

Mid West Development Commission

Annual Report
2000-2001



Mid West Development Commission
Government of Western Australia



PREFACE	3
WHY WE EXIST	3
Vision	3
Role and Objectives	3
Values	4
Legislation	4
Links to Government Desired Outcomes	4
ORGANISATIONAL STRUCTURE	6
CHAIRMAN'S REPORT	7
ADMINISTRATIVE STRUCTURE	9
STRATEGIC DIRECTIONS	9
OUTCOMES	9
KEY RESULT AREAS	9
REGIONAL INITIATIVES FUND	9
BOARD OF MANAGEMENT	10
Retiring Members	12
WHAT WE ACHIEVED	13
Adaptive Communities	13
Services	14
Wealth and Employment	15
Infrastructure	17
Environment and Natural Resource Management	19
Responsive Government	19
WHAT IS PLANNED	21
PUBLICATIONS	23
FINANCIAL STATEMENTS	24
PERFORMANCE INDICATORS	45
APPENDICES	51
Operation of the Freedom of Information Act	51
Disabilities Services Plan	51
Electoral Act 1907	51
Statements of Compliance with Relevant Written Law	52
Government Two Year Plan for Women	52
ACTION: A State government Plan for Young People 2000-2003	52
Code of Conduct	52
Services	53



PREFACE

This report to the Minister is a requirement under Section 66 of the Financial Administration and Audit Act of 1985 (as amended) and covers the performance of the Mid West Development Commission and its staff in implementing its vision for 2000/01.

The Commission's strategic plan is divided into six key result areas with specific objectives and strategies to complement the objectives of the Regional Development Policy.

In addition, this report contains the Commission's highlights, organisational structure, audited financial statements, performance indicators and priorities for 2001/2002.

The Annual Report is tabled in the Western Australian Legislative Assembly after each financial year. This year the Annual Report will be available electronically and in hard copy.

WHY WE EXIST

VISION

To have the Mid West recognised as a preferred region in which to live, work and invest.

ROLE AND OBJECTIVES

The role of the Mid West Development Commission is to provide the best possible quality of life for people in the Mid West by developing the region's potential.

The objectives of the Commission are to:

- Empower Mid West communities to determine their own futures;
- Promote the role of services as a key factor in the quality of life for people in regional areas;
- Support development of investment, trade, business and employment opportunities;
- Expand and improve community and economic infrastructure;
- Maintain and enhance the region's natural resource base; and
- Foster regional decision making and encourage a whole of government approach to managing change.



VALUES

In promoting balanced and responsible regional development in the Mid West, we are:

EFFECTIVE

We strive to deliver best practice regional development services;

PROFESSIONAL

As a team, we are committed to doing the best we can and strive to improve our standards;

CLIENT FOCUSED

Our clients can expect consistent, timely, accurate and reliable services;

COMMUNICATORS

We listen to understand, and respond in a straightforward way

ETHICAL

We act with integrity, honesty, loyalty and courage;

PROACTIVE

We are innovative, forward thinking, resourceful and creative; and

PARTNERS

We work with others to achieve common goals.

LEGISLATION

The Mid West Development Commission is a statutory authority managed by a community-based Board. The Commission functions under the provisions of the Regional Development Commissions Act 1993 and is one of nine regional development commissions in WA.

The Commission is responsible to the Minister for Regional Development and receives an annual financial allocation from the State Government.

LINKS TO GOVERNMENT DESIRED OUTCOMES

OUTPUT 1: INFORMATION AND ADVICE

LINK TO GOVERNMENT DESIRED OUTCOMES:

Being valued as a source of accurate information and sound advice will establish the Commission as a key facilitator for economic development in the Mid West. In this role the Commission will foster strategic cooperation and coordination between government, business, and community to maximise the potential for employment generation in the region.

EFFECTIVENESS OF OUTPUTS IN ACHIEVING GOVERNMENT DESIRED OUTCOMES:

Accurate information and sound advice will produce effective client contacts and bring opportunities for economic development to notice. Following initial contacts, the Commission will foster the strategic alliances necessary to bring potential to reality. The quality and timeliness of contact with clients is determined by survey and used to measure the Commission's effectiveness with regard to information and advice. Survey results are published in the Commission's annual report



OUTPUT 2: INVESTMENT FACILITATION

LINK TO GOVERNMENT DESIRED OUTCOMES:

The Commission, by effectively facilitating and marketing investment opportunities, will help to build a strong, diversified regional economy, which is resilient to the cyclical nature of extractive industries and fluctuating commodity prices for the region's primary industries.

EFFECTIVENESS OF OUTPUTS IN ACHIEVING GOVERNMENT DESIRED OUTCOMES:

The Commission will work to convert investment opportunities in the Mid West region into wealth generation to sustain a viable economic base on which to build and attract industry, business and employment. The Commission actively markets investment opportunities in the private and public sectors, with primary focus on the former.

OUTPUT 3: INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

LINK TO GOVERNMENT DESIRED OUTCOMES:

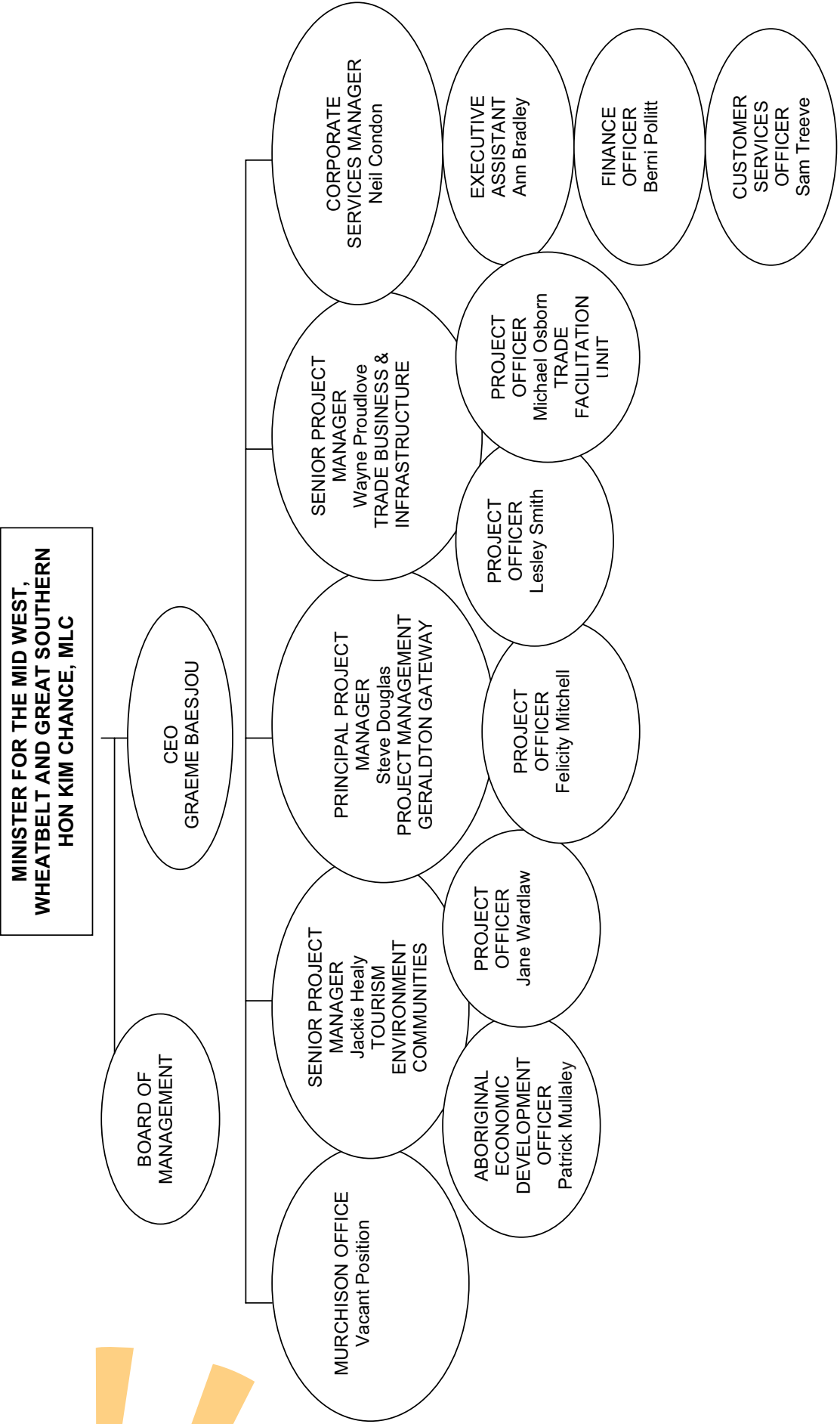
The Commission employs strategic planning processes to identify intra and inter-regional infrastructure shortfalls and remedies to provide a robust foundation for sustainable economic development.

EFFECTIVENESS OF OUTPUTS IN ACHIEVING GOVERNMENT DESIRED OUTCOMES:

The Commission is working collaboratively with the public and private sectors to underpin the region's economic base with integrated, multi-user physical and social infrastructure that meet local requirements. Successful infrastructure projects will bring to the fore the competitive advantages and quality lifestyle that are intrinsic to the Mid West region.



MID WEST DEVELOPMENT COMMISSION – ORGANISATION CHART



CHAIRMAN'S REPORT

The change in state government as a result of the February state election created the opportunity for the Mid West Development Commission to review its Strategic Plan and align the organisation's activities with the incoming government's new policies and programs.

The specific areas of change included the introduction of triple bottom line accountability, structural reform in the public service and new Ministerial reporting functions for the regional development commissions as part of the machinery of government.

The Commission continued to deliver its services according to six key principles:

- Adaptive communities
- Enriched lifestyles and livelihoods
- Wealth and employment
- Infrastructure and services
- Environment and natural resource management
- Responsive government

Achievements for the Mid West Development Commission in 2000/01 included:

- The Industry Development Unit assisted local businesses attract more than \$5 million from \$7.6 m from several major government and private projects.
- Opening of the Mid West Museum and commencement of exhibition design and fit-out;
- Completion of demonstration projects by J-Corp in the Batavia Coast Marina and sale of the hotel site to Kareelya Property Developers who will develop a Broadwater style hotel complex by mid 2003.
- Completion of stage two marketing and action plan for the proposed Kalbarri Interpretive Centre.
- Pilot project in Mullewa in which the Commission opened an office, in partnership with the Shire of Mullewa, to implement on the ground community development initiatives.
- As part of a positive campaign for Geraldton, the Commission co-ordinated the return visit of internationally renowned lateral thinker Edward de Bono. Dr de Bono also conducted public seminars in Mullewa and worked with the local community on lateral thinking strategies for improving quality of life and developing a better future for Mullewa.
- Significant advancement in enhancing university access for Mid West students following a successful visit to Canberra by representatives of the University Access Group.
- The Business and Trade Support Manager co-led two trade missions to the Middle East in conjunction with the Department of Commerce and Trade's Regional Trade office resulting in \$4.5m export sales for regional exporters of which \$2m benefited Mid West businesses.
- Through the Trade Facilitation Unit, export markets were developed in Japan for biodynamic beef and the first ever export of Damara sheep.



In the next 12 months the Mid West Development Commission will continue to foster key projects under the umbrella of sustainability that include:

- Establishing Geraldton as the gateway to the Mid West region;
- Promotion of Geraldton as a service centre to the mining region;
- Infrastructure development such as the Southern Transport Corridor and the Mt Gibson-Perenjori Road to service the Mt Gibson mineral area;
- Aiding capacity building in regional communities;
- Geraldton University;
- Marine Centre of Excellence;
- Medical facilities;
- Developing a whole of region electronic portal to improve the competitive advantage of the Mid West;
- Indigenous, cultural and eco tourism;
- Exports of live animals and packaged meat;
- Attracting new industry to gazetted industrial estates;
- Developing trade opportunities and trade focussed transport infrastructure;
- Square Kilometre Array telescope project for the Murchison;
- Development of a horticulture precinct at Walkaway; and
- Developing a "local processing for local products" value adding for the agricultural industry.

I recognise the efforts of Ron Allen who served the Commission and the Mid West commendably during his six year term as Chairman of the Board. Ron was well known for his passion and commitment to improving the economy of the Mid West region. I also thank Board members Bill Mitchell and Dianne Forsyth who completed their six year terms with the Commission and Jamie Edwards who resigned following his election to State Parliament as Member for Greenough.

I thank the former Minister for Regional Development the Hon Hendy Cowan and his staff for their commitment to the Mid West region and look forward to working with the Hon Kim Chance in his new role as Minister for the Mid West, Wheatbelt and Great Southern.

GRAEME O'GRADY
CHAIRMAN



ADMINISTRATIVE STRUCTURE

In 2000/2001 the Mid West Development Commission operated with up to 16 staff of which 14 were based at the Commission's Geraldton office, one in the Perth offices of Austrade and one in the Mullewa office on a six month pilot project. During this time one staff member was on long service leave and two resigned to take up a position in the South West Development Commission and with the Geraldton Guardian Newspaper.

STRATEGIC DIRECTIONS

The Commission's future direction is set out in "Strategic Directions 2001". An operational plan is prepared to articulate key annual objectives and implementation milestones.

Performance against objectives set is regularly monitored through bi-monthly reports to the Board of Management and the Minister. Annual performance is reflected in the annual report.

A staff objective setting and performance review program is in place to ensure the Commission remains focused and operates to high standards.

OUTCOMES

The three key outcomes expected of the Commission's activities are:

- Provision of timely advice and accurate information
- Attracting new investment
- Expansion of infrastructure and improved access to services.

KEY RESULT AREAS

To achieve these outcomes, the Commission has focused on six key result areas. These are:

- Adaptive Communities;
- Services;
- Wealth and Employment;
- Infrastructure;
- Environment and Natural Resource Management; and
- Responsive Government.

REGIONAL INITIATIVES FUNDS

During the period July 2000 to June 2001, the Mid West Development Commission attracted \$24,000 in Regional Initiatives Funds for the following projects:

Youth Sub-Committee	-	\$ 9,000
Youth Sub-Committee	-	\$10,000
Cruising Geraldton	-	\$ 3,000
Larry Lobster Festival	-	\$ 2,000

Applications were being considered under the Regional Initiatives Fund for the following projects:

Trade Facilitation Unit	-	\$24,000
Industry Development Unit	-	\$25,000



BOARD OF MANAGEMENT

The Mid West Development Commission is managed by a Board of regional representatives comprising local government, community and ministerial appointments. Board members are appointed by the Minister for Regional Development. Members receive fees consistent with determinations made by the Department of Premier and Cabinet. The Board officially met 6 times in 2000/01.

Mr Graeme O'Grady, Chairman

Graeme, Marketing Administration Manager for Iluka Resources, has a background in farming, environmental management, commerce and international trade. A Ministerial appointment, Graeme was appointed in 1998 for three years. He is a member of the Mid West Regional Mineral Study Implementation Group. During 2000/01, Graeme took over the role of Chairman from retired Chairman Ron Allen.

Mr David Brindal, Deputy Chairman

David is a Mingenew farmer who has been a member of the Mingenew Land Conservation District Committee for 10 years and was the inaugural chairman of both the Northern Agricultural Integrated Management Strategy and Northern Agriculture Sustainable Rural Development Program. David served on the Mingenew Shire Council for 10 years including three years as president. A community appointment, David was appointed in 1999 for a term of three years and currently chairs the Mid West Investment Group.

Ms Lee Morton

Lee is a Greenough business proprietor with a background in training consultancy. Her work involves Mainstreet Program in Dongara, and Mid West representative on the Water Corporation Customer Advisory Council. She is also the chairman of the University Access Group who is endeavouring to improve university access for the Mid West region. A Ministerial appointment, Lee was appointed in 1999 for a three year term.

Mr Michael Doherty

Michael is actively involved in the Mullewa LandCare District Committee, is a Director of the Council of Grain Growers Organisations, a committee member of the Canola Association of WA, and the interim chairman of Canola Breeders WA Pty Ltd. Michael is a farmer in the Mullewa district and deputy president of the Mullewa Shire Council. He was elected for a three year term as a local government representative. Michael is Deputy Chair of the Mid West Transport Advisory Group.

Mr Garry Ronan

Garry has a background in business and training, and is currently employed with the Wila Gutharra (Two Rivers) Aboriginal Corporation's Training and Employment Services. Garry has a strong interest in Aboriginal economic development. Garry was appointed in 1997 as a community representative.



Mr Jamie Edwards

Jamie was President of the WA Municipal Association 1999 to 2000 and was WAMA's representative on the National Trust of Australia WA. A Councillor of the Greenough Shire since 1991, Jamie held the position of President from 1994 to 2001 and was a former President of the Northern Ward of the Country Shire Councils' Association.

On 10 February 2001 Jamie was elected to the State Parliament of WA for the Electoral District of Greenough and resigned from the Board on 19 February. He currently holds the Opposition Spokesperson portfolios of Heritage and the Midwest.

Ms Bronwyn Barnes

Bronwyn has extensive experience in the corporate sector, particularly in the areas of Government lobbying, community relations and working with indigenous communities. With a background in the resources and research and development industries, the skills base that she brings to the board of management of the MWDC ensures that an industry and private sector approach is contributed to the development of the Commission's strategies. Bronwyn is also Chair of the Mid West Transport Advisory Group and is committed to seeking ways to develop infrastructure and industry participation in the Mid West. Bronwyn is Public Relations Manager for Phillips Petroleum Australia Ltd.

Mr Ken Pepper

Ken is a well known identity in the Mid West region both through business and a strong sporting background. Ken is Dealer Principal of Young Motors Geraldton, with 30 years of experience in the motor vehicle industry. An active member of various dealer groups including helping set up the Holden Dealer Council, now an integral part of dealer/manufacturer relations. He is also currently a member of the Geraldton Rotary Club and is Deputy Chair of the Mid West Investment Group.

Mr Ron Ashplant

Ron has been a Councillor with the City of Geraldton since 1985 and is also on the Board of the new WA Museum, Geraldton. Ron works in the hospitality industry and has family interests in the fishing and construction industries.

Mr Graeme Baesjou

Graeme was appointed Chief Executive Officer of the Mid West Development Commission on 25 July 2000 after acting in the position since October 1999, he is a member of the Board in this capacity. Graeme was formerly Southern Regional Manager with the Goldfields Esperance Development Commission.



RETIRING MEMBERS

Mr Ron Allen, Chairman

Ron, a Kalbarri businessman, was appointed to the position of Chairman in 1994 and was reappointed in 1997 as a Ministerial appointment for a further term of three years. Ron was formerly a member of the Geraldton Mid West Development Authority Advisory Committee from 1986 to 1993 and was President of the Shire of Northampton from 1979 to 1994.

Mr Bill Mitchell

Bill was an inaugural member of the Soil and Land Conservation Council of WA and Murchison Shire Councillor. Bill, a Murchison pastoralist, was appointed to the Board in 1994 and reappointed in 1997 for a three year term as a local government representative.

Ms Dianne Forsyth

Dianne is a biodynamic beef producer and has lived and worked in the Mid West for more than 26 years, on the family's pastoral properties north of Meekatharra and more recently in the Eneabba area. Dianne has strong community interest with organisations such as the Country Women's Association, the Isolated Children's Parents Association and the Silver Chain, and was awarded ABC Rural Woman of the year in 1997.



WHAT WE ACHIEVED

ADAPTIVE COMMUNITIES

A number of community development initiatives were supported during the year.

The Commission worked with the **Shire of Chapman Valley** and **Department of Commerce and Trade** to identify resources to assist with proposed community planning initiatives to be undertaken within Chapman Valley.

The Commission assisted community service organisations with running the art project **State Images** and secured a mosaic artwork for the new WA Museum Geraldton.

The Commission supported the successful **Meekatharra Connected Families Connected Communities** submission to Lotteries Commission and helped lobby Lotteries Commission to conduct funding workshops in Meekatharra, Mullewa and Mount Magnet.

Staff also assisted Mount Magnet Shire to develop a submission to the Rural Transaction Centre fund and Collocation fund for the development of a **community resource centre** in the Old Post Office building in Mount Magnet.

Commission staff continued to work closely with the **Shire of Wiluna** to develop a strategic plan and provided ongoing and active participation in the **Dongara Denison Healthy Community** steering committee.

The Commission continued to provide support for implementation of key recommendations from the Coorow **Business Retention and Expansion** action plan including establishment of a telecentre.

A pilot program involving the establishment of a **Mullewa office** of the Mid West Development Commission to focus on grass roots community development was trialled. This was a six month project, in cooperation with the Shire of Mullewa, involving the relocation of one project manager to live in the town for a six month trial period. Key projects included establishment of the **Yamaji Wihlbala Wangga group**, Western Wise Women's Network, a Christmas street festival, Mullewa Dreaming workshop and assistance to the Mullewa Football Club.

Coordinated a grant submission writing workshop for the **Mingenew community** and provided support and advice to the **Painted Road Project** steering committee and began assistance with funding applications.

The Commission's **youth sub-committee** supported the development of a Mid West Calendar of Events and contributed two members to the **University Access Group**. The committee elected to change direction in June 2001 in order to make the best possible contribution to the development of the region. Rather than remaining project focussed the group will provide advice to the Board and to government on youth policy issues.

Management of the **Positive Geraldton Campaign** was handed over from the Commission to the community and together the Commission and the local community attracted funding to appoint a project coordinator for two years. The Commission also provided support for development of a presentation kit for sponsorship and campaign awareness, creation of an action plan and establishment of a "Positive Geraldton" entity to oversee the campaign.



As a follow up to the highly successful **King's Week**, internationally renowned lateral thinker Edward de Bono returned to Geraldton to support community activities including a business recovery initiative and to re-ignite the Positive Geraldton campaign. During his visit to the region, Dr de Bono also travelled to Mullewa to encourage the community to develop lateral thinking skills as part of its steps towards working together to develop a positive future for Mullewa.

The Commission assisted local groups to secure \$115,000 from the state government to support the construction in Geraldton of a national memorial to the **HMAS Sydney**.

SERVICES

The **University Access Group**, a sub committee of the MWDC, completed a study into options for enhancing the delivery of university courses in Geraldton and the Mid West region and lobbied the Federal Minister for Education, Training and Youth Affairs, for an allocation fully funded places. In addition the group completed a feasibility report and attracted \$135,000 for a university development coordinator to progress the university project.

The Industry Development Unit organised a forum for Mid West businesses to highlight the key factors about **quality assurance** and why businesses choose the quality assurance path. It conducted a workshop of key stakeholders to review the state government's **Buy Local Policy**, facilitated a reverse in the WaterCorp position on providing opportunities for local businesses to tender on Mid West projects and worked with Contract and Management Services to ensure an increased number of local businesses were pre-qualified.

The **Mid West Communications Working Group** continued to work to improve the communications services in the Mid West. Since July 2000 major achievements in telecommunications and broadcasting include:

- The Commission successfully lobbied the Federal Committee on Communications, Transport and the Arts to hold a sitting of the inquiry into broadcasting services in Geraldton. Issues including the lack of ABC radio services in the pastoral region and regionalisation of ABC programming were raised at the inquiry.
- Supported the North Midlands Voluntary Organisation of Councils in the Networking the Nation bid for funding to establish expanded mobile telephony throughout the North Midlands.
- In a joint effort with Batavia Coast FM and Geraldton Newspapers, successfully lobbied the Australian Broadcasting Authority to grant Batavia Coast FM commercial licenses to broadcast to the North Midlands Wheatbelt area of the Mid West region.
- Secured funding for an IT coordinator.



WEALTH & EMPLOYMENT

The Commission continued to work closely with local government authorities and clients to develop strong regional networks to facilitate economic growth and employment across the region.

In a joint venture with the Shire of Perenjori, the Commission assisted with the running of the **North East Midlands Economic Development Summit**. An outcome was the formation of the North East Midlands Development Taskforce to initiate and facilitate development opportunities that will provide benefits to communities in this area. The taskforce, of which the Commission is an integral part, is assisting proponents of three resource development projects in the Mt Gibson area.

The Industry Development Unit was appointed by the Western Australian Turf Club to chair the **Geraldton Turf Club's Finance Restructure Committee** and to assist the club gain a \$900,000 funding package through the development of its five year business plan.

In partnership with the Department of Resources Development, the Commission established the **Mid West Mineral Study** Implementation group following completion of the study in June 2000. The group's role is to prioritise and implement the recommendations from the mineral study.

A study into the feasibility of a **Geraldton Marine Industry Research Centre** was completed and a 5 year Business Plan prepared. Both showed the centre was feasible and would benefit from collocation with Central West College of TAFE's proposed marine and fishing industry training facility. The proposed centre falls within the Geraldton Foreshore Redevelopment and central business district revitalisation project.

The Industry Development Unit supported business development and employment by promoting local business capability to both government agency and private project proponents. Local content made up in excess of \$5 million from a total of \$7.6 m for the following projects:

- Agriculture Western Australia Geraldton office redevelopment: In excess of \$1m of this \$3m project was sub-contracted to local business.
- Kalbarri Airport: In excess of \$400,000 was spent on local contractors and supplies by Aerodrome Management Services of WA.
- WaterCorp used local contractors for the water supply and in-fill sewer projects in Northampton Shire.
- Gindalbie Gold contracted local businesses for the construction of its minesite accommodation and ongoing mine operations maintenance from a total in excess of \$400,000.
- Successfully gained the Geraldton Turf Club its \$900,000 funding package through the development and presentation of a 5 year business plan to the Western Australian Turf Club.

The Commission continued to maintain close liaison with **Kingstream Steel Ltd** and **Mt Gibson Iron** to maximise opportunities for local communities and businesses in iron ore and steel production projects and to proactively manage the impacts of these developments.

As part of the **Regional Cooperative Research Fund**, managed by the Commission, \$50,000 was secured for the Integrated Management Technology project and the lobster bait trials (\$24,500) were completed.



The **Mid West Investment Group** met quarterly in 2000/01 to identify regional investment opportunities and impediments to investment. Issues tackled included livestock exports from Geraldton, lupin value adding, tourism investment in Geraldton, pooled development funds and shipping and transport issues.

In conjunction with the Geraldton Port Authority the Mid West Development Commission set up a **Trade Facilitation Unit**. The Unit aims to develop export opportunities and re-establish a container service at the Geraldton Port. Shipping lines have shown some interest in developing a container service. Areas of work included:

- Development of export markets in Japan for biodynamic beef and the first ever Damara exports into Japan.
- Facilitated approximately \$250,000 of exports into Japan.
- Facilitated a joint venture agreement between a local beef producer and a prominent Japanese supermarket chain to a) develop a chemical residue free marble beef industry in the Mid West using Japanese Wagu cattle and b) market and promote healthy beef in Japan.
- Established a Western Australian produce section in a supermarket chain in Japan.

The Business and Trade Support Manager co-led two trade missions to the **Middle East** in conjunction with the Department of Commerce and Trade's Regional Trade office. These trade missions resulted in \$4.5m export sales for regional exporters of which an estimated \$2m came to Mid West businesses.

The Commission continued its link with the Australian Trade Commission (Austrade) through the **TradeStart** office by granting a two-year extension of Austrade's TradeStart contract following the successful completion of the first contract term. Initiatives include a Middle East Trade Opportunities workshop, E-Commerce for Exporters Workshop, two Getting into Export workshops, an exporters forum with Minister Mark Vaile and an Export Opportunities in South East Asia seminar. The TradeStart office provided specific advice and assistance to 43 exporters and potential exporters.

The Commission promoted diversification of industry through participation on a range of committees developing new opportunities such as the **Indian Ocean Drive** and the **Allanooka and Dongara Denison Water Reserves Water Protection Plan**.

Assistance was provided to eight businesses, via the **Regional Sponsored Migration Scheme**, resulting in five skilled workers relocating to and working in the region.

The Commission established and chaired the **Cruising Geraldton Steering Committee** aimed at attracting international cruise ships. The group has been accepted as a member of national marketing body "Cruising Down Under" and contributed promotional material to a statewide marketing CD that was shown at an international cruise ship conference in Miami.

Tourism took a higher priority for the Mid West Development Commission with the Aboriginal Economic Development Officer (AEDO) becoming a member of the **Government and Industry Liaison Committee on Indigenous Tourism** (GILCIT). As a member of GILCIT, the Commission provided input into government policy on cultural tourism based on feedback from the WA Indigenous Tourism Operators Committee (WAITOC) and in recognition of Mid West tourism initiatives.

The Commission was represented at various **ecotourism** workshops including the national conference in Victoria held by the Ecotourism Association of Australia. Attendance at this conference provided increased opportunities to raise awareness within the Mid West region of the benefits of ecotourism.



The AEDO continued to provide advice and feedback to aspirant indigenous tourism operators and regularly provided information and advice to indigenous groups preparing community economic development plans. For example, the AEDO provided advice on business planning and industry training for a number of potential new tourism business operators including the **Marra Indigenous Art and Design Aboriginal Corporation**. This included advice and assistance on the development of its commercial operation and promotion of several exhibitions of local indigenous artists and their work.

Funding was sourced for the enhancement and continuation of the **Murchison Indigenous Initiatives Project**, which was established to increase indigenous business and employment participation in the Murchison area.

Assisted the **Yamaji Languages Aboriginal Corporation** to develop and implement an economic development planning process to enhance the commercial operations of the YLAC trading arm.

Implemented a program of regular visits/meetings with government agencies to network and inform on contemporary **Aboriginal economic development** issues.

Collaborated with staff from the Central West College of TAFE and Edith Cowan University to promote **education and training opportunities** relevant to the economic development of Aboriginal people. This included the delivery of relevant courses at regional venues eg Aboriginal mining access course delivered in Mt Magnet. As a member of the TAFE Aboriginal Employment, Education and Training Council, the Commission actively promoted the effective uses of funding for **Aboriginal training**.

As a member of the **Midwest Joblink Management Committee** the Commission provided advice to the committee on issues impacting on the Aboriginal community and relevant Aboriginal organisations on Mid West Joblink programs and initiatives.

The Commission is an active member of the Employment and Training Portfolio group of the **Geraldton Aboriginal Reference Group** (GARG) which was formed in response to the Royal Commission into Aboriginal Deaths in Custody.

The Commission supported the **Mid West Training Group** (MWTG) through membership on its Board of Management and promoting the employment of apprentices and trainees to host employers. The MWTG employs 165 apprentices and trainees spread across a wide range of industry and business sectors.

INFRASTRUCTURE

The Commission continued to work with communities, local, state and federal government agencies to progress the development of **infrastructure projects** including the Oakajee industrial estate and deepwater port, upgrading of key east-west road links and planning for other key strategic infrastructure.

Planning for the **Southern Transport Corridor** continued and the Commission participated through membership on the steering committee and local government and industry committee. The Commission coordinated a letter to the Premier on behalf of the greater Geraldton community supporting the Southern Transport Corridor and the importance to Geraldton and the Mid West of maintaining the government's capital works program as scheduled prior to the state election.

In conjunction with the Department of Transport, the Commission launched the **Mid West Regional Transport Strategy** and established the Mid West Transport Advisory group to implement the strategy.



The **Geraldton North South Bypass Road Working Group** was established, with Commission representation, to consider alignment options for a future north south bypass road identified in the Geraldton Region Plan (1999) to cater for growth in heavy traffic. Community consultation of five options was conducted in preparation of making a decision in early 2001/02.

The \$6.82 million stage one redevelopment of the **Batavia Coast Marina** was opened last year and since then all but 7 of 23 lots have been sold. **Kareelya Property Development** group purchased the hotel site and will construct a Broadwater style hotel, conference facilities, accommodation and commercial development.

The \$5.25 million **WA Museum Geraldton** was officially opened and the Batavia Portico erected in the shipwreck gallery.

The Commission worked in partnership with the **Perenjori Shire Council** to facilitate major resource development in the Mt Gibson area and assisted the **Combined Universities Centre for Rural Health** to establish a private general practice in Geraldton.

The Commission continued to work with CSIRO and the Department of Commerce and Trade to promote the Murchison as a competitive site for the **Square Kilometre Array Telescope**. Information packs were produced to inform the community about the project. The first phase of radio quietness testing was carried out at Mileura Station and the results were presented to a meeting of the international site selection committee. This is an international project valued at \$1 billion with a completion schedule of 2010-2015.

The action and marketing study (Stage II) of the **Kalbarri Interpretative Centre** project was completed. The Commission continued its role on the steering committee to coordinate an awareness campaign to increase community support of and input to the project.

Supported Cue's successful application for \$75,000 through Regional Development Priority Infrastructure Projects for the **Great Fingal Mine** project and attracted \$60,000 funding for the **Morawa Community** Telecentre from the Department of Commerce and Trade and Lotteries Commission. Funding of \$35,000 for the **Carnamah factory** unit project was secured from the Regional Assistance Program and facilitation services and support was provided to the **Cultivating Carnamah** committee for community planning.

The Commission worked with the Leeman community in its bid to secure more than \$400,000 for the **Leeman Resource Centre** and supported the **Kalbarri Neighbourhood Centre** committee application to the Rural Transaction Centre fund for assistance with planning and community consultation to establish a neighbourhood centre. The RTC program provided a field officer in WA to assist the Kalbarri group with its planning for a community facility that may incorporate a neighbourhood and a rural transaction centre.

In response to the desire of the Geraldton community to establish a **community bank**, the Commission provided initial support and advice to the Geraldton Community Bank Steering Committee. The group will seek financial pledges before undertaking a financial assessment into the feasibility of establishing a community bank branch of the Bendigo Bank in Geraldton.



ENVIRONMENT AND NATURAL RESOURCE MANAGEMENT

The Commission continued as a member of the **Northern Agricultural Integrated Management Strategy** group that promotes natural resource management in the northern agricultural region.

The Commission successfully supported an application for \$20,000 for the **Yarra Yarra Catchment Centre** in Perenjori and participated in the development of the draft **Batavia Coast Coastal Planning Strategy**.

Supported the Regional Based Alternatives Sub-Committee of the **Gascoyne Murchison Rangelands Strategy** to identify diversification opportunities for pastoralists. These included:

- Production of a Gascoyne Mineral Prospectivity map to complement maps prepared for the Murchison component of the Mid West region.
- Completion of the Gascoyne Murchison Tourism Pathways Strategy and securing \$180,000 for implementation;
- Investigations into water resources to support intensive pursuits such as horticulture;
- Review and working to streamline process for pastoralists to gain diversification permits or special purpose leases.

RESPONSIVE GOVERNMENT

The Commission continued to coordinate the implementation of key recommendations from the Mid West region's economic development strategy – **Towards 2010**. Key initiatives included establishing a marine education, training and industry research centre in Geraldton, investment attraction, implementation of the Mid West Communications and the Gascoyne Murchison strategies, support for Aboriginal economic development initiatives, promotion of the region's industrial capability and continued support of community development initiatives.

A **fact finding tour** of Port Hedland was organised to enhance understanding amongst key groups (including local government) of the impacts of major resource processing projects and to assist local planning. Many of the findings were incorporated into regional planning documents relating to major industry development and for use by the Local Government Oakajee Steering group. The findings were also considered in the Geraldton Regional Infrastructure Package which was given in-principle Cabinet support.

During 2000/2001, four Mid West businesses displayed their products and services in the **Industry Assistance Centre**. These included Marra Indigenous Arts, Telstra Country Wide, Oil Mallee Association of WA and paintings by local artist Ray Sermon. The centre, located in the Commission's reception area, contains industry information, a range of publications and details of federal and state funding programs.

Four editions of the **Mid West Developer** were published with a circulation of 950. **The Mid West Industry Update**, a publication formerly produced by the Industry Development Unit, was incorporated into the Mid West Developer.

Upgrade of the Commission's **Internet web site** continued in 2000/01. The web site recorded a monthly average of over 4000 page view hits.



The Business Capability and Services Directory was expanded with 25 Mid West businesses adding their profiles through the online survey form. At June 30 2001 the directory contained 446 businesses. The Mid West Chamber of Commerce and Industry now distributes survey forms with each membership application and its newsletter.

The Industry Development Unit's **Mining Register** was updated to include new categories to collect specific information on mining companies. The mining register, with five new categories, has been updated to include the areas of main contractor, catering contractor and whether the mining company uses e-procurement to source its goods and services.

In partnership with Austrade, the Commission's **TradeStart** office continued to provide export assistance services to the Mid West region. As part of the TradeStart program, the Commission continued to maintain the **Export Resource Centre** – an international trade library containing resource material on overseas market profiles, export facilitation programs and a variety of export-related text books and videos.

The Commission continued an active involvement in the **Regional Development Council**, the principal regional development advisory body to the Minister for Regional Development.

As part of the Commission's communications and promotional program, project staff continued to circulate media releases on key developments and projects, conducted briefing sessions for visitors and Members of Parliament and promoted the Mid West as a vibrant place to do business in publications such as Skywest's inflight magazine "Destinations". The Commission also placed advertisements on a range of issues in the Geraldton Guardian, Mid West Times, Yamaji News and Business News.

As part of the Commission's aim to provide its services according to **best practice benchmarking**, a number of internal projects were undertaken to improve the organisation's operations:

- **A retention and disposal schedule** was developed in conjunction with Library Information Service of WA and a work plan was prepared to put in place a schedule for future records management activities.
- An **intranet site** was developed for the Commission using internal skills only. The site provides staff with access to internal procedures, policies and project management tools. Relevant information will be placed on the site as necessary. Establishment of the intranet site was an efficiency achievement for the Commission.
- **Re-engineering of administrative processes** commenced in 1999/2000 and continued during 2000/01 to increase efficiency and effectiveness and appropriately assign authority, responsibility and accountability to staff. The process resulted in major changes in work practices and staff responsibilities. Further changes are planned for 2001/02 as the re-engineering process accelerates.
- The Commission's **strategic plan** was reviewed. The six goal areas of the Regional Development Policy – adaptive communities, enriched lifestyles and livelihoods, wealth and employment, infrastructure and services, natural resource management and responsive government – were adopted as the framework for the new strategic plan.
- In 2000/2001 the Commission undertook its sixth **customer perception survey** to provide feedback on the organisation's effectiveness. The survey content and methodology was reviewed producing more relevant and accurate information on the Commission's service and effectiveness. Results concluded that 88.7% of clients surveyed agreed that the Commission makes a positive contribution towards the economic development in the Mid West. The survey was conducted by Asset Marketing.



WHAT IS PLANNED

In 2001/02 the Mid West Development Commission will continue to pursue its vision of having the Mid West region recognised as a preferred region in which to live, work and invest. The Commission's role in achieving this vision is to provide the best possible quality of life for people in the Mid West by developing the region's potential.

INFORMATION AND ADVICE MAJOR INITIATIVES FOR 2001/02 WILL INCLUDE:

- Work with Murchison local government authorities to address economic and community issues;
- Investigate the need to undertake a Business Retention and Expansion Visitation Program for the tourism sector in the greater Geraldton area.
- Continue to work with communities of Kalbarri, Mount Magnet, Leeman, Morawa and Meekatharra to support the establishment of collocation and other community based facilities.
- Hold a Heads of Government forum to facilitate planning and coordination amongst government agencies in the Mid West.
- Prepare a data driven website which outlines the key initiatives being planned by all government agencies with an involvement in the Mid West region.

TRADE AND INVESTMENT MAJOR INITIATIVES:

- Focus regional effort on investment attraction and trade development in strategic markets, including the Middle East, Japan and Singapore.
- Work with the Mid West Regional Minerals Study Implementation Group to enhance Geraldton's position as a regional service centre / gateway for resource industries.
- Increase employment opportunities and business growth by maximising local content in major project developments.
- Assess the present and proposed take-up of e-procurement processes in the region and the capacity and willingness of regional businesses to participate and invest in this new technology.
- Work with key stakeholders to secure funding to establish a ship servicing precinct and a container handling service at the port of Geraldton.
- Secure funding to construct the marine education, training and industry research centre and establish a community based working group to progress the establishment of an integrated interpretive centre.
- Work with key agencies to market and develop a horticulture precinct close to Geraldton.
- Investigate eco-tourism opportunities.
- Assess the potential for the Mid West region to undertake work for the oil and gas sector.



INFRASTRUCTURE AND SERVICES DEVELOPMENT MAJOR INITIATIVES:

- Appoint a regional project and marketing manager to implement the Mid West on-line portal.
- Assist the University Access group to gain fully funded university places in the Mid West.
- Establish a Murchison office of the MWDC to assist in the economic and community development of the Murchison area.
- Establish a steering committee to develop Geraldton as a destination for international cruise ships.
- Initiate Stage II of the Batavia Coast Marina land development as part of the City of Geraldton's foreshore redevelopment project.
- Work to promote and implement the region's priority transport requirements through the Mid West Transport Advisory group.
- Undertake a study on implementing fly-in / fly-out service from Geraldton to supply employees to the mining sector.
- Support community involvement and secure funding for the Kalbarri Interpretive Centre.
- Review Towards 2010 – to provide a current economic development strategy for the Mid West region.
- Continue support of the Regional Based Alternatives Sub Committee of the Gascoyne Murchison Rangelands Strategy to provide whole of government support to the identification and implementation of new enterprise opportunities in the Murchison rangelands.
- Assist the Shire of Perenjori gain funding for the Mt Gibson - Perenjori Road.



PUBLICATIONS PRODUCED BY THE MID WEST DEVELOPMENT COMMISSION

Title	Purpose	Revision schedule
Towards 2010	An economic development strategy for Western Australia's Mid West	2000
Towards 2010 update	An update of achievements and future focus areas	No Revision Scheduled
Region of opportunity	A brochure explaining the competitive advantages of the region and opportunities for investment in key industry sectors	As required
Mid West Economic Perspective	An update on the economy of Western Australia's Mid West region	Every 18 months
Mid West People and Population	A statistical portrait of the population and demographic characteristics of the Mid West region	Every 2 Years
Regional Prices Index	A report examining the price of goods and services in regional areas compared with Perth prices.	Annually
Mid West Geographic Perspective	A snapshot of the key geographical features of the Mid West region	As required
Mid West Developer	The official newsletter of the Mid West Development Commission providing updates on Commission activities	Quarterly
Living in the Regions	A study into the reasons why people do or do not live in the regions	No revision scheduled
Business Capability and Services Directory	A CD-ROM detailing Mid West business capability, with associated multimedia presentations on the Mid West region	Six monthly
The Mid West Region of Western Australia: Your Call Centre Option	A leaflet promoting the Mid West as a call centre location	As required
Strategic Directions 2001	A document articulating the Commission's strategic plan from 2001 onwards	As required
Mid West Development Commission Annual Report	A report on the Commission's operations for the previous twelve months	Annually

Copies of these publications can be obtained by contacting the Mid West Development Commission. Contact details are listed on the back cover of this report.





MID WEST DEVELOPMENT COMMISSION

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30TH JUNE 2001

COST OF SERVICES

	Note	2000/2001 \$	1999/2000 \$
Expenses from ordinary activities			
Salaries		759,164	791,225
Other staffing costs		227,469	237,510
Communications		30,550	33,016
Services & contracts		298,605	360,286
Operating leases -vehicles		23,308	20,863
Consumables		66,203	73,844
Maintenance		18,028	16,787
Board fees		19,393	25,032
Grants	2	49,545	40,500
Depreciation	3	24,831	29,918
Provisions	4	35,096	(5,669)
Marina redevelopment	5	6,604,208	-
Land revaluation decrement	6	30,000	110,000
Total cost of services		8,186,400	1,733,312

Revenues from ordinary activities

Commonwealth grants & subsidies	7	77,136	265,950
Other revenue	8	30,257	34,547
Interest revenue		83	-
Total revenues from ordinary activities		107,476	300,497

NET COST OF SERVICES

8,078,924 **1,432,815**

REVENUE FROM GOVERNMENT

Appropriations - Recurrent		1,223,000	1,226,000
Appropriations - Capital		3,205,000	8,565,000
State Government grants & subsidies	9	266,670	190,984
Resources received free of charge	10	9,500	8,800
Total revenues from Government		4,704,170	9,990,784

CHANGE IN NET ASSETS

(3,374,754) **8,557,969**

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



MID WEST DEVELOPMENT COMMISSION

STATEMENT OF FINANCIAL POSITION

AS AT 30th JUNE 2001

ASSETS

	Note	2000/2001	1999/2000
Current Assets		\$	\$
Cash assets	11	81,381	56,451
Restricted cash assets	12	963,124	134,700
Receivables	13	655,967	2,223,118
Prepayments	14	47,995	49,488
Total Current Assets		1,748,467	2,463,757
Non Current Assets			
Inventories	15	530,000	560,000
Furniture & fittings	16	2,775	3,510
Office equipment	16	78,113	8,541
Computer hardware & software	16	18,283	32,463
Buildings	16	6,590,907	-
Works in progress	16	-	10,901,481
Total Non Current Assets		7,220,078	11,505,995
TOTAL ASSETS		8,968,545	13,969,752

LIABILITIES

Current Liabilities			
Payables	17	152,323	560,319
Accrued expenses	18	27,496	29,899
Provisions	19	72,001	68,710
Other liabilities	20	24,000	-
Liability to Treasurer	21	952,995	2,215,000
Total Current Liabilities		1,228,815	2,873,928
Non Current Liabilities			
Provisions	19	95,523	76,863
Liability to Treasurer	21	960,000	960,000
Total Non Current Liabilities		1,055,523	1,036,863
TOTAL LIABILITIES		2,284,338	3,910,791
NET ASSETS		6,684,207	10,058,961
EQUITY			
Accumulated Surplus	22	6,684,207	10,058,961
TOTAL EQUITY		6,684,207	10,058,961

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



MID WEST DEVELOPMENT COMMISSION

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30TH JUNE 2001

	Note	2000/2001 \$	1999/2000 \$
CASH FLOWS FROM GOVERNMENT			
Appropriations - Recurrent		1,223,000	1,226,000
Appropriations - Capital		3,205,000	8,565,000
State Government grants & subsidies		225,670	190,984
Net cash provided by Government		4,653,670	9,981,984
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee costs		(1,003,196)	(1,039,881)
Supplies and services		(1,695,165)	(483,745)
GST payments on purchases		(228,881)	(4,193)
GST payments to taxation authority		(11,944)	-
Grants payments		(31,545)	(40,500)
Total payments		(2,970,731)	(1,568,319)
Receipts			
Commonwealth grants		73,000	265,950
Interest received		83	-
GST receipts on sales		10,960	-
GST receipts from taxation authority		228,259	-
Other receipts		26,489	40,898
Total receipts		338,791	306,848
Net cash used in operating activities	27 (c)	(2,631,940)	(1,261,471)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of non-current physical assets		(1,768,376)	(9,784,377)
Proceeds from sale of non-current physical assets		1,862,005	-
Net cash provided by/(used in) investing activities		93,629	(9,784,377)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(1,262,005)	-
Net cash provided by/(used in) financing activities		(1,262,005)	-
Net increase/(decrease) in cash held		853,354	(1,063,864)
Cash assets at the beginning of the financial year		191,151	1,255,015
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	27 (a)	1,044,505	191,151

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



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2001

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) General Statement

- (i) The financial statements are prepared in accordance with the Financial Administration and Audit Act 1985.
- (ii) Subject to the exceptions noted in these accounting policies, the financial statements have been drawn up on the basis of historical cost principles.
- (iii) The accrual basis of accounting is being applied.
- (iv) The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary the application, disclosure, format and wording. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector together with the need for greater disclosure and also to satisfy accountability requirements.

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

(b) Establishment

The Mid West Development Commission was established under the Regional Development Commissions Act (1993) on April 8, 1994. The Act also repealed the Geraldton Mid West Development Authority Act (1988) and determined that all assets and liabilities would transfer to the Mid West Development Commission from that date.

(c) Valuation of Non-Current Assets

Certain non-current assets have been revalued from time to time as disclosed in the financial statements. Increments are credited to the Statement of Financial Performance to the extent that they offset previous decrements taken to the Statement of Financial Performance. Otherwise increments are taken to the assets revaluation reserve. Decrement are offset against previous increments (if any) relating to the same class of assets and the balance (if any) charged against the Statement of Financial Performance. Other assets, including work in progress, are recognised at cost.



(d) **Leased Assets**

The Mid West Development Commission has entered into an operating lease arrangement for the supply of vehicles where the lessors effectively retain all the risks and benefits incident to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term, as this is representative of the pattern of benefit derived from the leased vehicles.

(e) **Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. Depreciation is provided for on the straight-line basis, using rates, which are reviewed annually. Rates of depreciation are: -

Furniture & Fittings	10%
Office Equipment	20%
Computer Hardware	30%
Computer Software	30%

(f) **Employee Entitlements**

Annual and Long Service Leave

Annual leave is recognised at current remuneration rates and is measured at the amount unpaid at the reporting date in respect of employees' service up to that date.

Long service leave is calculated on a pro-rata basis after an officer has completed three years of service and is based on the current rate of remuneration.

The probability used for employees remaining in the Commission's employment until the expiry of the term is 1. Future cash outflows have not been discounted as the remuneration levels used are current rates rather than expected future rates.

Superannuation

Staff may contribute to the Superannuation and Family Benefits Act Scheme, a defined benefits pension scheme, now closed to new members, or to the Gold State Superannuation Scheme a defined benefit lump sum scheme now also closed to new members.



All staff who do not contribute to either of these schemes become non contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992.

The liability for superannuation charges incurred under the Superannuation and Family Benefits Act pension scheme, together with the pre-transfer service liability for employees who transferred to the Gold State Superannuation Scheme, are provided for at reporting date.

The liabilities for superannuation charges incurred under the Gold State Superannuation Scheme and the West State Superannuation Scheme are extinguished by periodic payment of employer contributions to the Government Employees Superannuation Board.

The note disclosure required by paragraph 51 (e) of AAS 30 (being the employer's share of the difference between employees' accrued superannuation benefits and the attributable net market value of plan assets) has not been provided. State scheme deficiencies are recognised by the State in its whole of government reporting.

The Government Employees Superannuation Board's records are not structured to provide the information for the Commission. Accordingly, deriving the information for the Commission is impractical under current arrangement, and thus any benefit thereof would be exceeded by the cost of obtaining the information.

(g) **Appropriations**

Appropriations in the nature of revenue, whether recurrent or capital are recognised as revenues in the period in which the Commission gains control of the appropriated funds. Appropriations, which are repayable, by the Commission to the Treasurer are recognised as liabilities.

(h) **Grants Revenue**

Grants, donations, gifts and other non-reciprocal contributions are generally recognised as revenue when the Authority obtains control over the assets comprising the contributions.

(i) **Receivables, Payables, and Accrued Salaries**

Receivables are recognised at the amounts receivable and are generally due for settlement no more than 30 days from the date of recognition. Collectability of receivables is reviewed on an ongoing basis and debts that are known to be uncollectable are written off.

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

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year as the end of the last pay period for that financial year does not coincide with the end of the financial year. The Commission considers the carrying amount approximates net fair value.



(j) **Inventories**

Inventories are valued at the lower of cost and net realisable value. Net realisable value of land held for re-sale is determined from market valuations provided by the Valuer General.

(k) **Net Fair Values of Financial Assets and Liabilities**

Net fair values of financial instruments are determined on the following bases:

Monetary financial assets and liabilities not traded in an organised financial market – cost basis carrying amounts of accounts receivable, accounts payable and accruals (which approximates net fair value).

(l) **Resources Received Free of Charge or For Nominal Value**

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

(m) **Comparative Figures**

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



	2000/2001 \$	1999/2000 \$
2 GRANTS		
Wila Gutharra Community Aboriginal Corporation	500	16,000
Curtin University of Technology	10,000	10,000
Yarra Yarra Catchment Management Group Inc.	-	7,000
Arts and Cultural Development Council of Geraldton	-	5,000
Shire of Perenjori	-	2,500
Shire of Mt Magnet	30,000	-
City of Geraldton	6,909	-
Larry Lobster Festival	2,000	-
Agriculture WA	136	-
	<u>49,545</u>	<u>40,500</u>

3 DEPRECIATION		
Office Equipment	4,861	4,672
Computer Hardware	16,435	16,520
Computer Software	2,800	7,837
Furniture & Fittings	735	889
	<u>24,831</u>	<u>29,918</u>

4 PROVISIONS		
Annual Leave	15,850	16,591
Long Service Leave	16,372	(25,532)
Superannuation	2,874	3,272
	<u>35,096</u>	<u>(5,669)</u>

Provision for superannuation expense was established from an assessment of unfunded liabilities provided by GESB dated the 15th June 2001.

5 MARINA REDEVELOPMENT		
Current year expenditure	533,701	-
Prior periods' expenditures (refer Note 17)	6,070,507	-
	<u>6,604,208</u>	<u>-</u>

A review of the accounting treatment of expenditure on the Batavia Coast Marina redevelopment resulted in the expenditure for 2000/01 and the capitalised balance at 30 June 2000 being expensed. Land developed by the project has either been sold to the general public, remains owned by Landcorp, or has been transferred to other Government entities. Landcorp also owns remnant undeveloped land which was effectively acquired with project funds, but will not be developed for re-sale until the stage 2 redevelopment of the Marina occurs. Other assets constructed eg. roads have vested in the City of Geraldton. The Commission funded the development but as the Commission does not own or control the assets produced or improved by the project, it is appropriate to expense expenditure to date. Future expenditure will be expensed as incurred.

6 LAND REVALUATION DECREMENT	<u>30,000</u>	<u>110,000</u>
-------------------------------------	---------------	----------------

Land holdings at 30 June 2001 were revalued according to market values provided by the Valuer General's office.



	2000/2001 \$	1999/2000 \$
7 COMMONWEALTH GRANTS & SUBSIDIES		
Industry Development Unit	-	120,000
Geraldton Regional Museum Fit-out	-	100,000
TradeStart	30,000	25,000
Kalbarri Interpretive Centre	4,136	8,450
Murchison Indigenous Initiatives Officer	30,000	7,500
Horticulture Study	-	4,000
Positive Geraldton Campaign	-	1,000
Information Technology Adviser	13,000	-
	<u>77,136</u>	<u>265,950</u>
8 OTHER REVENUE		
Sale of Publications	424	1,875
GEHA Rental	10,218	5,408
Recoups	-	680
Sundry Income	13,115	14,584
Other	6,500	12,000
	<u>30,257</u>	<u>34,547</u>
9 STATE GOVERNMENT GRANTS & SUBSIDIES		
During the 2000/01 financial year the Mid West Development Commission received revenue from the following sources:		
Department of Resources & Development	5,000	5,000
Department of Commerce & Trade	261,670	184,184
WA Tourism Commission	-	1,800
	<u>266,670</u>	<u>190,984</u>
10 RESOURCES RECEIVED FREE OF CHARGE		
Office of the Auditor General - Audit Services	9,500	8,800
	<u>9,500</u>	<u>8,800</u>
11 CASH ASSETS		
Bank Accounts	80,497	55,451
Petty Cash	884	1,000
	<u>81,381</u>	<u>56,451</u>
12 RESTRICTED CASH ASSETS		
Use of the following cash holdings is restricted to the purpose(s) for which the funds were provided:		
Batavia Coast Marina Redevelopment	600,000	-
Geraldton Regional Museum	219,093	30,000
Aboriginal Economic Development	544	7,300
Kalbarri Interpretive Centre	-	19,200
Murchison Indigenous Initiatives Officer	7,500	27,800
Regional Co-operative Research	58,000	13,500
Transport Strategy	2,352	17,000
Communications Strategy	6,000	13,200
I.T. Adviser	18,000	5,000
Local Loyalty Campaign	20,000	-
Regional Initiative Funds in Advance	24,000	-
Youth Forum	7,635	1,700
	<u>963,124</u>	<u>134,700</u>



	2000/2001 \$	1999/2000 \$
13 RECEIVABLES		
WA Land Authority - Sale of Land	352,995	2,215,000
WA Land Authority - Marina funds advanced	215,792	-
GST Input Tax Receivable	9,346	4,193
Other Receivables for Goods and Services	77,834	3,925
	<u>655,967</u>	<u>2,223,118</u>
14 PREPAYMENTS		
Prepayments	<u>47,995</u>	<u>49,488</u>
15 INVENTORIES		
Land held for re-sale:		
- Current	-	-
- Non-current	530,000	560,000
	<u>530,000</u>	<u>560,000</u>

Land at 30 June 2001 is held for re-sale. The original cost of this land is not readily identifiable as it was part of \$5.1 million of land transferred from the Department of Marine and Harbours in 1993. A number of lots of this land have been disposed and land currently held has been subject to several revaluations during this time. The carrying value of land at 30 June 2001 is based on market values provided by the Valuer General's office.

16 PROPERTY, PLANT & EQUIPMENT

Works in Progress at Cost - Marina Redevelopment	-	6,070,507
Works in Progress at Cost - Museum Construction/Fit-out	-	4,830,974
	<u>-</u>	<u>10,901,481</u>
Buildings (Geraldton Regional Museum) at Cost *	6,590,907	-
Accumulated Depreciation	-	-
	<u>6,590,907</u>	<u>-</u>
Computer Hardware at Cost	89,429	86,137
Accumulated Depreciation	73,495	57,059
	<u>15,934</u>	<u>29,078</u>
Office Equipment at Cost **	102,444	30,490
Accumulated Depreciation	24,331	21,949
	<u>78,113</u>	<u>8,541</u>
Computer Software at Cost	37,526	35,762
Accumulated Depreciation	35,177	32,377
	<u>2,349</u>	<u>3,385</u>
Furniture & Fittings at Cost	6,451	11,395
Accumulated Depreciation	3,676	7,885
	<u>2,775</u>	<u>3,510</u>
Total of property plant and equipment.	<u>6,690,078</u>	<u>10,945,995</u>

* During the year \$6,590,907 relating to the Museum construction was transferred to Buildings at cost as the Museum was substantially complete at year end.

* It is anticipated that ownership of the Museum building and associated equipment will be transferred to WA Museum during 2001/02 for nil consideration.

** Includes \$71,044 of equipment for the Geraldton Regional Museum



16 PROPERTY, PLANT & EQUIPMENT (continued)

Reconciliations of the carrying amounts of property, plant and equipment at the beginning

	Buildings at cost	Computer Hardware \$	Office Equipment \$	Computer Software \$	Furniture & Fittings \$	Buildings Under Construction (a) \$	Infrastructure Under Construction (b) \$	Total \$
Year Ended 30 June 2001								
Carrying amount at the start of year	-	29,078	8,541	3,385	3,510	4,830,974	6,070,507	10,945,995
Additions		3,292	74,433	1,763	-	1,759,933	-	1,839,421
Reclassifications	6,590,907	-	-	-	-	(6,590,907)	(6,070,507)	(6,070,507)
Disposals (written down value)	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Depreciation	-	(16,436)	(4,861)	(2,799)	(735)	-	-	(24,831)
Carrying amount at end of year	6,590,907	15,934	78,113	2,349	2,775	-	-	6,690,078
Year Ended 30 June 2000								
Carrying amount at the start of year	-	30,974	13,213	11,222	4,399	602,673	37,037	699,518
Additions	-	14,624	-	-	-	4,228,301	6,033,470	10,276,395
Disposals (written down value)	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Depreciation	-	(16,520)	(4,672)	(7,837)	(889)	-	-	(29,918)
Carrying amount at end of year	-	29,078	8,541	3,385	3,510	4,830,974	6,070,507	10,945,995

(a) Reclassified to Buildings at cost

(b) Expenditure, including the opening capital value, was expensed in 2000/01. Refer to Financial Statements - Note 5 for details.



	2000/2001 \$	1999/2000 \$
17 PAYABLES		
Accounts payable for Goods and Services	152,323	560,319
	<u>152,323</u>	<u>560,319</u>
18 ACCRUED EXPENSES		
Accrued salaries for 6 working days from 22 June to 30 June 2001 (2000 - 6 working days)	15,970	18,578
WPA salary increase - 14 June to 22 June 2000	-	892
Board fees	1,889	-
Electricity	1,650	1,650
Fringe Benefits Tax	5,261	-
Telephone	1,000	-
Mid West Smart Business Expo	-	2,186
Temporary Staff	312	-
Superannuation	1,414	6,593
	<u>27,496</u>	<u>29,899</u>
19 PROVISIONS		
Current		
Annual Leave	55,317	44,024
Long Service Leave	16,684	24,686
	<u>72,001</u>	<u>68,710</u>
Non-current		
Long Service Leave	36,546	20,760
Superannuation	58,977	56,103
	<u>95,523</u>	<u>76,863</u>
<u>Employee Entitlements</u>		
The aggregate employee entitlement liability recognised and included in the financial statements is as follows:		
Provision for employee entitlements:		
Current	72,001	68,710
Non-current	95,523	76,863
	<u>167,524</u>	<u>145,573</u>
20 OTHER LIABILITIES		
Revenue received in advance	24,000	-
	<u>24,000</u>	<u>-</u>
21 LIABILITY TO TREASURER		
Current	952,995	2,215,000
Non-Current	960,000	960,000
	<u>1,912,995</u>	<u>3,175,000</u>

A liability of \$5,000,000 relating to capital works at the Geraldton Foreshore and Marina was transferred to the Geraldton Mid West Development Authority (now the Mid West Development Commission) by the Department of Marine and Harbours on 30th June 1993. Since that time repayments totalling \$3,087,005 have been made to the Consolidated Fund thereby reducing the outstanding indebtedness to \$1,912,995. Proceeds from land sales, including \$600,000 currently retained for potential buy-backs, are likely to result in a further repayment in 2001/2002.



	2000/2001 \$	1999/2000 \$
22 ACCUMULATED SURPLUS		
Opening balance	10,058,961	1,500,992
Change in net assets	(3,374,754)	8,557,969
Closing balance	<u>6,684,207</u>	<u>10,058,961</u>

23 COMMITMENTS FOR EXPENDITURE

(a) Capital expenditure commitments

Capital expenditure commitments, being contracted capital expenditure additional to amounts reported in the financial statements, are payable as follows:

Not later than one year	148,049	2,120,290
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>148,049</u>	<u>2,120,290</u>
The capital commitments include amounts for:		
Geraldton Regional Museum	118,049	1,468,290
Geraldton Regional Museum - Fit-out	30,000	30,000
Batavia Coast Marina redevelopment	-	622,000
	<u>148,049</u>	<u>2,120,290</u>

(b) Non-cancellable operating lease commitments

Not later than one year	17,507	17,480
Later than 1 year and not later than 5 years	14,878	16,748
Later than 5 years	-	-
	<u>32,385</u>	<u>34,228</u>

(c) Other expenditure commitments

Not later than one year	359,823	89,200
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>359,823</u>	<u>89,200</u>

Other expenditure commitments comprise the following:

Batavia Coast Marina Redevelopment	215,792	-
Aboriginal Economic Development	544	7,300
Kalbarri Interpretive Centre	-	19,200
Murchison Indigenous Initiatives Officer	7,500	24,500
Regional Co-operative Research	58,000	8,500
Transport Strategy	2,352	17,000
Communications Strategy	6,000	6,000
IT Adviser	18,000	5,000
Local Loyalty Campaign	20,000	-
Regional Initiative Funds in Advance	24,000	-
Youth Forum	7,635	1,700
	<u>359,823</u>	<u>89,200</u>



	2000/2001 \$	1999/2000 \$
--	-----------------	-----------------

24 REMUNERATION OF ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

The number of members of the Accountable Authority whose total of fees, salaries and other benefits received or due and receivable for the financial year, falls within the following bands:

\$0 - \$10,000	7	11
\$40,001 - \$50,000	-	1
\$60,001 - \$70,000	-	1
\$110,001 - \$120,000	1	-

The total fees, salaries and other benefits received or due and receivable for the financial year, by members of the Accountable Authority, from the statutory authority or any related body was:

129,528	135,567
---------	---------

Explanatory Notes

The Regional Development Commissions Act states that the Chief Executive Officer is a member of the Board by virtue of his office and as such is included in the figures for the Accountable Authority.

A separate table for remuneration of Senior Officers has not been provided as the Chief Executive Officer is the only Senior Officer of the Commission and the remuneration for this position has already been disclosed in the table for the Accountable Authority.

25 RETIREMENT BENEFITS

In respect of members of the Accountable Authority, the following amounts were paid or became payable for the financial year:

Contributions to West State superannuation scheme	8,854	7,769
---	-------	-------

Explanatory Notes

A separate table for retirement benefits of Senior Officers has not been not provided as the Chief Executive Officer is the only Senior Officer of the Commission. Retirement benefits for the Chief Executive Officer are included amounts disclosed for the Accountable Authority.

26 REMUNERATION OF AUDITOR

The total of fees paid or due and payable to the auditors of the Commission for the 2000/01 financial year is as follows:

Fees to the Auditor General:		
- for external audit - Provided free of charge	9,500	8,800



27 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in the banks. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2000/2001 \$	1999/2000 \$
Cash assets	81,381	56,451
Restricted cash assets	963,124	134,700
Total Cash	<u>1,044,505</u>	<u>191,151</u>

(b) Non-cash financing and investing activities

During 1999/2000 the Commission sold land with a book value of \$2.215 million to the Western Australian Land Authority as part of the land assembly for the Batavia Coast Marina redevelopment. The WA Land Authority is not required to pay for the land until it has raised sufficient funds from its sub-division and subsequent re-sale of the land. Part payment was received in 2000/01 with the balance anticipated in 2001/02.

(c) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services	(8,078,924)	(1,432,815)
<i>Non-cash items:</i>		
Depreciation	24,831	29,918
Resources received free of charge	9,500	8,800
Marina Redevelopment prior periods' expenditures	6,070,507	-
Land revaluation decrement	30,000	110,000
<i>(Increase)/decrease in assets:</i>		
Receivables	1,572,304	(2,204,456)
Exclude Receivables movements relating to:		
- Investing activities	(1,862,007)	2,215,000
- Cash from Government	65,000	-
Prepayments	1,493	(1,803)
<i>Increase/(decrease) in liabilities:</i>		
Payables	(407,996)	516,481
Payables movements related to Investing Activities	(71,044)	(492,018)
Accrued expenses	(2,402)	16,297
Annual leave provision	11,293	1,455
Long service leave provision	7,784	(27,409)
Provision for superannuation	2,874	3,272
Net GST receipts/(payments)	(1,606)	(4,193)
Change in GST in receivables/payables	(3,547)	-
Net cash flows used in operating activities	<u>(2,631,940)</u>	<u>(1,261,471)</u>



28 EXPLANATORY STATEMENT

(a) Significant variations between actual revenues and expenditures for the financial

Details and reasons for significant variations between actual results with corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than 10% and \$20,000

	2000/2001	1999/2000	Variance	Variance
	\$	\$	\$	%
Services & contracts	298,605	360,286	(61,681)	-17%
Provisions	35,096	(5,669)	40,765	-719%
Revaluation decrements (Land)	30,000	110,000	(80,000)	-73%
Commonwealth grants	77,136	265,950	(188,814)	-71%
Appropriations - capital	3,205,000	8,565,000	(5,360,000)	-63%
Grants from State Government	266,670	190,984	75,686	40%
Expense Marina Redevelopment	6,604,208	-	6,604,208	n/a

Services & contracts

Discretionary expenditure was constrained by uncertainties over external funding for the Commission's Industry Development Unit and Trade Facilitation Unit.

Provisions

The variance primarily relates to long service leave. In 1999/2000 an over-provision was written back whereas in 2000/2001 additional provisioning was required for staff reaching three years service (the trigger for commencing provisioning for long service leave).

Revaluation decrements (Land)

Revaluations for 1999/2000 covered three lots of land. Two of these have been sold leaving only one lot subject to variation in market value.

Commonwealth grants

In 1999/2000 the Commission received \$120,000 as final funding for the Industry Development Unit and a \$100,000 contribution towards the fit-out of the new Geraldton Regional Museum.

Appropriations - capital

1999/2000 represented the major construction phase of both of the Commission's major capital projects; the Batavia Coast Marina redevelopment; and the new Geraldton Regional Museum. Funding required for 2000/2001 declined accordingly.

Grants Income from State Government

The Commission was able to obtain \$90,000 from the Regional Initiatives Fund and the newly created Regional Development Policy Implementation Projects Scheme for the continuation of the Industry Development Unit.

Expense Marina Redevelopment

A change in accounting treatment of expenditure on the Batavia Coast Marina redevelopment resulted in the expenditure for 2000/01 and the capitalised balance at 30 June 2000 being expensed. Expenditure in 1999/2000 was capitalised as Work in Progress. Refer to Financial Statements - Notes 5 and 16 for details.



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

Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those greater than 10% and \$20,000

	Estimates	Actual	Variance	Variance
	\$	\$	\$	%
Services & contracts	332,000	298,605	(33,395)	-10%
Consumables	45,000	66,203	21,203	47%
Grants expense	-	49,545	49,545	n/a
Other expenses	42,000	-	(42,000)	-100%
Provisions	10,000	35,096	25,096	251%
Expense Marina Redevelopment	-	6,604,208	6,604,208	n/a
Revaluation decrements (Land)	-	30,000	30,000	n/a
Grants from State Government	103,000	266,670	163,670	159%

Services & contracts

Discretionary expenditure was constrained by uncertainties over external funding for the Commission's Industry Development Unit and Trade Facilitation Unit.

Consumables

Expenditure was not able to be reduced by as much as budgeted. This was in part due to a significant increase in fuel costs.

Grants expense

The Commission succeeded in obtaining unbudgeted external funding to assist outside organisations to perform several projects (Refer to Financial Statements - Note 2).

Other Expenses

Amount budgeted reflects expenditure on unforeseen items. The variance for this item is offset by actual expenditure overruns on other items eg consumables.

Provisions

Long service leave (LSL) and annual leave provisions were budgeted to remain unchanged. However, each of these provisions increased by approximately \$16,000. The increases reflect delays in taking annual leave (timing) and LSL provisioning required for employees reaching three years service (the trigger for commencing provisioning for long service leave).

Expense Marina Redevelopment

A change in accounting treatment of expenditure on the Batavia Coast Marina redevelopment resulted in the expenditure for 2000/01 and the capitalised balance at 30 June 2000 being expensed. Expenditure was budgeted to be capitalised as works in progress. Refer to Financial Statements - Note 5 for details.

Revaluation decrements (Land)

Variations in the market value of land are not budgeted.

Grants Income from State Government

The Commission was able to obtain unbudgeted grants from:

- the Regional Initiatives Fund (\$50,000)
- the newly created Regional Development Policy Implementation Projects Scheme (\$65,000)
- Regional Co-operative Research fund (\$50,000)
- Department of Commerce & Trade for a "Local Loyalty" project

These unbudgeted grants were partially offset by a shortfall in budgeted funding received for the Aboriginal Economic Development Officer position.



29 ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES

The Commission's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments are:

	Weighted average effective interest rate %	Floating interest rate \$'000	Fixed interest rate maturities			Non interest bearing \$'000	Total \$'000
			1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000		
30 June 2001							
Assets							
Cash resources		-	-	-	-	1,045	1,045
Accounts receivable		-	-	-	-	656	656
Total financial assets		-	-	-	-	1,701	1,701
Liabilities							
Accounts payable		-	-	-	-	152	152
Accrued expenses		-	-	-	-	27	27
Other Liabilities		-	-	-	-	24	24
Borrowings from WA Treasury Corporation		-	-	-	-	1,913	1,913
Employee entitlements		-	-	-	-	168	168
Total financial liabilities		-	-	-	-	2,284	2,284
Net financial assets (liabilities)		-	-	-	-	(583)	(583)
30 June 2000							
Assets							
Cash resources		-	-	-	-	191	191
Accounts receivable		-	-	-	-	2,223	2,223
Total financial assets		-	-	-	-	2,414	2,414
Liabilities							
Accounts payable		-	-	-	-	560	560
Accrued expenses		-	-	-	-	30	30
Borrowings from WA Treasury Corporation		-	-	-	-	3,175	3,175
Other Liabilities		-	-	-	-	-	-
Employee entitlements		-	-	-	-	146	146
Total financial liabilities		-	-	-	-	3,911	3,911
Net financial assets (liabilities)		-	-	-	-	(1,497)	(1,497)

Credit Risk Exposure

All financial assets are unsecured.

Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect of those amounts. In respect of other financial assets the carrying amounts represent the Authority's maximum exposure to credit risk in relation to those assets.

	\$'000
Western Australian Government agencies	636
Government agencies of other jurisdictions	14
Total	650




MID WEST DEVELOPMENT COMMISSION

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

The accompanying financial statements of the Mid West Development Commission and the accompanying financial statements have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the year ending 30 June 2001 and the financial position as at 30 June 2001.

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

G J O'GRADY
CHAIRMAN



DATE 30 August 2001

G BAESJOU
CHIEF EXECUTIVE
OFFICER



DATE 29 August 2001

N CONDON
PRINCIPAL
ACCOUNTING OFFICER



DATE 29/8/01





AUDITOR GENERAL

To the Parliament of Western Australia

MID WEST DEVELOPMENT COMMISSION FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2001

Scope

I have audited the accounts and financial statements of the Mid West Development Commission for the year ended June 30, 2001 under the provisions of the Financial Administration and Audit Act 1985.

The Commission is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing and presenting the financial statements, and complying with the Act and other relevant written law. The primary responsibility for the detection, investigation and prevention of irregularities rests with the Commission.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, the controls exercised by the Commission to ensure financial regularity in accordance with legislative provisions, evidence to provide reasonable assurance that the amounts and other disclosures in the financial statements are free of material misstatement and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and the Treasurer's Instructions so as to present a view which is consistent with my understanding of the Commission's financial position, the results of its operations and its cash flows.

The audit opinion expressed below has been formed on the above basis.

Audit Opinion

In my opinion,

- (i) the controls exercised by the Mid West Development Commission provide reasonable assurance that the receipt, expenditure and investment of moneys and the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows and the Notes to and forming part of the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and the Treasurer's Instructions, the financial position of the Commission at June 30, 2001 and the results of its operations and its cash flows for the year then ended.

K O O'NEIL
ACTING AUDITOR GENERAL
November 28, 2001



PERFORMANCE INDICATORS

Treasurer's Instruction 904 requires performance information relating actual output to meeting targets (delivery), inputs to outputs (efficiency), and outputs to outcomes (effectiveness), to be disclosed in the Commission's annual report. This information enables government, Parliament and community groups to assess the Commission's performance.

OUTCOME

The Mid West Development Commission's targeted outcome is an environment conducive to the balanced economic and social development of the Mid West Region.

KEY OUTPUTS

The Commission's three main outputs are:

- Information and Advice
- Investment Facilitation
- Infrastructure and Services Development in the Mid West

The targets for these outputs are published in the W.A. Government 2000/2001 Budget Statements presented to the Legislative Assembly on 11th May 2000.

EFFECTIVENESS INDICATORS

CLIENT SURVEY

The Commission's contacts with clients will assist in providing opportunities to develop business and employment opportunities, reduce obstacles to economic growth and increase trade activity. Success in these areas will assist the Commission to achieve its stated outcome – an environment conducive to the balanced economic and social development of the Mid West Region.

The results of the Commission's contact with clients are obtained by survey. This information is used to assess the effectiveness of the Commission's contact with business and the benefits achieved by our clients.

The Commission's effectiveness indicators are based on an annual survey of clients conducted by an independent market researcher, Asset Research. Questionnaires were sent to 198 clients that had contact with the Commission in the previous 12-month period. Several questionnaires were returned due to clients having changed addresses, effectively leaving 191 questionnaires distributed to clients. Asset research received 103 completed surveys, resulting in a response rate of 54 per cent.

Clients were asked a number of questions relating to business development facilitated by the Commission's contact with them. The responses are summarised in the following table.

Survey Question	Actual 1999/2000	Target 2000/2001	Actual 2000/2001
Reduced obstacles to growth	9%	25%	28%
Developed new business opportunities	41%	20%	36%
More Trade Activity	2%	15%	19%
Retention of staff / expansion of employment opportunities	19%	n/a**	14%

** No specific target set for this KPI



EFFICIENCY INDICATORS

The following efficiency indicators are based on the total cost for each of the Output areas. These comprise both direct expenditure and an allocation of general costs and overheads. The total cost of all Outputs is reported in the Commission's Statement of Financial Performance as the Total Cost of Services.

OUTPUT 1 - INFORMATION AND ADVICE

OUTPUT DESCRIPTION:

To contribute to economic growth and employment by developing strategic partnerships between government, business, and the community. The Commission will provide a central point of coordination and contact and raise awareness of the Mid West region.

Performance Measures	Actual 1999/2000	Target 2000/2001	Actual 2000/2001
Total cost of Output	\$612,872	\$662,000	\$582,401
Client contacts (inquiries)	4,150	2,600	2,501
Cost per client inquiry	\$74	\$127	\$116
Client visits	274	230	248
Cost per client visit	\$1,118	\$1,439	\$1,174

Note: 50% of the Total cost of Output is allocated to each of Client Visits and Client Contacts when calculating the respective unit costs

COMMENT

During 2000/2001 the Commission received 2,501 inquiries from clients representing a 40% decrease compared to the previous year. 1999/2000 was an exceptional year for client contacts, primarily due to the Commission's involvement in King's Week. The number of clients visited in 2000/2001 reduced by 9.5% from the previous year, in part due to lower project staffing levels. However, the number of client visits was almost 8% above the year's target.

Overall the Commission's cost per client inquiry and cost per client visit increased from the previous year by 57% and 5% respectively. Total costs for this output declined by 5% from 1999/2000. However this was more than offset by the impact of the reduced number of client contacts and client visits on unit costs.

OUTPUT 2 - INVESTMENT FACILITATION

OUTPUT DESCRIPTION:

To create a business environment within the Mid West region that has a diverse economic base and is attractive to investors.

Performance Measures	Actual 1999/2000	Target 2000/2001	Actual 2000/2001
Total cost of Output	\$580,320	\$396,000	\$544,463
Projects relating to investment facilitation undertaken	22	30	15
Average cost per project	\$26,378	\$13,200	\$36,298

COMMENT

Project focus has shifted to undertaking fewer, but more significant, projects. This change has been driven, in part, by a decline in project staffing.



OUTPUT 3 - INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

OUTPUT DESCRIPTION:

To assist the development of infrastructure and services and long term economic development strategies for the Mid West Region.

Performance Measures	Actual 1999/2000	Target 2000/2001	Actual 2000/2001
Total cost of Output	\$540,120	\$436,000	\$7,059,536
Projects undertaken relating to Infrastructure and Services development in the Mid West	18	20	16
Average cost per project	\$30,007	\$21,800	\$441,221

COMMENT

Project focus has shifted to undertaking fewer, but more significant, projects. This change has been driven, in part, by a decline in project staffing.

The unit cost for 2000/01 reflects the expensing of the Batavia Coast Marina Redevelopment project expenditure totalling \$6,604,208, including the opening capitalised balance of \$6,070,507 (Refer Financial Statements – Note 5 for details). In addition, the revaluation of land held for re-sale, which is no longer treated as an abnormal expense, is now included in the unit cost calculation. Revaluation of land in 1999/2000 and 2000/01 resulted in an expense of \$110,000 and \$30,000 respectively.

The exclusion of the Batavia Coast Marina Redevelopment project expenditure and land revaluations would result in the following unit costs:

Performance Measures	Actual 1999/2000	Target 2000/2001	Actual 2000/2001
Total cost of Output	\$430,120	\$436,000	\$425,328
Average cost per project excluding Marina Redevelopment and land revaluation expenses	\$23,896	\$21,800	\$26,583

Comment

Project focus has shifted to undertaking fewer, but more significant, projects. This change has been driven, in part, by a decline in project staffing.



OTHER INDICATORS (UNAUDITED)

The targets for these indicators are also published in the W.A. Government 2000/2001 Budget Statements presented to the Legislative Assembly on 11th May 2000. However these indicators are not required to be audited and as a consequence, have not been.

OUTPUT 1 - INFORMATION AND ADVICE

	Actual 1999/2000	Target 2000/2001	Actual 2000/2001
Quality			
Level of overall service - by survey (rated at least good)	93%	75%	86%
Timeliness			
Efficiency in handling initial contact - by survey (rated at least good)	93%	80%	87%

OUTPUT 2 - INVESTMENT FACILITATION

Quality			
Positive contribution to economic development By survey - % agreeing	89%	70%	85%
Timeliness			
Related strategic objectives completed on time	n/a *	60%	64%

* reliable statistics were not available for 1999/2000

OUTPUT 3 - INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

Quality			
Positive contribution to economic development By survey - % agreeing	89%	70%	85%
Timeliness			
Related strategic objectives completed on time	n/a *	60%	67%

* reliable statistics were not available for 1999/2000



MID WEST DEVELOPMENT COMMISSION

CERTIFICATION OF PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2001

We hereby certify that the performance indicators are based in proper records and fairly represent the performance of The Mid West Development Commission for the financial year ended 30 June 2001.

G J O'GRADY
CHAIRMAN



DATE 30 August 2001

G BAESJOU
CHIEF EXECUTIVE
OFFICER



DATE 29 August 2001

N CONDON
PRINCIPAL
ACCOUNTING OFFICER



DATE 29/8/01





AUDITOR GENERAL

To the Parliament of Western Australia

**MID WEST DEVELOPMENT COMMISSION
PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2001**

Scope

I have audited the key effectiveness and efficiency performance indicators of the Mid West Development Commission for the year ended June 30, 2001 under the provisions of the Financial Administration and Audit Act 1985.

The Commission is responsible for developing and maintaining proper records and systems for preparing and presenting performance indicators. I have conducted an audit of the key performance indicators in order to express an opinion on them to the Parliament as required by the Act. No opinion is expressed on the output measures of quantity, quality, timeliness and cost.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, evidence supporting the amounts and other disclosures in the performance indicators, and assessing the relevance and appropriateness of the performance indicators in assisting users to assess the Commission's performance. These procedures have been undertaken to form an opinion as to whether, in all material respects, the performance indicators are relevant and appropriate having regard to their purpose and fairly represent the indicated performance.

The audit opinion expressed below has been formed on the above basis.

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Mid West Development Commission are relevant and appropriate for assisting users to assess the Commission's performance and fairly represent the indicated performance for the year ended June 30, 2001.

K O O'NEIL
ACTING AUDITOR GENERAL
November 28, 2001



APPENDICES

OPERATION OF THE FREEDOM OF INFORMATION ACT

During 2000/2001 the Commission did not receive any requests under the Freedom of Information Act. The Commission's Information Statement was published in 1995/96 and has not been changed. Ms Ann Bradley is Freedom of Information co-ordinator for the Commission. Her contact details are:

Ground floor
SGIO Building
45 Cathedral Avenue
GERALDTON WA 6530
Telephone: 9921 0701
Facsimilie: 9921 0780

DISABILITIES SERVICES PLAN

The Commission submitted a Disability Services Plan to the Disability Services Commission in December 1995. The Commission will continue to monitor the plan on an ongoing basis.

The Commission actively participated on the SGIO Tenants Committee to ensure access to the building by people with disabilities was enhanced.

ELECTORAL ACT 1907

Section 175Zc of the Electoral Act 1907 requires the Commission to include a statement in its annual report detailing expenditure incurred by or on behalf of the Agency during the current reporting period over the classes of expenditure set out below.

Class of expenditure	Organisation	Total expenditure 2000/01 (Inc GST)
Advertising agencies	Market Creations	\$15,294
Market research agencies	Nil	Nil
Polling organisations	Nil	Nil
Direct mailing agencies	Nil	Nil
Media - advertising	Geraldton Newspapers	\$4,298
	Mid West Times	\$839
	Phoenix Communications	\$14,520
	Yamaji News	\$145
	Business News	\$135



STATEMENTS OF COMPLIANCE WITH RELEVANT WRITTEN LAW

ENABLING LEGISLATION

The Mid West Development Commission is established under the Regional Development Commissions Act 1993.

LEGISLATION ADMINISTERED

Regional Development Commissions Act 1993.

LEGISLATION IMPACTING ON COMMISSION ACTIVITIES

In the performance of its functions, the Commission complies with the following relevant written laws:

Financial Administration and Audit Act 1985
Public Sector Management Act 1994
Salaries and Allowances Act 1975
Public and Bank Holidays Act 1972
Equal Opportunity Act 1984
Government Employees Superannuation Act 1987
Occupational Health, Safety and Welfare Act 1984
Workers Compensation and Assistance Act 1981
Industrial Relations Act 1979
State Supply Commission Act 1991
Government Employees Housing Act 1964
Geraldton Foreshore and Marina Development Act 1991
Freedom of Information Act 1992
Official Corruption Commission Act 1998
Disability Services Commission Act 1993
Workplace Agreement Act 1993
Statutory Corporations Act 1996

GOVERNMENT TWO YEAR PLAN FOR WOMEN

The Commission will continue to encourage women to participate in the Commission's activities - as Board members, staff and on various committees and forums conducted by the Commission.

ACTION: A STATE GOVERNMENT PLAN FOR YOUNG PEOPLE - 2000-2003

The Youth Sub Committee of the Mid West Development Commission Board, continued its role of providing young people with the opportunity to have input into the economic and social development of the region through the operation of the Mid West Development Commission.

CODE OF CONDUCT

In 1999/2000 the Board of the Mid West Development Commission reviewed and adopted a Code of Conduct based on the Western Australian Public Sector Code of Ethics. This Code remained in place during 2000/2001.



SERVICES

WORKING IN THE REGION, FOR THE REGION

The Mid West Development Commission works to maximise economic activity in the Mid West region.

The people we help:

- businesses in the region looking to expand or develop
- people with new ideas for business or industry
- existing and potential exporters
- potential investors
- major project proponents
- local government authorities in the Mid West
- community organisations
- government agencies
- business organisations

Expanding or developing business

The Commission can help you by:

- Putting you in touch with the RIGHT people
- Providing information on government programs for business improvement and expansion
- Helping to resolve issues for Mid West business and industry at a government level
- Representing the interests of Mid West business to government
- Promoting the region's business capability
- Providing export development services
- Showing you how to access government assistance programs and resources
- Providing updates on what's happening in the region
- Identifying and promoting investment opportunities in the region

Existing and potential exporters

The Commission's trade officers, accredited with Austrade, provide the following services:

- Information on potential markets
- Introduction to exporting for new exporters, including seminars
- Information on Government funding and resource programs
- Trade directories
- Direct hotline to Austrade
- General marketing information

Potential investors

The services we offer:

- Introduction to sound investment opportunities in the region
- Promoting the business capability of the region



Major project proponents

The services we offer:

- Putting you in touch with the RIGHT people
- Helping to resolve issues for Mid West business and industry at a government level
- Representing the interests of Mid West business to government
- Promoting the business capability of the region
- Providing local knowledge and input on issues such as land, infrastructure, services, energy, new developments
- Making the government aware of issues affecting business in the region
- Identifying and promoting investment opportunities in the region

Local government authorities in the Mid West

The services we offer:

- Information on government funding and resource programs
- Assisting development of regional strategies to develop and improve infrastructure and services in the Mid West
- Putting local government in touch with the right people/agencies
- Encouraging local initiatives
- Putting forward the strategic issues affecting local government to the State Government
- Promoting the region's interests
- Taking up opportunities to promote the region
- Fostering a community's capacity to undertake economic development

Community organisations

The services we offer:

- Information on government funding and resource programs
- Putting community organisations in touch with the right people and government agencies
- Encouraging local initiatives

Information resources

Information on the following areas are available from the Commission

- regional publications
- export development
- grants and funding opportunities
- directories – Business Capability and Services Directory, Mining Register
- updates on what's happening in the region
- investment opportunities in the region



**SGIO Building
45 Cathedral Avenue
PO Box 238
Geraldton WA 6531
PH: 08 99210702
FX: 08 99210707
Email: info@mwdc.wa.gov.au
Web: www.mwdc.wa.gov.au**



Mid West Development Commission
Government of Western Australia

