows variances (continued)

Major Estimate and Actual (2025) Variance Narratives

1. Net cash received from the State Government was lower than estimated. This favourable variance for State Government grant of $16K that was provided to offset increased insurance costs was partially offset by lower-than-budgeted sponsorship contributions received from other public sector entities.
2. Research project payments were lower than budget due to the timing of entering into funding agreements and the progressive fulfilment of grant conditions. While the original budget assumed the full project expenditure would occur in the current year, a portion of the payments has been reprofiled to future years in line with project delivery schedules.
3. Employee benefits payments are lower than budgeted due to delays in appointing personnel to all vacant positions.
4. Supplies and services payments was lower than budget due to delays in the CMAP Feasibility Study. The original budget assumed that consultancy costs for the entire project would be incurred within the current year; however, project timelines have been revised, resulting in expenditure being deferred and reforecast to future years.
5. GST on payments was below budget, reflecting lower actual expenditure than anticipated. The original budget was based on a conservative estimate of expenditure levels, resulting in higher forecast GST recoveries than were ultimately realised.
6. Sponsorship receipts were lower than budget as fewer sponsorship contributions were received than anticipated. The budget was based on a higher estimate of sponsorship funding, resulting in lower actual receipts than forecast.
7. Nil contribution in this financial year with funding receivable under the Commonwealth National Productivity Initiative for the CMAP Feasibility Study for $1.35m which has been reprofiled to the next financial year.
8. Interest revenue exceeded budget as actual earnings were higher than anticipated. The original budget was based on a conservative estimate of interest income, which resulted in higher-than-budgeted revenue being recognised during the year.
9. GST receipts associated with sponsorship funding were below budget, reflecting lower taxable sponsorship income received during the year than forecast. The original budget was based on higher estimated sponsorship revenue, resulting in a corresponding reduction in GST receipts.
10. GST receipts from the taxation authority were lower than budget, primarily due to lower GST-bearing transactions than originally forecast. The budget was prepared using higher estimates of taxable revenue and expenditure activity, resulting in lower GST recoveries than anticipated.

Major Actual (2026) and Comparative (2025) Variance Narratives

A. State Government grants decreased in the current year as the prior year included $2.4 million of specific funding for the CMAP Feasibility Study. This project-specific funding was not ongoing and was not repeated in the current year.

B. Cash payments for research projects decreased from the prior year, reflecting the completion and closure of a significant number of projects during the year. In addition, the timing of project milestones resulted in some planned payments being deferred to future financial years.

C. Employee benefits payments are higher from the prior year due to the increase in number of employees appointed to some of the vacant positions.

D. Sponsorship receipts were lower than the prior year, reflecting a lower level of industry sponsorship funding received as several projects were completed during the year and fewer new sponsorship-funded projects commenced.

E. Nil contribution in this financial year with funding receivable under the Commonwealth National Productivity Initiative for the CMAP Feasibility Study for $1.35m which has been reprofiled to the next financial year.

F. GST receipts from the taxation authority increased compared to the prior year, reflecting higher levels of operational and research project activity, which generated increased GST recoveries during the year.